

# D-10 STRATEGY FORUM MEETING REPORT

July 14-15, 2014

Ottawa, Canada



**Note**

The D-10 Strategy Forum Meeting was held under Chatham House Rule. The organizers would like to thank Foreign Affairs and International Trade Canada for graciously hosting the D-10 Strategy Forum at the Lester B. Pearson Building.

**Co-Chairs**

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# D-10 Strategy Forum Meeting Report

## July 14-15, 2014

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### Summary

On July 14-15, 2014, government officials and think tank experts from a core group of like-minded and highly capable states met in Ottawa for the launch of the D-10 Strategy Forum. Hosted by the Canadian Department of Foreign Affairs, Trade and Development and co-sponsored by the Transatlantic Academy of the German Marshall Fund of the United States and the Centre for International Governance Innovation, this unique track 1.5 meeting provided a venue for dialogue among key allies — transatlantic and trans-Pacific — on strategic challenges facing the international system and collective responses for addressing them.

### Construct and Purpose

The meeting in Ottawa took place amidst rising uncertainty about the future of the post-World War II international order. States such as Russia and China have taken increasingly assertive actions to challenge the status quo and test the limits of this order, while the Islamic State of Iraq and al-Sham (ISIS) and other violent extremists present growing threats to stability in the Middle East. More broadly, the growing diffusion of global power, the lingering impacts of the global financial crisis, and the long wars in Iraq and Afghanistan have raised questions about the willingness and ability of leading states to sustain their roles in managing global challenges.

The aim of the D-10 Strategy Forum is to promote collective engagement among states that have been at the forefront of efforts to expand liberal order. Participants in this “Democracies 10” — Australia, Canada, France, Germany, Italy, Japan, South Korea, the United Kingdom and the United States, plus the European Union — have demonstrated a commitment to a shared set of values and interests, and possess the requisite diplomatic, economic and military resources to act on a global scale. The states represented by the D-10 together account for more than 60 percent of global GDP and more than three-fourths of the world’s military expenditures.

With the complex set of challenges facing the international system, a more coordinated strategic approach among like-minded and highly capable states could prove useful in efforts to sustain and advance international order. The D-10 Strategy Forum seeks to provide a framework for collective assessments on these challenges and an opportunity to consider new ideas and approaches for advancing global norms. Such norms include promoting democratic governance, preventing foreign interference and coercion, deterring mass atrocities and countering terrorism while protecting civil liberties.

## Meeting and Outcomes

The meeting consisted of a full day of informal discussions, and was preceded by an opening dinner setting the context for strategic challenges facing the international system. Over 30 participants, including policy-planning directors, diplomatic officials and think tank experts from the D-10, convened at the Canadian foreign ministry. The meeting was co-chaired by former Canadian ambassador to the United States Derek Burney and former State Department Policy Planning director David Gordon.

Conducted under the Chatham House Rule, the agenda for discussion focused around three contemporary geopolitical flash points: Russia's annexation of Crimea and its support for separatists in Ukraine; China's maritime claims in the East and South China Seas; and the deepening violence and political upheaval in the Middle East. Participants engaged in a stimulating exchange regarding the underlying factors behind these issues and prospects for resolving them.

Based on the discussion, participants suggested that D-10 Strategy Forum could play a useful role in terms of:

- **Bridging key transatlantic and trans-Pacific powers.** While transatlantic dialogue is deeply rooted, bringing like-minded Asia-Pacific partners together with European and North American counterparts to discuss global challenges could prove useful, particularly as Asia takes on increasing geostrategic importance.
- **Focusing on global norms.** The forum provides a valuable framework for policy makers to focus on strategies for advancing international norms and promoting a rules-based order, at a time when liberalism and democracy are being challenged by increasingly salient alternative political models.
- **Stimulating new approaches and strategies.** The forum builds on a set of official policy planning meetings previously held in Toronto, Washington and Seoul. Convening in a track 1.5 context provides an opportunity for officials and experts to engage together in a setting aimed at encouraging frank assessments and more forward-leaning strategies and approaches.
- **Promoting cohesion among allies.** By emphasizing the importance of like-minded states working collectively to address shared threats and challenges, the forum could play a role in promoting cohesion among allies in light of recent tensions (for example, between Japan and South Korea, or Germany and the United States).
- **Providing a core group for broader engagement.** In addition to strengthening collaboration among the like-minded, the forum could serve as a core group for engagement with other relevant powers on issues of common concern.

## Looking Ahead

The D-10 Strategy Forum will convene again in early 2015, with subsequent meetings taking place at regular intervals — perhaps semi-annually — rotating among D-10 capitals and involving a relatively stable group of government officials and think tank experts. While the meeting in Ottawa provided a

useful starting point, maximizing the potential of this construct will require moving beyond broad discussion. Future meetings will provide opportunities to delve more deeply into policy-relevant challenges and norms, and engage on more concrete strategies and proposals.

Future efforts will entail the following components:

- **Preparing joint strategy papers.** To encourage a sharper focus on the challenges to international order raised in Ottawa, joint strategy papers will be prepared in collaboration with other D-10 think tank partners. The goal of these papers will be to set forth proactive strategies and recommendations for addressing global challenges and advancing specific norms. These papers will be disseminated to participants in advance of future meetings to set the stage for more productive dialogue.
- **Engaging emerging powers.** As emerging powers gain influence, their cooperation will become increasingly important to advancing international norms. In addition to meetings of the D-10 Strategy Forum, opportunities will be sought to organize separate workshops with officials and experts from India, Brazil, South Africa, Indonesia and/or other rising democracies to discuss areas of convergence on strengthening international order.

## The Strategic Context

Since the end of World War II, the United States, Europe and other like-minded partners have sought to construct an international order based upon liberal norms and practices. The central features of this order include a commitment to democracy, human rights, free markets, open trade and the rule of law. Underpinned by a dynamic network of alliances and institutions that have guaranteed security and advanced international rules and norms, this system has proven remarkably durable and highly successful in fostering stability and facilitating unprecedented levels of economic prosperity.

The collapse of communism and the fall of the Soviet Union raised hopes that this order — until then largely confined to the West — would gradually bring the rest of the world into its expanding orbit. The liberal order has adapted over the years to account for changing realities of the global environment. As new challenges have emerged, however, the prospects for advancing liberal norms and values are becoming increasingly uncertain.

Rising uncertainty about the future of the post-World War II order stems from three significant factors. The first has to do with the increasingly bold efforts by certain powers — notably Russia and China — to challenge key elements of this order. Each state — Russia in its “near abroad” and China in the East and South China Seas — has taken steps to forge regional spheres of influence and push back against existing global rules and institutions. At same time, the activities of Iran and the expansion of ISIS present serious obstacles to forge any type of regional order in the Middle East. While their ultimate objectives remain unclear, the behaviour of these states and organizations has generated new concerns about the future of the international system.

The second factor relates to the increasing diffusion of global power. With China set to surpass the United States as the world’s largest economy sometime in the next two decades, a key question is how Beijing will seek to use its expanding economic influence to reshape the international order. At the same

time, while India, Brazil, South Africa and other emerging powers have embraced liberal values at home, they often appear ambivalent about supporting Western efforts to expand liberal norms elsewhere.

Finally, the economic impacts of the global financial crisis, coupled with a sense of public unease over the wars in Iraq and Afghanistan, have raised questions about the role of leading powers in the international system. The future of the postwar liberal order depends on the willingness and ability of leading states to continue to provide global public goods. Yet, domestic support for international engagement, from foreign assistance programs to military engagement, is becoming increasingly tepid.

## Ukraine and Beyond: The Challenge of Russia

Russia's annexation of Crimea and support for separatists violate fundamental aspects of global order. Beyond Ukraine, Moscow has attempted to pressure governments in Georgia, Moldova and Armenia to join its planned Eurasian Union and reject EU association agreements. Russian President Vladimir Putin's decision to intervene in the political affairs of Russia's neighbours poses a serious challenge for liberal norms. While Moscow appears vulnerable in the long run to international economic sanctions, its continued use of energy resources as a tool of political and economic coercion raises troubling concerns.

Participants in Ottawa offered varying assessments regarding the challenge that Putin's foreign policy poses to regional and global stability. One view is that Putin is engaged in a calculated strategy to expand Russian suzerainty over as much of the former Soviet Union as he can, using broad instruments of Russian policy — economic, cultural and military — to persuade and coerce governments in neighbouring states. According to this view, Putin understands the systemic weaknesses of the West, including its war-weariness and desire to avoid foreign entanglements, and is using Russia's strengths to his advantage as he proceeds on a potentially successful pathway to achieve his long-term objectives.

A second view is that Putin's current activities involving Ukraine and its neighbours are fundamentally a product of failure. Faced with an embarrassing defeat after Viktor Yanukovich fled Ukraine, Putin seized Crimea to project an image of toughness and shore up domestic political support — but his actions are leading to Russian economic isolation and are counterproductive in the long run. The Kremlin's policy in Ukraine is not strategic, but rather tactical and opportunistic, as Putin desperately searches for ways to maintain influence and avoid potential challenges to his power base at home.

Some meeting participants suggested that like-minded states should take a more visible and proactive approach to contain Russian influence, including, for example, imposing harsher economic sanctions, providing military assistance to the Ukrainian government and deploying North Atlantic Treaty Organization forces to Eastern Europe in a show of resolve. Others suggested like-minded states should be careful not to further provoke Moscow and escalate the conflict, focusing instead on quiet assistance to Ukraine and the gradual imposition of additional sanctions. Participants generally agreed that a balance was needed between punishing Russia for its flagrant violations of international law and providing increased support for the Ukrainian government.

## China and East Asian Security Norms

In Asia, China has been making increasingly strident and assertive claims of sovereignty over islands, reefs and shoals in the East and South China Seas, fostering concerns across Asian capitals. Beijing's actions — which involve diplomatic threats, economic sanctions and protest movements — appear aimed at coercing neighbouring states, including Japan, the Philippines and Vietnam, to cede control of disputed territories. While China remains deeply dependent on the stability of the international order to fuel its economic rise, its actions in the South and East China Seas have created uncertainties about Beijing's commitment to well established maritime law and other important norms.

In assessing China's maritime claims, participants discussed the potential that Beijing's actions in the East and South China Seas could ultimately lead to an escalation of conflict. To demonstrate its rising military and political power in the region, Chinese strategy appears in part create divisions between the United States and its trans-Pacific allies. Chinese President Xi Jinping, for example, used his recent visit to Seoul to expand commercial ties with South Korea and highlight the concerns shared by both nations regarding Japan's perceived attempts to downplay Tokyo's World War II atrocities.

D-10 participants, it was noted, have a strong interest in de-escalating regional tensions, while standing firm against China's threatening and coercive behaviour. To ensure a stable, predictable security environment in East Asia, it will be important for the United States to maintain a robust military posture that emphasizes deterrence and dissuasion. In addition, given the unlikely prospects that a proposed maritime code of conduct through the Association of Southeast Asian Nations will move forward, an alternative approach is to encourage like-minded states to develop and adopt a code of conduct for settling disputed maritime claims, with the intent of ultimately persuading China to come on board.

## The Challenges of the Middle East

In the Middle East, the escalating violence in Iraq and ongoing conflict in Syria have provided fertile ground for violent extremists and unleashed an ongoing humanitarian crisis. Iran's direct military intervention in these conflicts and its growing political influence across the region pose significant challenges. At the same time, while the political implications of the Arab Awakening in Egypt and North Africa continue to unfold, they have raised new questions about the participation of Islamist parties, the role of the militaries and the prospects for democratic governance.

Discussions in Ottawa centred around assessments of the complex challenges to liberal order stemming from the Middle East. Egypt, the traditional centre of Arab world, is in the throes of a full-fledged counter-revolution and has been politically marginalized. The optimism initially engendered by the Arab Spring, with hopes of holding governments to account, bolstering the freedom of the press, and loosening restrictions on freedom of assembly and political opposition, has now faded. The role of religion in politics — a central issue in forging more liberal societies — remains far from being settled.

At the same time, the Baathists in Syria, led by Bashar al-Assad, appears seem to be gaining momentum, while ISIS has expanded its control of territory beyond Syria into Iraq. Iran maintains a foothold in Syria, Iraq and Lebanon, while nuclear negotiations appear to have reached an impasse. On top of all this, the



recurrence of conflict between Israel and Hamas poses another difficult crisis among a range of challenges that the West is seeking to manage.

Short-term priorities should include a clear focus on crisis management and counterterrorism efforts, while in the long term, like-minded states will need to engage in strategies that expand support for the rule of law, employment opportunities for the growing youth bulge and improving the welfare of women and girls. Some participants suggested that, given that the rise of ISIS poses a threat to governments across the region and beyond, it could serve as focal point for improved relations between the West and Russia, and perhaps even Iran.

## **Strengthening Like-minded Cooperation**

Given their common strategic interests and commitment to shared values, like-minded states have a strong interest in deepening cooperation to address global challenges. As reflected in their national security strategies, the advancement of international norms is an important priority of each of D-10 participant. These states would benefit from forging a consensus on strategic priorities and finding ways to better align resources, allocate responsibilities and address gaps in capabilities in order to advance global norms.

In addition to the geopolitical challenges on the agenda, participants outlined several other important priorities that likeminded states should work to advance. Among these are reinforcing and reaffirming the attractiveness of an open, universal free trade system. Successful negotiation of the proposed Trans-Pacific Partnership and Transatlantic Trade and Investment Partnership trade agreements will go a long way towards achieving this objective. Another key goal should be to bolster democratic governance around the world, by working cooperatively with partners to support civil society and pro-democracy activists in meaningful ways. Other priorities include working with like-minded states to forge rules and norms for governing the new global commons, including the Internet and cyberspace, and strengthening efforts to deal with failed and failing states.

The day's discussions also addressed the importance of leadership to sustaining global order, and the desire among allies to see the United States take a leading role in coordinating a strategic response to current challenges. At the same time, the United States needs the proactive engagement of its European and Asian partners to effectively address these challenges. While China, Russia and other states lack any cohesive vision for an alternative order, the ability to sustain the current order will depend on the extent to which the West and like-minded states can offer a positive and compelling vision for advancing economic prosperity and security, backed by a coherent and realistic strategy for implementing that vision.

## **Conclusion**

The D-10 Strategy Forum is intended to serve as an informal coordinating mechanism among leading democratic nations, which recognize that it is in their collective interest to work together in a world in which there are increasingly salient alternative political models to the post-World War II liberal order. The D-10 ensures that key trans-Pacific partners are engaged with the transatlantic community on issues central to managing global order, while ensuring that Europe is at the forefront of discussions related to

challenges in Asia. The initial meeting of the D-10 Strategy Forum has provided a robust foundation for future discussions on the challenges facing the liberal international order. Future meetings should aim to identify concrete proposals and strategies for advancing global norms, with joint strategy papers providing a springboard for more focused discussion.

### **Additional Background on D-10**

Burney, Derek and Fen Hampson. 2014. *Brave New Canada*. Montreal and Kingston: McGill-Queens University Press. 16–27, 125–28.

Gordon, David and Ash Jain. 2013. “Forget the G8. It’s Time for the D10.” *The Wall Street Journal*, June 16.

Jain, Ash. 2013. “Like-Minded and Capable Democracies: A New Framework for Advancing a Liberal World Order.” Council on Foreign Relations, January.

# D-10 Strategy Forum Agenda

## July 14-15, 2014

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All sessions will take place at the L. B. Pearson Building, 125 Sussex Drive, Department of Foreign Affairs, Trade and Development, Ottawa, Ontario.

### Monday, July 14, 2014

**17:30–18:15**    **Welcome Reception**

**18:15–20:30**    **Forum Dinner: The Future of the International Order**

How resilient are the prevailing norms and values of the post-World War II international order? To what extent are Russia, China or other powers seeking to challenge the foundations of this order? Is it possible to institutionalize liberal norms and broaden their legitimacy in an increasingly globalized world?

### Tuesday, July 15, 2014

**8:00–8:25**        **Coffee**

**8:30–9:00**        **Call to Order and Introductions**

**9:00–10:30**      **Session I — Advancing a Common Strategy to Strengthen Global Order**

Is there a shared view among like-minded states on the most significant threats to liberal order? What are the roles and expectations of D-10 participants in managing global order? How can we leverage our collective influence to produce a common approach for advancing liberal norms?

**10:30–11:00**    **Break**

**11:00–12:30**    **Session II — Ukraine and Beyond: The Challenge of Russia**

Russia's annexation of Crimea and support for separatists violate fundamental aspects of global order. What are the strategic implications for liberal norms? How are Russia's actions likely to impact other important challenges in Europe and beyond (for example, non-proliferation)? How can like-minded states strengthen cooperation in dealing with Russia over the medium term?

**12:30–13:00**    **Break**

**13:00–14:30**    **Session III — Working Lunch: East Asia and Security Norms**

The durability of the liberal order depends, in part, on China's willingness to cooperate within in. What factors help explain China's approach to maritime disputes in the South

and East China Seas? What strategies can likeminded states pursue for managing tensions and reinforcing international norms?

**14:30–15:00 Break**

**15:00–16:30 Session IV — The Middle East: Is There a Common Vision?**

As a focal point for competing regional forces, Syria and Iraq face escalating levels of violence and conflict. At the same time, Egypt and other states struggle with political transitions in the aftermath of the Arab Awakening. What are the principle threats to global order emanating from the Middle East? Is there a shared vision for the region consistent with liberal norms and values?

**16:30–17:00 Future Plans and Closing Comments**

# D-10 Strategy Forum Participant List

## July 14-15, 2014

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