

**A POLICY MISMATCH:
CANADA AND THE UNITED STATES
IN THE ASIA-PACIFIC REGION**

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EXECUTIVE SUMMARY

The United States and Canada have simultaneously reinvigorated their diplomatic and military postures toward the Asia-Pacific region. As two of the world's closest allies, it is worth exploring the possible synergies and tensions between their efforts to identify areas of possible policy coordination. Canada has considerable assets that could support US diplomacy in the region, including the legacy of its good offices and its close ties with the US military; however, these assets are outweighed by three liabilities. First, Canada's diplomacy to the Asia-Pacific is driven by its desire to diversify away from the US market. Although relatively innocuous in isolation, the politics of this shift, driven by growing concern in Canada about whether the United States remains a reliable market for energy exports, adds a layer of complexity. Second, Canada's closer economic ties with China could undermine its willingness to support the United States on tough regional security issues in the Asia-Pacific. Third, and related, Canadian silence about navigational freedoms, the primary security issue between the United States and China in East Asia, has not gone unnoticed. This paper argues that, on balance, Canada may not be an ideal Pacific partner for the United States.

INTRODUCTION

The Asia-Pacific region has recently come to dominate the American foreign policy agenda. As US forces drawdown in the Middle East, the Obama administration has adamantly restated Washington's commitment to peace and stability in East Asia. Talk of a "pivot" or a "rebalancing," albeit poorly defined for some pundits, is designed to reassure allies and potential enemies that the United States takes a serious interest in the stability of the Asia-Pacific region. What this pivot will look like in the medium term remains the subject of considerable debate, particularly when it comes to matching budgetary constraints with regional re-calibration. One of the enduring themes of the pivot rhetoric has been the pursuit of new partners and arrangements to bolster the credibility of the United States' commitment to the region. Indeed, Obama campaigned as a "Pacific president" and noted the importance of forging new partnerships in his earliest foreign policy writings as presumptive Democratic nominee (Obama, 2007). This entailed the US signing of the Association of Southeast Asian Nations (ASEAN)'s Treaty of Amity and Cooperation in Southeast Asia (TAC) and reinvigorating its diplomatic efforts in the region. In addition to reinforcing ties with traditional "spokes" — Japan, South Korea, the Philippines, Thailand and Australia — the United States has reached out to former adversaries, for example, Vietnam, and former targets of US sanctions, such as Indonesia and Myanmar, as part of the diplomatic component of its pivot. Curiously, the US diplomatic effort and its concomitant foreign policy debate have not yet

considered whether Canada, the United States' closest ally, former leading trading partner and linchpin in continental defence is a potential partner in the Asia-Pacific.

This is striking, given that the government of Prime Minister Stephen Harper has been abundantly clear about its commitment to improving economic ties with countries in the Asia-Pacific region. After a shaky start that saw the alienation of China as part of a "principled" foreign policy, the Harper government has invested considerable resources to increase trade and investment with Asian economies, an effort that has recently been matched by improvements to Canada's security profile in East Asia. On the surface, Canada seems a welcome partner for the United States as it rebalances toward Asia; however, there are a number of tensions between the conditions of Canada's "pivot" and US foreign policy priorities in the region that may prevent a perfect North American marriage in the Pacific. Policy makers in Washington and Ottawa should be aware of these tensions, lest they assume that Canada can be relied on simply because of its place as a supporter of US liberal international order.¹

WASHINGTON AND OTTAWA: PARALLEL "PIVOTS"

Despite his campaign promises, US President Barack Obama's visit to Asia in November 2011 was the first unequivocal statement that the United States intends to remain the hegemonic power in East Asia, notwithstanding budgetary pressures on its defence spending. Sparked by a number of small crises in regional hot spots that many analysts linked to an assertive shift in Chinese international behaviour,² the visit followed 18 months of accelerated American diplomatic activity in the region, during which US senior officials articulated their interests in the region's maritime commons — navigational freedom and a peaceful resolution of disputes — and reassured Asian allies of America's continued commitment to maintaining its military presence in the region. Faced with multiple Chinese confrontations of American vessels in 2009, hostilities on the Korean peninsula in 2010 and the deterioration of the region's maritime sovereignty disputes, the Obama administration sought to reassert the credibility of its commitment to regional stability with a "pivot" from the Middle East to the Asia-Pacific (Clinton, 2011). Despite enduring skepticism about America's capacity to maintain its regional military posture in light of its economic problems, US senior officials have repeatedly stated that the United States remains committed to its allies in the region and that cuts to defence spending will

not come at the expense of forward-deployed forces in East Asia.³ In his address to the Australian Parliament in November 2011, President Obama stated unequivocally that "reductions in U.S. defense spending will not — I repeat, will not — come at the expense of the Asia Pacific" (Obama, 2011). US Secretary of Defense Leon Panetta announced at the 2012 International Institute for Strategic Studies (IISS) Shangri-La Dialogue that 60 percent of the US Navy would be stationed in the Pacific (Panetta, 2012). Notwithstanding efforts to rebrand the effort from a "pivot" to a "rebalancing" of American military and diplomatic resources both to, and within, the region, there is little doubt that Washington's sights are set squarely on the Asia-Pacific.

Simultaneously, north of the border, Canada was undergoing a rebalancing of its own. After nearly a decade of Canadian neglect of the Asia-Pacific region, a change in Canada's government in 2006, from Liberal to Conservative, triggered a renewal of attention on the region, specifically to China. As so many newly elected leaders had done in the past (Mann, 2000), the Harper government first took a hard line on China, downplaying the importance of economic ties and highlighting Canadian concerns about its human rights abuses. As part of his stand against such abuses, Harper conferred honorary citizenship on the Dalai Lama in 2007, and in 2008, did not attend the opening ceremony of the Beijing Olympic Games. Yet, perhaps as a function of quiet lobbying by Canadian business, by 2009 Ottawa had changed gears. The frequency of ministerial-level exchanges increased, culminating in Harper's first state visit to China in late 2009. Although Harper was chided by Premier Wen Jiabao for taking too long to visit China, relations between the two quickly progressed from there: China conferred "favoured destination" status on Canada and made plans for Chinese President Hu Jintao's reciprocal visit to Canada in 2010.

Since that time, the Harper government has repeatedly stressed China's economic importance to Canada while downplaying issues of discord. In July 2011, for example, a Canadian court finally ruled that fugitive embezzler Lai Changxing, once referred to by former Chinese Premier Zhu Rongji as one who should be executed at least three times, was to be deported back to China. The Canadian government began to emphasize Canada's role as a resource exporter to East Asian markets and signed a long-awaited foreign investment promotion and protection agreement in 2012. This agreement comes as Chinese foreign direct investment into Canada's natural resources sector is

1 See, for instance, Bruce Gilley, "Middle Powers during Great Power Transitions: China's Rise and the Future of Canada-US Relations," *International Journal* 66, no. 2 (2011): 245–264.

2 See, for example, William H. Overholt, "Reassessing China: Awaiting Xi Jinping," *The Washington Quarterly* 35, no. 2 (2012): 128–132.

3 See Barack Obama, "Remarks by the President on the Defense Strategic Review," The White House, January 5, 2012, available at: www.whitehouse.gov/the-press-office/2012/01/05/remarks-president-defense-strategic-review and Elisabeth Bumiller, "U.S. to Sustain Military Power in the Pacific, Panetta Says," *The New York Times*, October 23, 2011, available at: www.nytimes.com/2011/10/24/world/asia/panetta-tells-pacific-countries-that-us-will-keep-strong-presence.html.

increasing dramatically, particularly in the Alberta oil sands, which need considerable infrastructure development and capital investment in order to reach markets in Asia. As natural gas prices in North America hover near record lows, the prospect of exporting liquefied natural gas (LNG) to Asian markets from Kitimat, British Columbia is “a desperately needed lifeline” — a CDN\$5-billion project that looms large in the Canadian political landscape (Ebner and Vanderklippe, 2011).

Canada’s pivot is not limited to China. In July 2010, Canada acceded to the ASEAN TAC, a first step to re-engaging with Southeast Asian states. One year later, Canadian Minister of Foreign Affairs John Baird stressed his recognition of the economic investment opportunities presented by China’s emergence, emphasizing that the Canadian government “gets it” before departing for a visit to China and to attend the ASEAN ministerial conference in Bali. This effort was met with some skepticism by Asian diplomats who suspected that Canada’s interest was fleeting and that it was trading on its legacy of diplomatic activism in Southeast Asia during the 1990s (Clark, 2011). However, at the ninth ASEAN-Canada dialogue in June 2012, Baird pledged CDN\$10 million to fund various ASEAN initiatives, thereby committing resources to follow the rhetoric.⁴

On the economic front, Canada has reinvigorated stalled trade talks with South Korea, held preliminary trade discussions with Thailand, Japan and India, and manoeuvred its way into Trans-Pacific Partnership participation. On a recent trip to Southeast Asia, Prime Minister Harper pledged support to combat people smuggling in Thailand, and Foreign Minister Baird has become a regular at ASEAN Regional Forum (ARF) meetings. The latest element of Canada’s pivot is in the realm of defence. Canadian Minister of National Defence Peter McKay attended the 2012 IISS Shangri-La Dialogue — only the second time a Canadian official has done so — to support a Canadian bid for an invitation to the ASEAN Defence Ministers’ Meeting Plus (ADMM+). Canada is also developing a greater regional security presence by signing an acquisitions and cross-services agreement with Japan and negotiating naval access rights with Singapore, both of which will strengthen Canada’s role in humanitarian and disaster relief missions in the region. Finally, 2012 saw the largest-ever Canadian commitment to the biennial Rim of the Pacific Exercise (RIMPAC), the world’s largest international maritime exercise, with Canadian officers in senior command positions for the first time.⁵

4 The significance of this gesture is stressed by Brian Job, “Realizing the ‘Other Half of Diplomacy’ in Southeast Asia: Will Canada’s Efforts Last?” *Canada-Asia Agenda* no. 28 (August 2012): 6.

5 See www.cpf.navy.mil/rimpac/2012/about/.

Given these simultaneous pivots, it seems at first blush that Canada is a suitable partner for the United States in East Asia; the conclusion, in fact, appears obvious: the two are among the closest pairs of states in the world and there is already likely some degree of policy coordination or consultation on East Asian diplomacy. Allies, new and old, lie at the core of America’s rebalancing efforts to reach to new partners, beyond the hub and spokes alliance network. In addition to shoring up relations with Japan, supporting the Philippines and deploying troops on a rotational basis to Australia, the United States is, for example, developing closer defence ties with Vietnam and has loosened sanctions on Kopassus, the Indonesian Special Forces, in place since 1999. According to Michael Auslin, director of Japan studies at the American Enterprise Institute, this outreach effort includes developing a more liberal set of access arrangements with a broader array of countries, modelled on arrangements with Singapore (Auslin, 2010: 24-25). Others have argued for a more vigorous reinforcement of US relations with existing and new allies, including facilitating allied acquisition of diesel electric submarines, and cooperative research and development among US allies in Asia (Blumenthal et al., 2010: 31-32). According to some of the more hawkish analyses, more capable allies would allow the United States to “escalate horizontally” in the event of a regional crisis that featured China (Friedberg, 2012: 54-55). These deeper ties are partly determined by budgetary pressures in Washington that lean on new partners to share the burden of policing the global commons (Denmark and Mulvenon, 2010). Canada retains a strategic interest in a prosperous and stable East Asia, with open markets and open seas that facilitate the exchange of goods. As a stalwart American ally and an aspiring twenty-first century Pacific country with a strong track record in regional diplomacy, Canada seems like a natural partner.

CANADA’S ASSETS

The case for Canada as an American partner in East Asia rests on two factors: the legacy of its good offices in the management of the South China Sea dispute in the 1990s and its status as a state with a modern, professional and well-equipped military. Canada is a founding member of the ARF and played an important role in the early confidence-building efforts over the dispute, through the Canadian International Development Agency’s support of the Indonesian-hosted South China Sea dialogues in the 1990s (Djalal and Townsend-Gault, 1999). At a time of escalating tension over maritime disputes, these dialogues were an important confidence-building measure and constituted the only meeting where all claimants were present. Canada’s role as an honest broker in the proceedings is evidenced by the fact that the Chinese were on record as preferring Canadian funding to US- or Japanese-funded workshops in the future (Snyder, Glosserman and Cossa, 2001: 2; 13). Simultaneously, through the Canada-China

Seminar on Asia-Pacific Multilateralism and Cooperative Security, young Chinese diplomats were exposed to the concepts of confidence building and transparency, which, according to one scholar, contributes to China's "socialization" into the ARF (Johnston, 2007: 170). In the current climate, where ASEAN is increasingly divided by the South China Sea issue and by China itself, some, including ASEAN Secretary-General Surin Pitsuwan, argue that Canada has a role to play as a bridge builder (Blanchfield, 2012). Despite over a decade of perceived diplomatic neglect, Canadians are quick to point out that they have contributed to the region's security. Canada deployed a Disaster Assistance Response Team to Sri Lanka after the 2004 Asian tsunami and offered similar assistance to Myanmar after Cyclone Nargis in 2008.

Canada is, moreover, an active participant in the region's security sphere. The Canadian Forces has attended every RIMPAC exercise since its inception and Canada is also a member of the North Pacific Coast Guard Forum and an observer at the Western Pacific Naval Symposium; China is also a member of these latter two organizations. Also in this vein, Canada is a primary US ally and the Royal Canadian Navy maintains the highest level of interoperability with US forces of any allied navy.

CANADA'S LIABILITIES

There are, however, a number of incompatibilities between Canadian and American prerogatives in the Asia-Pacific. First, senior government ministers have made no bones about their view that Canada's economic future lies in the Asia-Pacific region. There is a growing suspicion that Canada's current trade strategy — directed at the US market — is not a growth strategy. The Canadian economy has suffered as a function of America's economic troubles, as many Canadian sectors are tied to the slowing US housing or automotive markets. Although talk of protectionism through "Buy America" campaigns was not taken seriously by most Canadian business leaders, such talk does draw attention to Canada's economic dependence on the United States as an export market, traditionally upwards of 70 percent or more.

Problematically, as a percentage of total American trade, Canada's share is on the decline. Once America's largest trading partner, Canada was replaced by China in 2009. This has led to growing calls for diversification away from the US market. Mark Carney, governor of the Bank of Canada, recently called on Canadian business to abandon the familiarity of the US market and embrace the risks and rewards of emerging markets, saying, "We are overexposed to the United States and underexposed to faster-growing emerging markets" (Carney, 2012). Canadian businesses, however, face a number of powerful disincentives to move away from the US market. Canada's economy has been focused southward for over a century. The United

States still accounts for an overwhelming proportion of Canada's trade — approximately two-thirds of Canada's merchandise trade and over three-quarters of Canadian exports (Government of Canada, 2011). By contrast, "less than ten percent of Canadian exports and less than four percent of outward investment go to emerging markets" (Burney et al., 2012: 5). The preferential trade conditions created by the North American Free Trade Agreement introduce opportunity costs to businesses seeking to expand into emerging markets like China, where the business climate is less certain and the application of the rule of law is inconsistent. Furthermore, the bulk of Canada's transportation infrastructure is designed to carry goods south, rather than west. These conditions exacerbate the wariness of the Canadian business community and its penchant for risk aversion, while it laments the lack of support from government relative to its American and European competitors (Sears, 2012).

Canada's pivot thus needs to be understood as part of a broader effort to diversify its trade relationships to markets beyond the United States. The Asia-Pacific Gateway and Corridor Initiative is intended to create a supply chain from Canada to Asia by building road and rail connections linking ports in lower British Columbia with producers in Western Canada; likewise, Enbridge's planned Northern Gateway pipeline, which will span from Northern Alberta to Kitimat, British Columbia, is designed to bring Canadian energy products to Asian markets. Canadian apprehensions about the durability of American energy demands were recently illustrated by the imbroglio over Keystone pipeline approvals. An open letter from Minister of Natural Resources Joe Oliver to the Canadian public captures the Canadian anxiety about reliance on the US market:

Canada is on the edge of an historic choice: to diversify our energy markets away from our traditional trading partner in the United States or to continue with the status quo.

Virtually all our energy exports go to the US. As a country, we must seek new markets for our products and services and the booming Asia-Pacific economies have shown great interest in our oil, gas, metals and minerals. For our government, the choice is clear: we need to diversify our markets in order to create jobs and economic growth for Canadians across this country. (Oliver, 2012)

American public criticism of Canadian energy imports, reflected by the Keystone pipeline saga and environmental activism that is critical of the Alberta oil sands, only exacerbates Canadian industry concerns. Although future American administrations — regardless of their political

orientation — will likely revisit the Keystone idea, the lesson for Canadians has been that the US market is not as reliable as it once was. In this view, America's well-known penchant for reducing its reliance on foreign oil was held hostage to special interest groups that threatened Canadian energy production, and by extension, Canadian exports.

From the Canadian perspective, East Asian markets do not present a similar problem of demand-side politics; rather, the challenge is attracting investment to build the necessary infrastructure.⁶ Chinese, Japanese and South Korean companies have expressed considerable interest in Canadian hydrocarbon resources, both in the Alberta oil sands and in the Arctic. The China National Offshore Oil Corporation's recent takeover offer of Nexen is merely the latest and most significant effort; in the past two years, the company had invested CDN\$16 billion into Canada's resource sector (Wheeler, 2012). This interest also goes beyond ownership stakes, extending to shares in infrastructure development. Kogas, the Korean state-owned natural gas company, has sent executives to Northern communities to explore the feasibility of pipeline construction to the BC coast. Despite a recent setback, Petronas, the Malaysian state-owned oil company, is exploring the feasibility of constructing an LNG terminal in Prince Rupert, BC. Mitsubishi, PetroChina and Kogas are involved in a Canadian-led joint venture to construct an LNG plant in Kitimat, BC (Cattaneo, 2012). Given the energy industry's role in the economy, comprising 6.7 percent of Canada's GDP, stable demand from Asian economies can help guard against the reductions in US demand for oil and gas (Asia Pacific Foundation of Canada, 2012: 12). Furthermore, as US energy demand growth projections are flat, Asian demand for Canadian energy will remain strong. Japan and South Korea are the world's leading consumers of LNG; the consumption in the former will continue to show robust growth as long as its nuclear reactors remain dormant.

Trade diversification to Asia may not directly affect Canada's status as an American Pacific partner, but as Canada's reliance on Asian markets and investment increases, Ottawa may find itself constrained in the conduct of diplomacy in the Asia-Pacific region, particularly with China. Canada's silence on the issue of Chinese threats to the freedom of navigation in East Asia — demonstrated by the 2009 confrontation between Chinese vessels and the United States Naval Ship (USNS) *Impeccable*, for instance — is striking, given the strident nature of Canada's diplomatic criticism of deviant behaviour by North Korea and Myanmar (Manicom, 2012: 6). This silence may reflect Canada's reluctance to risk alienating China so soon after repairing its bilateral relationship and may be an indication of things to come. Improved trade relations

between Canada and China could come at the cost of Canadian freedom of action to support American security priorities in East Asia.

Canada's silence on freedom of navigation issues, a vital US national interest in East Asia and worldwide, indicates a second tension with US priorities. It is possible that Canada's posture towards navigational freedoms is a function of its perspective on navigation in its own Arctic waters. Canada may be reluctant to raise freedom of navigation concerns in East Asia on the grounds that this may draw attention to Canada's unique perspective on navigation through the Northwest Passage (NWP). Canada claims the passage is internal waters, while the United States and the European Union maintain it is an international strait through which they have the right of transit passage. US allies in East Asia, such as Japan, have raised the concern that Canada may not be sympathetic to American and Japanese concerns about freedom of navigation in East Asia, given its efforts to restrict transit through the NWP. According to this perspective, Canada, like China, seeks to reduce access to its claimed waters to foreign vessels.

This point of view is, however, based on a misreading of international maritime law that merits clarification. The restriction of activities by vessels such as the USNS *Impeccable* in exclusive economic zones (EEZs) and Canada's passage restrictions through the NWP arise from two fundamentally different areas of international maritime law, even if in the American view, the effect — limitations on access — is the same. The NWP dispute arises from differing interpretations of the definition of an international strait, that is, whether the functional or geographic criterion is more persuasive. This is quite distinct from China's misinterpretation of state jurisdiction over the EEZ under which it seeks to limit the navigational freedom of military vessels. Nevertheless, misunderstandings on these issues are common, and the Harper government may be wary of attempts by East Asian states to link the two in an effort to undermine Canada's position on the NWP. Indeed, Canada's posture on the NWP is similar to China's position on the Qiongzhou Strait that separates Hainan Island from the mainland.

These two liabilities lead to a third: Canada's reluctance to involve itself in East Asian security challenges, notwithstanding closer economic ties to China. The exacerbation of the region's maritime boundary disputes and regional perceptions of greater Chinese assertiveness on the region's seas have even led Japan, typically reluctant to comment publicly on South China Sea issues, for instance, to become more overtly involved. Japan has recently supported efforts to place the issue on the agenda of the East Asia Summit (EAS) and has also begun supporting Philippine naval modernization, building on its less controversial legacy of maritime capacity building. Should Canada join leading regional fora such

⁶ This is not withstanding domestic opponents to westward pipelines.

as the EAS and the ADMM+, it may not be as willing to become involved in regional security issues. Rather, it may limit its role to humanitarian assistance and disaster relief efforts, supporting the development of sound civil-military relations in the region and fostering confidence-building measures, as it did in the 1990s. Canada may be more inclined to play a bridge-building role, which would necessarily require the appearance of impartiality in regional disputes; such impartiality would only be achieved by Canada maintaining its distance from both China and the United States.

With these factors in mind, Canada may not be a reliable Pacific partner for the United States, which has been a strong Pacific power since the end of World War II.⁷ Canada's track record in the region is long-standing — it contributed to the Colombo plan, fought in Korea, sat on the International Control Commission during the Vietnam War, is an original ASEAN Dialogue Partner, a founding partner of the ASEAN Regional Forum and a founding member of the Asia-Pacific Economic Cooperation forum — but it cannot shake the impression among other nations that it is a “fair-weather” Pacific country.

Moreover, the Atlanticist impulse in Canada is strong. Conversations with Canadian military personnel stationed at Maritime Forces Atlantic in Halifax suggest that the Pacific is perceived as a far-off place that the Royal Canadian Navy is hard pressed to get to, much less meaningfully engage with, particularly on the heels of NATO operations in Afghanistan and Libya that have severely taxed the military's resources. Conversations with those serving at Maritime Forces Pacific, of course, reveal the opposite; they remain the most outspoken advocates of Canadian engagement in the Asia-Pacific.⁸ Nevertheless, Asia remains off the radar in Canada for the time being. This attitude is articulated by Yuen Pau Woo, who says that “the collective Canadian psyche has yet to incorporate Asia into its mental map” (2008). Whether Canada's pivot will endure remains unclear, and its compatibility with US strategic prerogatives is, at best, uncertain.

CONCLUSION

Despite the simultaneous realignment of foreign policies toward Asia, there may, in fact, be little common ground between the United States and Canada as the “Asia-Pacific Century” unfolds. Canada's growing economic links

with Asia necessarily involve an interest in the stability of East Asian markets, but this may not extend to the kind of support that the United States expects from one of its primary allies. Canada's reluctance to comment on navigational freedoms in East Asia, despite pressure from its friends in the region, is a sign of this dynamic. As Asian investment in Canada's resource sector deepens and as Canada's energy exports to the region grow, Ottawa may become less willing to take sides in East Asia's various flashpoints. This does not prevent Canada from actively supporting non-traditional security challenges in the region, nor does it prevent Canada-US cooperation in fields beyond East Asia; however, Ottawa may not be as willing an ally as Washington expects.

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7 The only time the United States deviated from its diplomatic commitment to the region was in the wake of the September 11 terrorist attacks, when it became quite rightly focused on other priorities. See T. J. Pempel, “How Bush Bungled Asia: Militarism, Economic Indifference and Unilateralism have Weakened the United States across Asia,” *The Pacific Review* 21, no. 5, (2008): 547–581.

8 See, for instance, Rear Admiral Tyrone Pile's keynote address, “Japan-Canada-US Conference Series on Trilateral Cooperation,” Peter Wall Institute, University of British Columbia, October 16, 2009.

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In preparing for the commercialization of the Arctic Ocean, Canada and the United States face enormous opportunities in protecting economic and environmental interests; however, a number of challenges impede the fulfillment of this vision.



ZERO: THE SURPRISING AND UNAMBIGUOUS POLICY RELEVANCE OF THE CUBAN MISSILE CRISIS

James G. Blight and Janet M. Lang

Drawing on a quarter century of research on the Cuban missile crisis, this paper argues that given what is now known about what actually happened in Cuba by October 1962, the escape from nuclear catastrophe seems even more miraculous and the drive to rid the world of nuclear weapons is even greater.



ZERO: THE SURPRISING AND UNAMBIGUOUS POLICY RELEVANCE OF THE CUBAN MISSILE CRISIS

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Drawing on a quarter century of research on the Cuban missile crisis, this policy brief offers takeaways and recommendations for moving towards zero nuclear weapons.



FROM BRETTON WOODS TO THE EURO: HOW POLICY-MAKER OVERREACH FOSTERS ECONOMIC CRISES

Pierre Siklos

This paper considers the relevance of the Bretton Woods system for the prospects of reform of the international monetary system and in the context of the ongoing euro area financial crisis, exploring the challenges that must be met in attempting to reform the current international monetary system and euro area policies.



RESPONDING TO DISASTER: NEGLECTED DIMENSIONS OF PREPAREDNESS AND THEIR CONSEQUENCES

Andrew S. Thompson and David A. Welch

Through a comparison of responses to the recent disasters in Haiti and Japan, this policy brief identifies neglected dimensions of disaster response preparedness and offers suggestions for improvement.



SOVEREIGN DEBTORS IN DISTRESS: ARE OUR INSTITUTIONS UP TO THE CHALLENGE?

Susan Schadler

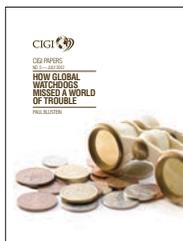
A CIGI and INET conference brought together global experts on sovereign debt crises. This paper expands on the ideas put forward during the discussion, highlighting relevant recent history and research, and proposes an action plan.



UNLEASHING THE NUCLEAR WATCHDOG: STRENGTHENING AND REFORM OF THE IAEA

Trevor Findlay

The conclusions of the June 2012 report on the International Atomic Energy Agency (IAEA) by Trevor Findlay are outlined in this policy brief, which contains recommendations for strengthening and reform of the IAEA.



HOW GLOBAL WATCHDOGS MISSED A WORLD OF TROUBLE

Paul Blustein

Based on interviews with scores of policy makers who worked on the Financial Stability Forum (FSF) and thousands of pages of previously undisclosed documents, this paper examines the FSF and brings to light the failure of regulators to keep pace with the globalization of the financial system.



THIS TIME IS NOT DIFFERENT: BLAMING SHORT SELLERS

Pierre Siklos

This brief provides a history of short selling and its critics, and considers the question of whether a “herd-like mentality” exists during financial crises.



A FLOP AND A DEBACLE: INSIDE THE IMF'S GLOBAL REBALANCING ACTS

Paul Blustein

The need for economic cooperation among major powers is greater than ever, and a well-coordinated plan aimed at shrinking imbalances is seen as highly desirable. This paper is a detailed account of the initiatives, led by the IMF, to address imbalances prior to the 2008 global financial crisis.

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The Centre for International Governance Innovation is an independent, non-partisan think tank on international governance. Led by experienced practitioners and distinguished academics, CIGI supports research, forms networks, advances policy debate and generates ideas for multilateral governance improvements. Conducting an active agenda of research, events and publications, CIGI's interdisciplinary work includes collaboration with policy, business and academic communities around the world.

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Le CIGI a été fondé en 2001 par Jim Balsillie, qui était alors co-chef de la direction de Research In Motion. Il collabore avec de nombreux partenaires stratégiques et exprime sa reconnaissance du soutien reçu de ceux-ci, notamment de l'appui reçu du gouvernement du Canada et de celui du gouvernement de l'Ontario.

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