

CANADA IN A SHIFTING WORLD



David Crane is an award-winning Canadian writer on economic, political and environmental issues whose column appears in a number of publications, including *The Toronto Star*. He is currently writing a new book that sets out what Canada should do to be a successful society in the new global economy, with the working title of *Big Canada or Little Canada: The Choice is Ours*, to be published by Penguin Books early next year.

In the second half of the 20th century, Canada enjoyed remarkable influence in the world. But that era is over, and Canada is now faced with the critical challenge of repositioning itself as an active participant in a much different world. Finding that new role is important, because Canadians want to influence the kind of planet we will inhabit in the years ahead. Unless Canada finds a productive role in the global community, it could become irrelevant and lose much of its sovereignty as an increasingly dependent satellite of the United States.

At the end of the Second World War, Canada emerged as an important member of the group of allies that had defeated Nazism and its Japanese equivalent. Canadians had played an impressive role in wartime and were ready to play an equally important role in building peace in the post-war world, helping to create the United Nations and the Bretton Woods Institutions (the International Monetary Fund (IMF), the World Bank and the General Agreement on Tariffs and Trade). Likewise, Canada was active in creating the North Atlantic Treaty Organization (NATO), and made an important contribution to peace and stability through its armed forces and diplomatic capabilities.

Canadians served under the UN flag in the Korean War. And the international role of Canada was highlighted in 1957 when Lester B. Pearson was awarded the Nobel Peace Prize for his role in ending the Suez crisis and introducing a new peacekeeping role for the UN. But while Canada continues to make an important contribution in world affairs—based, for example, on its membership in the G7/G8—its influence has declined for a number of reasons.

For one, Canada has not maintained its military and aid capacities, so its ability to respond to global challenges has diminished. For another, the U.S. has changed; it no longer needs Canadian airspace for defence and its

priorities have shifted to the war against terrorism and to dealing with the emergence of major new powers such as China and India. Finally, the decision of major nations that had operated closed economies to open themselves to the world has radically changed the trajectory of future global development.

The next several decades will see remarkable shifts in world power and activity. The U.S. National Intelligence Council, in a recent report called *Mapping the Global Future*, warns that “at no time since the formation of the Western alliance system in 1949 have the shape and nature of international arrangements been in such a state of flux.”

The likely emergence of China and India and others as new major global players will transform the geopolitical landscape, the report says, “with impacts potentially as dramatic as those in the previous two centuries. In the same way that commentators refer to the 1900s as the American Century, the 21st century may be seen as a time when Asia, led by China and India, comes into its own,” it adds. “The very magnitude and speed of change resulting from a globalizing world—apart from its precise character—will be a defining feature of the world out to 2020.” Globalization in the 21st century is more likely to have an Asian face than an American one, as China and India boost their investments in education and research and development, building their own multinationals and expanding their economic reach.

What will this mean for Canada? In international bodies, the country’s voting power and role may diminish. UN reform could lead to a new Security Council that would be more reflective of a 21st-century world with, for example, new seats for Japan, India, Germany, Brazil and South

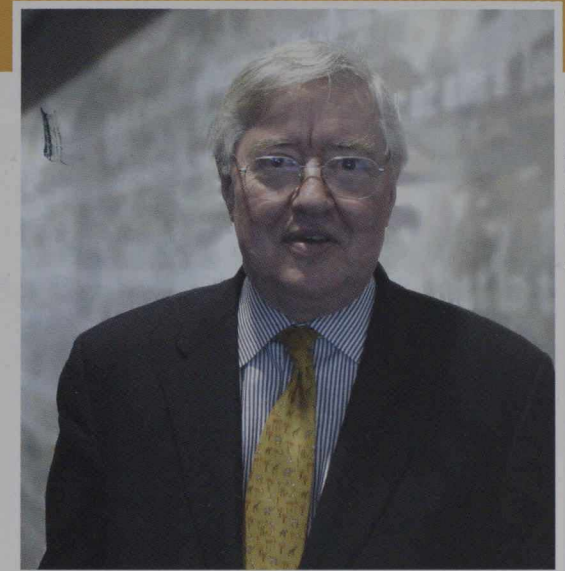


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Writer David Crane: The next several decades will see remarkable shifts in world power and activity.