

# **Policython Foreign Policy Stream: Meng Wanzhou's Case**

## **Executive Summary**

On December 1, 2018, Meng Wanzhou, the Chinese telecom giant Huawei chief financial officer, was detained by border services in Vancouver while transferring en route to Mexico (Gollom, 2020). The RCMP later arrested her as the United States requested extradition according to the extradition treaty between Canada and the United States (Chase, 2018). Meng was charged with conspiracy to defraud multiple international institutions, where she allegedly cleared money for Huawei but actually did so for Skycom, another Huawei-owned subsidiary accused of breaking trade embargoes imposed by the United States on Iran (Inkster, 2019). This brief will introduce three approaches—two moderate and one aggressive—to solve this hostage dilemma and help the Canadian government better navigate amidst the ongoing tension between China and the US.

## **Introduction**

On December 10, Michael Kovrig and Michael Spavor (known as the Two Michaels) were arrested by the Chinese authorities on alleged espionage charges. China's detention of the two Canadians is an attempt to interfere with the extradition of Meng Wanzhou and pressure Canada to enforce diplomatic and economic policies favouring China. Their freedoms and rights are threatened, and they could potentially face severe sentences (Vanderklippe, 2020). The case would affect not only the two Canadians but also Canada's diplomatic and economic policies. The situation is complex, as it is notable that only Western countries have recognized the situation as hostage diplomacy. On the other hand, China insists that the 58 nation declaration was an aggressive and ill-considered attack designed to provoke China (Ljunggren, 2021). This means that securing the two Michaels would be difficult since Canada is entangled in an ongoing economic conflict between China and the US.

## **Approach and Results**

### ***Research Findings:***

Our research is mainly on news articles and recently published journals because this China-Canada problem is new, and there is no Canadian policy that officially addresses Meng's case. Although a specific policy is not designed, Trudeau's administration has clearly stated that the Canadian government will not interfere in the independent judicial court process. Trudeau's decision to prolong this process could endanger the lives of the two Michaels. Additionally, President Trump's trade war with China has escalated the China-Canada tension, and this is reflected in Biden's administration as well, for example, the recent confrontational Alaska meeting between the Chinese and the Americans. On the other hand, the valuable allyship of the Five Eyes—Australia, New Zealand, the United Kingdom, the United States, and Canada—makes it challenging to create a policy that satisfies both their allyship and relations with China (Hoffman, 2020).

### **Recommendations and Implications**

#### ***Policy Suggestion - Moderate Approach #1:***

The Canadian government has the right to end Meng's case according to its Extradition Act (Gollom & Stefanovich, 2020). To ensure the safety and secure the freedom of the two Michaels, we should consider a "hostage trade" with China. The political goal of the Chinese government is clear—it wants Meng released. We want the two Canadians released. This approach, however, could spark a *cause célèbre*—a part of the Canadian public may criticize strongly upon Trudeau's weakness to China. Moreover, Trudeau's administration fears that by doing so, the Canadian government is telling a message to the world that the Canadian government is indulging other nations to practice hostage policy. Criticism aside, it is important to note that Canada is distinctive from many other nations—having an international obligation to protect conscientious objectors whose values align with Canadian ones—and we should not compromise our humanitarian goals of protecting the two Michaels to America's goal of sanctioning and oppressing Huawei for political power.

#### ***Policy Suggestion - Moderate Approach #2:***

Fully unbanning Huawei tech in Canada could depoliticize the case against Meng and de-escalate the tensions regarding the arrest of the two Michaels. In doing so, we compromise our ties with the allyship of the Five Eyes. At the moment, there is no formal statement from Canada's Innovation Minister Navdeep Baines, who is in charge of making the decision. But it seems that Canada is playing the waiting game, effectively delaying the decision and allowing telecom companies to exclude Huawei (Ljunggren, 2020). Joining other nations who have used Huawei as a cost-effective way to spread 5G may shift the economic alliance Canada has with the United States, but this will solve two issues currently occurring with the case. First, China's concerns that Meng's human rights are being violated will be mitigated since the issue is shifted towards the wellbeing of Huawei, not at the cost of one person. Second, China may reopen its market for Canadian exports such as canola oil and pork and reinvigorate free trade between the two nations.

However, this may create unrest due to competition with other Canadian 5G providers, most notably Rogers Wireless and Ericsson. However, having Huawei building the 5G infrastructure in Canada can force fierce competitions in Western (notably Canadian) 5G providers to decide how to make 5G more affordable and widespread. If their methods are more feasible than those of Huawei, economic independence may be restored. Moderate policymaking, including adding Huawei's participation with 5G networks to a national agenda for national security could push Canada as well as the other Five Eye members into addressing cyberthreats in a globalized society (Hoffman, 2020, p. 87). The Canadian government can also consider building infrastructure without employing any businesses or by sponsoring related NGO projects. This approach will together eliminate the need of reliance on telecoms businesses for 5G infrastructure (Parsons, 2020, p. 58).

***Policy Suggestion - Aggressive Approach:***

As a precursor of the more aggressive approach of allying with China's neighbouring geopolitical opponents to embargo China, it is much safer to initiate Sergei Magnitsky sanction laws —laws that provide the government with the power to sanctions against foreign individuals for their human rights violations— on involved high-level Chinese officials as a warning (Justice for Victims of Corrupt Foreign Officials Act, 2017). Along with Canadian sanctions, we can encourage our NATO alliances to participate in sanctioning

high-level Chinese officials, too. Further, if China does not back down, which is likely, we can consider a more audacious approach to embargo China with other NATO nations such as Australia, United States, New Zealand, and Britain to pressure China. Meanwhile, we can ally with China's geopolitical opponents such as Korea, Japan, India, Taiwan, etc, as well to pressure China.

The risk of this approach is the highest. We run the risk of prompting more aggressive responses from China, which, in the worst case, could lead to geopolitical conflict in various parts of Asia. Taking the lesson from Japan before WW2, too much foreign pressure and, eventually, isolation could prompt China to initiate a war that breaks the Island Chain Strategy America imposed (Vorndick 2018). This could escalate international tension in Asia as China's development path through trade is blocked, and China may have to use its military forces to open up the island chains, threatening Taiwan, Korea, Japan, Indian, and the Philippines. Lastly, there is no guarantee that the two Michaels will safely return.

### **Conclusion**

Policy makers should be advised that all three approaches imply risks. Making one decision out of the three may tip the scale in favor of China or the United States, and shifting towards one side or the other could threaten the international position of Canada. The actions of the Canadian government will also affect the safety of its overseas citizens in the future, as it may deter or encourage other nations to engage in similar hostage diplomacy practices. We therefore recommend the two moderate approaches to avoid nation versus. nation confrontations that could deteriorate our economic ties with China and erode the international order. In doing so, we are more likely to save the two Michaels, because their charges were political retaliation for Meng, and secure economic ties with one of our most important trading partners.

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The logo for the University of Toronto Policython features a large, stylized 'U' on the left, two vertical columns in the center, and a large 'P' on the right. The 'U' and 'P' are composed of multiple parallel lines, while the columns are solid. Below this graphic, the text 'UNIVERSITY OF TORONTO' is written in a bold, sans-serif font, and 'POLICYTHON' is written below it in a similar font.

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