

Canada-China relations sour after Ottawa kidnaps Huawei executive

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Relations between Canada and China have dramatically soured in the five days since it became public knowledge that Canadian authorities seized and jailed Huawei executive Meng Wanzhou.

Meng—the tech giant’s chief financial officer and daughter of Huawei founder Ren Zhengfei—was detained December 1 at Vancouver airport by Canadian police, acting at the behest of the US government, which wants to prosecute her on trumped-up fraud charges.

Coming the same day as US President Donald Trump sat down with Chinese President Xi Jinping on the sidelines of the G-20 summit to negotiate a “truce” in the US-China tariff war, Meng’s arrest was a deliberate political provocation. Both US National Security Adviser John Bolton and Canadian Prime Minister Justin Trudeau have acknowledged that they knew about the pending arrest several days ahead of time, underscoring that Meng’s effective kidnapping was an operation discussed at the highest levels of state in both Ottawa and Washington.

Meng is being sought in the US for two charges of fraud relating to Huawei’s alleged breaching of US sanctions against Iran. If found guilty, she could face up to 60 years in prison, 30 years for each charge.

In reality, Washington is targeting Meng and Huawei because it is determined to block efforts by its Chinese rival to secure a leading position in global technology markets. The second-largest global manufacturer of mobile phones and a key player in the production of equipment for telecommunications networks, Huawei has gained a prominent place in many countries and is now the biggest private company in China.

Washington's demand for Canada to detain Meng is also part of a broader campaign, uniting senior Democrats and Republicans, to prevail on Ottawa to

bar the Chinese tech giant from a role in the development of the country’s 5G telecommunications network. This has included threats to significantly scale back on intelligence sharing with Canada, including through the US National Security Agency-led Five Eyes Network, should Ottawa continue to allow Huawei to play a prominent role.

Washington's threats have been supported by powerful sections of Canada's military-intelligence establishment, which have long been warning about Beijing's alleged threat to Canada's "national security."

Immediately after news of the arrest became public Wednesday, a Chinese Foreign Ministry spokesman denounced it as a "serious violation" of Meng's human rights. Beijing intensified its threats Saturday by summoning Canadian Ambassador John McCallum, and issuing a statement vowing "grave consequences" if Meng is not immediately released.

This was a direct response to the Canadian government's continued vendetta against Meng. Ottawa is pushing for Meng's extradition to the US and, at the express instructions of the federal Attorney-General, the Crown has sought to prevent the 46-year-old from obtaining bail, while her extradition is adjudicated. At a bail hearing in Vancouver last Friday, Crown prosecutor John Gibb-Carsley argued in favour of the continuing detention of Meng, who was detained while en route to Mexico from Hong Kong, on the claim that she poses a “flight risk.”

Revealing just how closely Canadian and US authorities have been monitoring Meng, Gibb-Carsley sought to justify his designation of the Huawei executive as a “flight risk” by pointing out that she has avoided travelling through the United States in recent months.

Canada's readiness to carry out Washington's dirty

work by arresting Meng underscores that, faced with a rapidly deepening global capitalist crisis and intensifying rivalries between the major powers, the Trudeau government is lining up full-square behind US imperialism. The Canadian bourgeoisie, which has relied on its close strategic partnership with the United States to pursue its own predatory ambitions around the world since World War II, is deeply implicated in all of Washington's economic, diplomatic, and military offensives. These include: the US-led war of aggression in Syria and Iraq to consolidate Washington's control over the energy-rich and strategically pivotal Middle East; the buildup of US-NATO military forces in Eastern Europe and the Baltics against Russia; and the US drive to encircle and strategically isolate China.

Earlier this fall, the Trudeau government agreed to a renegotiated North American Free Trade Agreement that further consolidated the continent as a US-led protectionist trade bloc. That this is aimed first and foremost at China was underlined by the inclusion in the agreement of a provision prohibiting any of the signatories from concluding a free trade deal with Beijing without Washington's prior approval.

The Trudeau government's determination to tie Canadian imperialism's fate ever more closely to the United States in the coming economic, geopolitical and military conflicts enjoys broad support in ruling circles. However, divisions are sharpening over the attitude to take towards China. Under conditions of slowing economic growth and rising protectionism, a faction of the bourgeoisie has been urging Ottawa to pursue a free trade deal with Beijing so as to open up new sources of profit for big business.

Representatives of this faction have voiced concern and frustration over Meng's arrest, which they view as damaging to the prospects for expanded Sino-Canadian economic relations. As John Manley, a former Liberal finance minister and the recently retired head of the Business Council of Canada, remarked to CTV, "We need to have our own China policy driven by our own national interest, and unfortunately we have got ourselves caught in a situation where our China policy is being very much fashioned by some hardliners in Washington."

Manley's irritation is motivated by substantial financial and economic interests. According to media reports, Telus and Bell Canada could face additional

business costs of up to \$1 billion each should Canada follow the lead of the United States, Australia, and New Zealand and ban Huawei from new telecommunications networks. Telus, BCI, and Rogers have all invested significantly in Huawei equipment.

More fundamentally, the section of the ruling elite for which Manley speaks views the current situation in which Canada sends some three-quarters of its exports to the US as untenable. Rattled by Trump's economic protectionism, including the imposition of hefty tariffs on Canadian steel and aluminum imports and the NAFTA renegotiation, this faction considers the diversification of Canada's trading partners to be essential to advancing its imperialist interests.

The fact that Meng's arrest will further complicate these efforts has already been shown by the British Columbia government's decision to drop China from the schedule of a trade mission to Asia.

Meng's bail hearing, which was adjourned after six hours of legal arguments Friday, is to resume today. The presiding judge could issue a ruling or request additional time to review the case.

Whatever the outcome of the legal proceedings, the past week's events are yet further confirmation that the Canadian bourgeoisie is a willing accomplice in US imperialism's reckless and criminal drive to maintain and consolidate its global predominance, including in ever more provocative actions against both nuclear-armed China and Russia.



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