

# Trudeau government spending tens of billions to rearm Canadian imperialism; ruling elite clamours for more

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Canada's Justin Trudeau-led Liberal government—which is propped up by the New Democratic Party as part of a governmental alliance forged at the behest of the trade unions—is carrying out a massive rearmament program at the expense of the working class. Nevertheless, as the US/NATO war on Russia continues, and Washington and Ottawa frantically prepare for military conflict with China, powerful sections of the Canadian and US ruling elites are demanding the government go much further.

Leveraging Canada's history as a Cold War haven for far-right Ukrainian nationalists, the Trudeau government has played an important role in the NATO war against Russia in Eastern Europe. At the same time, it has integrated Canada ever more fully into the US military-strategic offensive against China. Its new "Indo-Pacific strategy" was developed, as it has publicly boasted, in close consultation with the White House. The Liberal government has also pledged tens of billions to update the North American Aerospace Defence Command (NORAD) and to procure new fighter jets and warships, while partnering with Washington to secure critical strategic minerals and to develop "resilient" supply chains for military production on the North American continent.

All this, however, is far from enough for Canada's ruling elite. The Trudeau government has faced a growing clamour to go much further in raising military spending, in order to replace aging military equipment and increase the Canadian military's capacity to wage war around the world.

The demand for tens of billions more to modernize the Canadian Armed Forces (CAF) has emanated from politicians, military commanders and big business domestically, from the US and NATO internationally, and been echoed by the entire corporate press. The ruling class will not be satisfied until the Trudeau government has massively expanded the military budget, so that Canada can more effectively assist its allies in their drive for imperialist supremacy and thereby earn Ottawa "a seat at the table" in the redivision of the world.

The Trudeau government's response is to intensify a war on two fronts: against its geostrategic rivals abroad by pursuing an ever more belligerent foreign policy, and against the working class at home to make it pay for the costs of imperialist militarism. As the Socialist Equality Party explained in a recent statement entitled "Union-NDP supported Trudeau government waging war on two fronts on behalf of Canadian capital," "If workers are to defeat the two-front war of the Trudeau government and the ruling class, they must base their struggles on a socialist and internationalist strategy."

**Trudeau Commits to NATO's 2 percent of GDP military spending target**

The Trudeau government committed to raising Canada's annual military budget to at least 2 percent of the country's GDP at the NATO summit held last month in Vilnius. The NATO communique went even further,

affirming that "in many cases, expenditure beyond 2% of GDP will be needed in order to remedy existing shortfalls and meet the requirements across all domains arising from a more contested security order."

The 2 percent target is no longer an "aspirational" goal but the minimum standard for a NATO member country, in the words of NATO Secretary General Jens Stoltenberg. The benchmark should be treated "as the floor, not the ceiling."

According to figures released by the Parliamentary Budget Office (PBO), Canada spent \$36.3 billion in the 2022/23 fiscal year on defence. To reach the 2 percent of GDP level, the government would need to spend an additional \$18.2 billion a year—a massive increase that would have devastating consequences for social spending on critical needs, like healthcare and housing.

According to figures from the World Bank, Canadian military spending was about 1 percent of GDP in 2014 under the Harper Conservatives. It has grown to just under 1.3 percent in 2023. In its 2017 Defence Policy Review, the Trudeau government committed to raising military spending by more than 70 percent over 10 years. However, this commitment falls far short if Canada is to meet NATO's new military spending "floor," as numerous government critics have pointed out.

In a July 27 open letter to Canada's newly appointed Defence Minister, Bill Blair, Canada's most powerful business lobby group, the Business Council of Canada, demanded the government slash social spending to find the funds needed to meet NATO's 2 percent benchmark.

The scale of the cuts they are demanding is indicated by comparing the additional funds being demanded for the military with current federal spending on Canada's public health care system, which is crumbling under the weight of decades of austerity and the ruling class' ruinous response to the ongoing COVID-19 pandemic.

The massive \$18.2 billion annual increase needed to reach the 2 percent of GDP floor is more than nine times the paltry \$2 billion "top-up" the Trudeau government added to the Canada Health Transfer to the provinces, with much fanfare, in June 2023. It would raise total military expenditure to \$54.5 billion, greater than the entire Canada Health Transfer for 2022/23 (\$47.1 billion).

## Canada's military build-up

Prior to the NATO summit, the Trudeau government announced plans to more than double the size of Canada's military presence in Latvia. The government committed \$2.6 billion over three years and up to 2, 200 troops to swell a CAF-led, NATO battlegroup into a brigade. The NATO "advanced deployment" is part of a broader military build-up by the imperialist powers in the three Baltic republics—Estonia, Latvia, and Lithuania—and Finland, all directly on Russia's borders, and in Poland, Romania, and Sweden.

Trudeau also announced an additional \$500 million in military aid to

Ukraine, as well as a new intensive training program for Ukrainian officer cadets at the Royal Canadian Military College in Saint-Jean-sur-Richelieu, Québec. Since February 2022, Canada has provided over \$1.77 billion worth of military aid to Ukraine, including missiles, armoured vehicles and 8 Leopard battle tanks. Beginning in 2015, Operation UNIFIER has seen CAF personnel train over 36, 000 Ukrainian troops—including members of the fascist Azov battalion. Ottawa played a key role in integrating these fascist forces, who are the political descendants of World War II-era Nazi collaborators, into the Ukrainian armed forces to fight Russia.

Beyond Canada's military intervention in Eastern Europe, the bulk of the Liberal government's planned military spending hikes are aimed at upgrading the Royal Canadian Air Force (RCAF) and the Royal Canadian Navy, to project force across North America and the Arctic, and directly confront Russia and China by air and sea in both Europe and the Asia-Pacific.

Earlier this year, the government announced a deal with the US government, Lockheed Martin and Pratt & Whitney to purchase 88 F-35 fighter jets for the RCAF. The deal, with an estimated cost of \$19 billion, would deliver 16 advanced fighter jets by 2028 and fully replace the RCAF fleet of aging CF-18 fighters by 2032.

The Liberals have committed to spending \$38.6 billion over the coming two decades to modernize NORAD, the Cold War-era Canada-US joint continental aerospace and maritime defence command. Upgrades will include implementing advanced radar and space-based surveillance systems in the Arctic, purchasing new air-to-air missiles, and modernizing air-base infrastructure and communication systems.

The government's plans to upgrade the fleet of the Royal Canadian Navy, including the purchase of 15 new frigates and destroyers initiated in 2011, have seen significant delays and cost overruns. From an initial project cost of \$26 billion, the price tag had ballooned to an estimate of over \$60 billion by 2017. The PBO recently estimated that the fleet of surface warships could end up costing over \$84 billion.

A proposal from the Navy to purchase up to 12 new submarines, backed by Chief of the Defence Staff Gen. Wayne Eyre, has yet to be adopted. The new submarines are seen by the Navy as necessary to counter the Chinese navy in the Pacific, patrol the Arctic Ocean as new navigable routes open due to climate change, and reinforce the North Atlantic front against Russia. They come with an estimated price tag of \$60 billion.

### **Ruling elite demands more, denounces population for opposition to military spending**

Powerful sections of the ruling class remain dissatisfied. Criticism of the Trudeau government for failing to go far enough in equipping the military are widespread, with many directing their ire at the Canadian people for their resistance to funding a multi-billion-dollar war machine.

On April 16, the Conference of Defence Associations Institute (CDAI) issued an open letter, signed by over fifty former leading security officials, military commanders, and politicians, that demanded the Trudeau government drastically accelerate and expand its military spending increases. The letter excoriated the government for not investing enough to earn "our seat at the table" with the US, alongside the other Five-Eyes countries and NATO.

Signatories to the CDAI open letter included 5 former Defence Ministers from both Liberal and Conservative governments, 13 former Premiers, Ministers and Senators, 9 former Chiefs of the Defence Staff, 2 former top national security and intelligence advisors, a former director of the Canadian Security and Intelligence Service (CSIS), executives from the military industry, and a former Chief Justice of the Supreme Court.

"Years of restraint, cost cutting, downsizing and deferred investments, have meant that Canada's defence capabilities have atrophied," reads the CDAI open letter. "Our military capabilities are outdated and woefully inadequate to protect our landmass and maritime approaches. We have

also fallen short in meaningful contributions to burden sharing for the collective defence and security of our allies and partners."

The letter bemoans that the most recent federal budget made few significant new military funding announcements, asserting that "much more is required" than the funds committed to purchasing F-35 fighters and modernizing NORAD.

It addressed the Trudeau government directly: "Canada cannot afford to conduct 'business as usual'. We strongly encourage Prime Minister Trudeau, his Cabinet and the Government to lead and act with a sense of urgency and heed the recent call of the NATO Secretary General to treat 2% of GDP as a floor rather than a ceiling for defence spending."

The call for drastically increased military spending has been championed throughout the corporate media—from the editorial pages of Canadian finance capital's "newspaper of record," the *Globe and Mail*, and the neo-conservative *National Post* to the "progressive" *Toronto Star*, the pro-Liberal *La Presse* and the pro-Quebec independence *Le Devoir*.

Ruling circles see the population's hostility to militarism and war as one of the chief obstacles to enforcing this program. As Andrew Coyne raged in the *Globe*, "The destruction of the Canadian military has been a bipartisan project, carried out over many years—and with the enthusiastic support of the Canadian people."

### **US and NATO criticize Canada**

The open letters from the Conference of Defence Associations Institute and the Business Council of Council point anxiously to the way Canada's level of military spending has affected its relationship with its imperialist allies—above all, the United States.

Despite outward assurances from US ambassador to Canada David Cohen that it would be "a bad mistake... to assess Canada's commitment to defence by one metric," there is ample evidence that tensions between the allies over military spending are approaching boiling point behind the scenes.

In the series of classified Pentagon documents leaked on Discord in April, a secret assessment bearing the seal of the Joint Chiefs of Staff and reported on by the *Washington Post* claimed that Justin Trudeau had privately told NATO officials that Canada "would never" meet the 2% of GDP military spending target.

The assessment reports that CAF shortfalls meant that it "could not conduct a major operation while simultaneously maintaining its NATO battle group leadership [in Latvia] and aid to Ukraine." An anonymous Pentagon official concludes that: "Widespread defense shortfalls hinder Canadian capabilities while straining partner relationships and alliance contributions."

The German government, according to the leaked document, expressed concern that the CAF would be unable to continue its aid to Ukraine and meet its other NATO commitments; Turkey was "disappointed" that the CAF could not deliver humanitarian aid in the wake of the devastating earthquake in February; Haiti was said to be "frustrated" that Canada refused to lead a multinational military intervention to restore order in the impoverished island country, which is seething with mass anger and wracked by gang violence.

The *Wall Street Journal* published a blistering editorial in the lead up to the NATO summit in Vilnius, characterizing Canada's military spending as "pathetic" and provocatively suggesting that Ottawa be ejected from the G-7.

"Canada has also long been a free-rider off the U.S. military, which it knows stands guard over North America," fumes the editorial. "Mr. Trudeau's Liberal Party figures it can thus afford to shirk on defense and shovel money into public unions and social-welfare programs.

"... NATO needs members that keep their commitments, and the nations of the G-7 have an obligation to lead the way," it continues. "If Canada doesn't want to play that role, then the G-7 should consider a

replacement. Poland, which now spends 3.9% of GDP on defense, would be a candidate.”

While the Trudeau government struggles to meet the expectations of the US and NATO, its traditional allies have begun to form new military pacts that pointedly exclude Canada—in particular, AUKUS and the Quad, formations that seek to exert military control over the Pacific and prepare for war with China.

The AUKUS alliance brings together the United States, Australia, and the United Kingdom—three of the Five Eyes global spying alliance, of which Canada is a part—in a comprehensive military cooperation and technology-sharing pact. Under the agreement, Australia will spend up to \$368 billion over the next three decades to purchase a fleet of nuclear-powered submarines.

Likewise, Canada has not been invited to join the Quadrilateral Security Dialogue (the Quad), a quasi-military alliance between the US, Japan, Australia, and India, that brings together the major US-aligned regional powers in an anti-China bloc.

Canada’s absence from these alliances, in spite of its pretensions as a “Pacific power” and historic ties to their members, has disturbed the political elite. In a report for the Washington-based Center for Strategic and International Studies, former National Security Advisor (NSA) to Prime Minister Trudeau Vincent Rigby wrote that Canada was simply “not invited” to the AUKUS negotiations.

Rigby, who in his NSA role held regular discussions with Ottawa’s Five Eyes intelligence-sharing partners, says that the idea of Canada joining AUKUS was never broached. This, he complains, “speaks volumes about the way Canada is perceived by its allies at the present time... that we’re not necessarily seen as a significant player on the international stage and in particular in the Indo-Pacific region.”

The Liberal government’s Indo-Pacific Strategy, drafted in close collaboration with the Biden administration, identified China as a “disruptive global power” whose “interests and values ... increasingly depart from ours.” Nonetheless, it is clear that this statement and pledges to increase Canadian naval patrols off China are far from sufficient for a vocal section of Canada’s ruling elite. Lurid claims of Chinese “election interference” and “threats to Canadian democracy” leaked by CSIS earlier this year were whipped up into an anti-China frenzy by the press and the political establishment.

The intensity of the ruling elite’s campaign to rearm the Canadian military speaks to the historic character of the current crisis, in which the efforts of the US to maintain its global geostrategic and economic dominance threaten to start a new World War. If Canada wants its share of the spoils in this imperialist re-division of the world, they argue, it must have the means of mass destruction to assist its ally in the catastrophic battles to come.



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