

Canada announces its largest ever military procurement to purchase 12 German-made attack submarines

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Prime Minister Mark Carney announced Monday that Canada will purchase up to 12 submarines from German producer Thyssenkrupp Marine Systems (TKMS) with a price tag, when ongoing maintenance and modernization over future decades is included, of \$100 billion.

This agreement is not only the most expensive military procurement program in Canadian history. It marks a significant geopolitical shift. The purchase represents a major step in Ottawa's integration into Europe's massive rearmament program as a counterweight to its deteriorating relationship with the United States. This deepening alliance rests on their common drive to escalate NATO's war on Russia and reduce the resource-rich, nuclear-armed Eurasian state to semi-colonial status.

Carney made the submarine procurement announcement in Halifax, Nova Scotia, on his way to the July 7-8 NATO summit in Ankara where the leaders of the imperialist powers, hosted by the autocrat Recep Tayyip Erdogan, discussed their plans for waging world war. The summit brought to light once again the sharp differences that have opened up between the United States and its erstwhile European allies.

In a statement following the gathering, Carney noted that due to "a more dangerous and divided world," Canada must vastly increase its spending on the military and strengthen its strategic autonomy to "defend ourselves and our allies" and take "full responsibility for the security of our Arctic."

Over the past year, Carney has overseen a significant shift in Canadian foreign and military-security policy. For over 80 years, Ottawa's global imperialist ambitions were almost entirely dependent upon its military-strategic partnership with the United States, which has historically supplied about 80 percent of Canada's weaponry and is the destination for about three-quarters of the country's exports. But President Donald Trump's threats to annex Canada as the 51st state and destroy its economy with "America First" tariffs forced a reorientation.

A strong supporter of the NATO-instigated war with Russia from the outset, Ottawa joined the European powers as they have recklessly escalated the Ukraine war over the past year and a half, so as to sabotage Trump's attempt to reach an accommodation with Russian President Vladimir Putin over the heads of America's ostensible NATO allies.

In February, the Liberal government presented a Defence Industrial Strategy (DIS) that set a target of obtaining 70 percent of Canada's military equipment needs from domestic suppliers, and to otherwise lessen its dependence on American-made weapons and weapons

systems. Ottawa has also secured Canadian access to Europe's €800 billion rearmament program for Canadian contractors—the only non-European country to do so to date.

During his trip to Europe last month for the G7 and on many other occasions in recent weeks, Carney summed up his attempt to reposition Canadian imperialism with the remark, "The new world order will be built starting with Europe."

On the economic front, Carney has concluded a modest but geopolitically significant trade agreement with China, which included breaking with the US on an effective blockade on the import of Chinese EVs to North America.

Reflecting the Canadian ruling elite's desire to retain close relations with the US, Carney at the same time has emphasized his hope of establishing a "Fortress North America" through the renewal of the US-Mexico-Canada trade agreement (USMCA), the easing of US tariffs on steel, aluminum and industrial goods, and strengthened cooperation against their common overseas rivals. In late May, he delivered a speech to Wall Street executives in which he made a pitch to Trump and his fascist followers with the statement that "Canada strong"—his slogan used to legitimize rearmament, war, austerity and economic nationalism—would help "Make America great again." He has also mused about a potential "grand bargain," in which Washington would acknowledge Canadian imperialism's prerogatives as a junior partner in the exploitation of the Americas and the world. In exchange, Canada would help to build Trump's Golden Dome missile program and grant privileged US access to Canadian critical minerals and energy.

The contradictions inherent in Ottawa's policies reflect the irreconcilable conflicts between the imperialist powers erupting amid the initial stages of a new violent redivision of the world akin to the two imperialist world wars of the last century. The ruthless methods that Canadian imperialism is prepared to deploy in this struggle were illustrated by Carney's enthusiastic endorsement of Trump's relaunch of the savage bombardment of Iran during the NATO summit. "Iran had been acting irresponsibly, attacking Saudi and Qatari targets particularly," asserted Carney, adopting US propaganda talking points. "There has been a response, as appropriate." The illegal war, which the US and Israel initiated on February 28 with "decapitation strikes" that killed Iranian Supreme leader Ali Khamenei and has since claimed over 3,000 Iranian lives, was also hailed at the outset by Carney.

In line with its European counterparts, Ottawa hopes to avoid a complete breakdown of ties with the US because of its continued

military and economic dependence on American imperialism. The Canadian bourgeoisie wants privileged access to the US market, i.e., lower tariffs than its rivals.

However, the ruling class recognizes that pursuing its quest for markets, cheap labour, raw materials and geostrategic influence will demand a massive military buildup to be paid for through an unprecedented onslaught on the living standards of the working class.

Carney's visit to Turkey resulted in an intensification of both the military and economic shift towards Europe. He announced the extension of Canada's leadership role in Operation Reassurance, the provocative deployment of Canadian troops in Latvia on Russia's border. The deployment will increase to 2,600 troops and has been extended to 2031. Canada has also joined Latvia and Denmark as the third "Framework Nation of Multinational Division North (MND-N)," giving Canada a greater role in broader NATO operations in northeastern Europe.

Carney pledged to open talks on a strategic partnership on security, defence and other industrial trade with Germany, which an official statement from the Prime Minister's Office noted is Canada's largest trading partner in the European Union. In a one-on-one meeting with Erdogan, he agreed to begin talks on a comprehensive free trade agreement with Turkey aimed at substantially growing bilateral trade from the current approximately \$4.5 billion annually.

The deal to purchase up to twelve 212CD (Common Design) submarines from TKMS (Thyssenkrupp Marine Systems) forms a major component of Canada's reorientation towards Europe and an assertion of its ambitions in the Arctic. The submarine is a joint project supported by Germany and Norway to facilitate unified naval operations in the Arctic and North Atlantic. Both technical interoperability and the exchange of military personnel between the countries involved are major elements of the project.

The vessels will be equipped with major offensive capabilities, including the capacity of firing long-range ballistic missiles to strike targets deep inland. Currently only the US, Britain and France have the ability to do so within the Western alliance.

The NATO powers are substantially expanding their military activity in the Arctic region to target Russia's long northern coast, block increasing interest in the region from China, and seize control of sea lanes for trade and territorial waters for resource extraction that are opening up due to climate change. But they are doing so ever more openly as rivals rather than allies. Trump's repeated threats to seize Greenland from Denmark, which he reiterated at this week's NATO summit, have been rejected by the European powers and Canada. Ottawa has its own Arctic territorial disputes with Washington over the Northwest Passage, which Canada claims as a domestic waterway, while the US insists on designating it as international waters.

The submarine agreement is viewed by both Canada and Germany as a major economic initiative on top of its primary military focus. Carney declared that up to 100,000 jobs would be created in Canada when ongoing maintenance and supply chains for sourcing Canadian-made components are taken into account. Some 1,500 workers will build the vessels in Kiel and Wismar in northern Germany.

In both Canada and Germany, the governments are facilitating the transformation of vast swaths of civilian industry into war production. Carney's DIS (Defence Industrial Strategy), and a similar program modelled on it adopted by the Ontario government, aim to coordinate industrial policy more closely with Canada's military needs, and compel young people to support the construction of a war machine through readily available training initiatives and well-funded

programs at Canadian universities. This effort is fully endorsed by the trade union bureaucracies. Unifor has long campaigned for Canada to adopt a national aerospace and defence strategy based on domestic production of aircraft, drones, military vehicles and more.

The fact that TKMS Chief Executive Officer Oliver Burkhard held a top position in the powerful IG Metall union before becoming a manager in one of Germany's main arms manufacturers illustrates just how closely the union bureaucracy "partners" with the corporate elite and the state on an international scale. As head of IG Metall's division for North-Rhine Westphalia, Germany's most populous state, Burkhard led the negotiation of a concessions-filled sector-wide collective agreement in 2010 before joining TKMS's management program.

The Liberal government plans to step up the push for a war economy by hosting the 2027 NATO Industrial Forum, which, according to a statement from Carney's office, will "strengthen cooperation between Allies and industry to advance defence innovation and industrial capacity across NATO." He also boasted of securing support from eight countries for the Defence Security and Resilience Bank (DSRB), which will borrow money on the financial markets to raise capital for military production. It is a measure of the rivalries tearing NATO apart that no other major power was prepared to declare its support for the new institution in Ankara, with only Albania, Belgium, Greece, Latvia, Luxembourg, Romania, Turkey and non-NATO member Ukraine giving support to the initiative.

Less than six months ago, Carney delivered a speech to the World Economic Forum in Davos in which he purported to speak on behalf of the "middle powers," who had to unite in order to secure their position "at the table" where the spoils of imperialist plunder are divided up. Otherwise, Carney warned, states like Canada would be "on the menu" of the great powers.

His remarks were lauded by the social democratic New Democratic Party, including its "left"-talking current leader Avi Lewis.

Anyone who was taken in by such pro-imperialist propaganda has had ample opportunity over recent weeks to see what Carney's alliance of "middle powers" amounts to: an alternative strategy for Canadian imperialism to uphold its predatory global interests based on war abroad and austerity for workers at home to fund rearmament and the enrichment of the financial oligarchy. Workers in Canada opposed to the resurgence of imperialist violence and the creation of a war economy must unify their struggles with workers in the US, Europe and internationally to build a working class-led anti-war movement capable of ending the root cause of war: capitalism.



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