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CONTROLLING THE DEFENCE POLICY PROCESS
IN CANADA: WHITE PAPERS ON DEFENCE AND
BUREAUCRATIC POLITICS IN THE
DEPARTMENT OF NATIONAL DEFENCE

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Introduction: Defence White Papers in Canada Over the Last Quarter Century

On 5 June 1987 the government issued its White Paper on defence, Challenge and Commitment: A Defence Policy for Canada.[1] Typically, the paper has been reviewed, analyzed, and commented upon from several strategic studies points of view. Although the decision announced in the paper to purchase nuclear powered submarines has opened the discussions to issues of defence expenditures and capital acquisitions, debate outside Cabinet on the dynamics of implementing the White Paper has been virtually non-existent.

The place of White Papers in the defence policy process is, at best, ambiguous. In fact, Canada's experience of operating without a White Paper since 1975 suggests to some officials that they are not needed. Generally, however, White Papers have been viewed by the the Department of National Defence, the Canadian Forces, and the public as fundamental government statements intended to direct the policy process towards its political and operational objectives.

Only three defence White Papers have been issued since 1964; each possessed its own policy characteristics, yet were similar in certain important respects. Moreover, each paper was prepared in unique ways and prompted different bureaucratic responses. It is the purpose of this paper to compare these similarities and thereby to suggest that how defence policy takes shape within the defence establishment has a significant impact on how that policy will be implemented over the long term. From this analytical framework an attempt will be made to draw some conclusions

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about the future prospects for the policies laid out in the 1987 defence White Paper.

The defence policy process in Canada is similar to the bureaucratic process in any complex department of government. That is to say, it is a process of deciding "who gets what" from a store of scarce resources. For the most part in the Department of National Defence these decisions have been taken in an atmosphere of bureaucratic politics or bargaining by members of the defence establishment. In this situation Ministers of Defence are expected to provide the leadership that will control the outcome of this bureaucratic process, but this can be difficult if ministers and bureaucrats are at odds over basic policy. The degree of consensus about policy requirements and objectives shared among politicians and elite officials is central to the control of the policy process in government. Ideally, White Papers would represent an enunciation of government policies supported by the expertise of departmental officials. But in the absence of a shared analysis White Papers can also take the form of ultimatums from government to the bureaucrats. In such cases, the likely effect will be to excite bureaucratic politics as officials struggle to protect their projects or to "interpret" the White Paper in their favour. In the absence of policy consensus, therefore, the policy process is likely to become increasingly fractious and to produce random outcomes.

The defence establishment deviated in some important respects from the policy directives of the 1964 and 1971 White Papers soon after they were tabled in the House of Commons. There are several related reasons why this happened. Among the most important was the failure to develop in the

formative stages of the policy process a consensus or shared analysis amongst the major actors in the defence establishment as to what defence policy should be; that is, "who should get what" from this effort.[2] The 1987 White Paper, on the other hand, does represent a defence establishment consensus and, therefore, greater cohesion and resistance to policy changes within the Department of National Defence may be expected in the future.

I take consensus to mean a substantial agreement amongst the major policy actors within the defence establishment about a number of fundamental policies, namely, policies about: resource allocation among activities and military services; the roles of the Canadian Forces (and the methods of accomplishing them); the lines of authority within the Department; and, finally, the proper level of defence effort for Canada in terms of both structure and budget.

The defence establishment is a term used to identify those who make and influence defence policy in Canada. As I employ it, the term means the core of the establishment: politicians, especially the Minister of National Defence and the Prime Minister; the senior officers of the Canadian Forces; the senior officials (Deputy Minister and Assistant Deputy Ministers) of the Department of National Defence; and finally, the senior scientists in the Department.

Surrounding this core and interacting with it are others who may from time to time influence defence bureaucratic politics. This outer sphere includes other members of Cabinet but especially the Secretary of State for External Affairs, the Minister of Finance, the President of the Treasury Board, as well as some Senators, opposition defence critics, and politicians from all parties in whose riding defence issues are important. Also included in this group are senior officials from other departments and

agencies of the government; the second rung of senior military officers and public servants who provide direct support to their superiors; defence experts in the media; and academics interested in defence issues. Finally, this outer sphere includes the so-called Non-Governmental Organizations that are of varying legitimacy and influence in the eyes of the defence establishment. Individuals or groups from this near establishment may barge into the core establishment on particular issues but, generally, their impact on the policy process is diffused and of short duration.

Five elements common to all three White Papers form the framework for this analysis. The first is the "strategic analysis" that sets the world view in which the policy is expected to operate. Secondly, each White Paper includes a formulation as to the "Defence Problem" that needs to be addressed or corrected to enhance the defence of Canada. The roles and concepts of operations of the Canadian Forces are a third but central theme in defence statements. Defence budgets are the fourth focal point. The fifth element is the dynamic process by which each White Paper is produced.

The 1964 White Paper on Defence

Paul Hellyer was not so much interested in international aspects of Canadian defence policies as he was in reorganizing the Canadian Forces.[3] Although his White Paper on Defence of March 1964[4] included a lengthy strategic discussion, it was for many, as Opposition critic Douglas Harkness remarked, merely a restatement of "what one might call the basic facts of defence, as they have been recognized by everyone...for the last 15 years."[5] But Hellyer did try to reshape the strategic picture, if only to support his plans for reorganization. He rejected the notion that

"mobilization" would be useful in future conflicts.[6] This declaration for the "short war" scenario, especially in a NATO context was remarkably anachronistic if only because in 1964-65 members of Hellyer's staff were involved in NATO discussions that in 1967 introduced the new strategy of "flexible response" to the Alliance. This strategy implied, at minimum, a growing dependence on the mobilization of conventional forces.

In place of mobilization, Hellyer sought to increase Canada's reliance on professional forces-in-being. These forces were for the most part to be held in Canada for use as a worldwide mobile force ready to fight "brush-fire wars" at the call of the United Nations or to defend particular Canadian interests.[7] Interestingly this is exactly the same concept proposed by the New Democratic Party of Canada in its 1987 statement on defence.[8] The earlier Hellyer strategic plan failed because it contradicted Canada's alliance policies, was too expensive, especially in transport aircraft, and because, except on a small scale, no role for such a designated force ever materialized. Most military leaders were unconvinced of the wisdom of Hellyer's strategy which they saw as a fanciful vision harmful to "real" defence needs.

As with many things in life, the one who defines the "Problem" is also the one who can control the selection of policies intended to solve it. In Canada, as in other countries, a central defence concern is always to balance defence needs and resources. Imbalances and inadequate outcomes, however, can be attributed to many causes. In Hellyer's estimation the increasing costs of Canadian defence and the obviously declining return for defence expenditures were ascribed to a debilitating organization whose faults were evidenced in so-called inter-Service rivalries, duplications in support services, old habits of command and decision making, and a

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"committee system" of policy making that was controlled by three Service Chiefs each of equal authority.

Hellyer declared that he was forced "either to greatly increase defence spending or to reorganize. The decision was to reorganize."[9] This reorganization was accomplished with two reform bills, the first of which, Bill C90, eliminated the independent Service Chiefs and replaced them with a single Chief of the Defence Staff (CDS). This appointment resulted in a reorganization of defence headquarters into a unified Canadian Forces Headquarters as well as in the development of an integrated staff structure. Bill C90 also provided the legal basis for the "unification" of the Canadian Forces that was finally accomplished in 1967 after bitter debate of Bill C243, The Canadian Forces Reorganization Act.[10]

Hellyer expected significant returns from his efforts, predicting, for example, that the reorganizations would lead to savings that would permit 25 percent of the budget to be devoted to capital equipment.[11] This goal was never reached. Although there was qualified support for the establishment of a single CDS, what was clear is that no consensus emerged in the defence establishment over the Minister's unification policies. Nevertheless, Hellyer purposefully left officials to sort out how unification was to be achieved and how it was to function. Paul Hellyer left the Department in 1967 and without his single-minded insistence and with no consensus as to what unification really meant in terms of "who gets what," the defence establishment dissolved into intense bureaucratic bargaining. Added to this confusion of aims was a second factor, continued erosion of defence budgets indicating that the problem was not simply organizational. Hellyer, in fact, had both to reorganize and spend more

money to balance Canada's long-term defence needs and resources.

The 1964 White Paper generally supported the continuation of the NATO, NORAD, and UN roles the Canadian Forces were then performing. Therefore, Hellyer's plan to form a highly mobile force to fight brush-fire wars from already limited capabilities required that the extant roles of the Canadian Forces and their equipments be made compatible with this strategy.[12]

His plan was to have sizable land, air, and naval forces deployed in and around Canada limiting other forces to "special tasks" and UN peacekeeping duties.[13] The major portion of the flexible and mobile force was to devolve upon the Army, held to be the "key organization." But the demands placed upon it by this strategy divided the Army; for the role in NATO required mechanized forces while the mission of worldwide mobile warfare demanded light airportable equipment. Thus groups within the Army, for example those who favoured tanks, were pitted against others who were intrigued with the mobile concept. It soon became evident, moreover, that the mobile role would, in fact, advance the cause of those in the Air Force who wished to buy long-range transport aircraft. Many army leaders soon realized that in a world of limited and declining budgets support by the Army for the mobile role would, ironically, inevitably reduce the size and effectiveness of the Army, as funds got spent on transportation equipments.

In the early 1960s the Navy had been experiencing difficulties because its equipment was aging and procurement plans were incomplete. An "Ad Hoc Committee on Naval Objectives" was established to look into the whole future of Naval roles and equipment. It produced a detailed appreciation that considered the political, military, and technological aspects of naval warfare and set a course for the Navy into the mid 1980s. The Report proposed the continued development of the Navy's anti-submarine warfare

expertise that was to be balanced with other classes of ships including the aircraft carrier Bonaventure (expected to remain serviceable to 1975) and submarines, "the capital ships of the future." It was a comprehensive plan for a "Three Ocean Navy," which included plans for an Arctic base, and, eventually, nuclear submarines to patrol the Arctic Ocean.[14]

No firm decisions about the future of the Naval program were taken by the embattled Diefenbaker Government in 1962. In April 1963 when the Liberals won control of Parliament and Paul Hellyer was appointed MND the Navy's program was thrown into doubt. Hellyer announced a "review" of the plans that continued through 1964. In his White Paper he would only state that "studies" were ongoing to determine "the most effective mix of weapons systems" to provide the "maximum defence potential for the least cost."[15] This decision was an explicit rejection of the Navy's study. As Hellyer's reorganization plans unfolded the Navy's main priority then became defending seas already won, and particularly as reductions under unification became apparent, to beat off cuts in organizations and personnel. Hellyer's principal Naval opponent during these unification fights was Admiral Jeffery Brock, Chairman of the ignored Ad Hoc Committee on Naval Objectives.[16]

The Air Force was a particularly specialized force by the time the 1964 White Paper was issued. Its was wed to a short nuclear war strategy and as a consequence had equipped itself with two nuclear-capable combat aircraft, the CF104 in NATO and the CF101 in North America, both of which had only limited capabilities for other roles. Hellyer's policy to emphasize smaller scale operations but to continue the NATO and NORAD roles split the Air Force by taking monies from programs aimed at reequipping the

nuclear squadrons and giving them to a new CF5 tactical support aircraft.

Unification was an especially traumatic experience for the Air Force. Without a functional or geographical centre around which to rally their units, the Air Force was gradually divided between the other Services to provide specialized support or organized into unified Canadian Forces components such as air transport and air training.[17] The Air Force struggled against these reorganizations into the 1970s until a reunited air force emerged as Air Command in 1975.

The 1964 White Paper on Defence in effect multiplied the roles of the Canadian Forces. It also introduced a strategic concept that threatened the Services' own view as to what they should be doing to defend Canada. In response the Army began to develop a dual character. It continued to train and equip itself for both a NATO and a mobile role. The Navy entered a period of retrenchment and began its long painful adjustment to unification, but there was little heart or conviction in either undertaking. The Air Force became saddled with the limited CF5 aircraft, which was intended primarily for an army support role, something the Air Force had not done since the 1950s. This new role, and the rending of the Air Force under unification, opened great cleavages within the air operations community. In summary, the contradictions between Hellyer's strategic concepts, his organizational ideas, the proposed roles for the Canadian Forces, and the predictably declining defence budgets created phenomenal bureaucratic pressures within the defence establishment, and these in turn would contribute directly to the failures of Hellyer's policies.

The budget did not feature prominently in Hellyer's White Paper even though it was the concern for defence expenditures that largely motivated

the production of the policy paper in the first place. Hellyer's assumption that better organization and program control would yield significant savings was not founded on any pragmatic or empirical research. There was, however, evidence that this might not be the case.[18] The thinness of the budgetary assumptions underlying the White Paper and the speed with which unification came to mean retrenchment quickly destroyed any hope that the White Paper would point the way to new sources of capital funding. Within a few months the pressures caused by the imbalances between defence needs and resources proved fatal to any consensus that might have been built around the assumed efficiencies of unification.

There seems little need to examine in any depth consensus building during the preparation of the 1964 White Paper, especially when one recalls the circumstances that developed after its release, when many senior officers retired or were fired and the MND spoke of an "Admirals' revolt." But this bitter situation was to surface some months _after_ the White Paper was issued and developed mostly around Bill C243. The defence policy was not without support as it was being developed. Much of the strategic assessment was, in fact, based on the work of individuals within the defence establishment, particularly Dr. R. J. Sutherland.[19] But there was a curious misreading by the military leaders of the determination and speed with which Hellyer would institute his ideas on organization and budgeting. Their surprise at Hellyer's determination and their resentment with his neglect of their advice shattered any desire they may have had to correct inefficiencies and bad organization in the Department of National Defence or Canadian Forces.

Hellyer wished to be an active manager in his Department and when

questions were raised about certain aspects of the draft defence policies he tended to take them as attacks upon himself. As the process of preparing the White Paper came closer to completion Hellyer became ever more secretive. Reports and studies sent to his office by the defence establishment were often either ignored or never acknowledged. The Chiefs of Staff, in what was to be one of their last meetings just prior to the release of the White Paper, complained to each other that they knew neither what would be included in the policy statement nor what was to become of themselves. Only Hellyer's strong personality, if not his leadership, carried his policies forward. Unfortunately for those policies, when he left the defence portfolio in 1967 there was no satisfied defence establishment able or willing to carry them any longer.

Defence in the 70s

Donald Macdonald was MND from 1970 until 1972. In that short period he produced a defence White Paper, Defence in the 70s, that was to serve as Canada's defence policy for the next 16 years.[20] In fact, the policy directions in the paper survived for barely two years, and were replaced in all but name by incremental policy decisions taken by the defence establishment.

One way to correct the defence needs-resources imbalance is to eliminate a portion of the needs by reducing or canceling some commitment at home or abroad. Macdonald began by reducing the "Threat" as a precursor to eliminating commitments. Accordingly, his White Paper rested on a strategic assessment that was optimistic by any standard, one that depended critically on the existence of a lasting era of "détente" between the United States and the Soviet Union. The paper predicted steady economic

growth in Europe -- a prospect that in Macdonald's opinion would allow Europeans to take over responsibilities for their own defence. Growing prosperity and stability was also expected for Third World countries. There was amongst this general euphoric mood one pessimistic note, and it concerned "peacekeeping" and the related failures of the United Nations (UN) to be a force for peace in the world. As a consequence Macdonald believed that "the scope for useful and effective peacekeeping activities now appears more modest than it did earlier." The message of the assessment, therefore, was to predict a more stable world, at least as far as Canada's interests were concerned, and to support a reduction in Canadian commitments to NATO and the UN.[21]

This assessment largely ignored those produced by the defence establishment which tended towards a more classic "realist" image of international affairs, with the military leadership in particular sharing little of the Minister's optimism. They tended to regard the current capabilities of the Soviet Union as a continuing menace, irrespective of the on-going arms control debates. They also tended to believe in a positive relationship between power and security and to see Canada's interests and defence intimately tied to those of the United States and Europe. The White Paper ran counter to this realist paradigm and failed to convince most officers and many officials, who saw it simply as an expedient to reduce the already starved defence budget.

The problem in the defence portfolio in Macdonald's view was principally one of management. He believed that the "program was a mess," and that the Department of National Defence was asking for too much while at the same time the Canadian Forces were not reacting properly to Prime

Minister Trudeau's new policy directions. The Department needed a new Deputy Minister (Elgin Armstrong, DM since 1960, was replaced when the White Paper was released), a new system of management, and a new authority structure to free the MND from the daily operations of the Department.[22]

There is little doubt that there were program problems in the Department of National Defence. The growing demands of the defence budgets and some notable spending gaffes, such as refitting HMCS Bonaventure and then scrapping her, did not encourage the Cabinet's confidence in the Department of National Defence. For many in the defence establishment, however, management problems were the result, inter alia, of Government indecision on such questions as the status of Canada's commitments to NATO; unification hangovers and organizational confusions; the lack of priorities for purchasing new equipments; and the general lack of funds for on-going operations. There was no consensus about the nature of the defence problem and how it might be addressed, and no consensus was constructed during the preparations of the White Paper.

In his Calgary speech of 3 April 1969 Trudeau seemed to clarify the roles for the Canadian Forces in the future.[23] Briefly, they were to survey Canadian territory, defend North America in cooperation with the United States, "fulfill" agreed NATO commitments, and participate in peacekeeping missions from time to time. Unfortunately, the statement and subsequent direction left unanswered questions of relative priorities and resulted in confusion and argument within both the defence establishment and the "near defence establishment" as well. For example, officers from the Canadian Forces, the Department of National Defence, the Solicitor General's Department, and other departments and agencies could not decide what role the Canadian Forces ought to play in the Northern Territories

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where other departments had already been mandated to do the tasks that the Prime Minister's statement implied the Canadian Forces should do in the future. A large "working group" was assembled in Ottawa to try to "interpret" the Government's policy, but they only concluded that more precise policy direction from the Government would be necessary if they were to unravel this so-called first priority.[24]

Similar confusion confronted planners who tried to implement the other roles. The Government, for instance, had arbitrarily withdrawn half of Canada's forces deployed in NATO Europe in 1969 and had intended to withdraw the remainder in 1970-71. But this second withdrawal was halted, mainly because of a strenuous European reaction and because Leo Cadieux, then MND (who had not been consulted about the impending decision until the last moment) threatened a noisy resignation. The result was that the Department of National Defence was left with a policy "hangfire" and with no indication of whether to proceed with NATO-related planning or not.[25] In the absence of decision the staff did whatever the interests of their own programs suggested.

The few short paragraphs in the White Paper about the defence budget were the essence of Macdonald's defence policy. He stated that "there is no obvious level for defence expenditures in Canada" and that statements of defence requirements could not be taken as the defence budget. The budget would have to be determined "in relation to other government programs."[26]

The 1971 White Paper imposed severe constraints on the Department of National Defence and the Canadian Forces. Cutbacks were announced in both manpower and equipment acquisitions. The budget was frozen at approximately 1 percent above its 1971/72 ceiling and the clear implication

was that it would continue to be constrained in future years as, indeed, it was.

The budget announcement was more than a little perplexing to the defence establishment. That there is no obvious level for defence spending in Canada was not a particularly hard notion for officials to grasp; some might point out that there is no "objectively" obvious level of expenditure for any government program. Rather the level of spending is almost always determined in each case by the political process. All that defence officials had expected was to be given a "fair hearing" for their needs after which the political process would prevail. By freezing the budget and announcing an arbitrary level of defence spending before the needs of the White Paper had been considered by the defence establishment, the Minister undercut the whole policy process in NDHQ. In the view of one official, the budget process subsequently became " nothing more than an elaborate management exercise with no real purpose or end."[27]

Besides upsetting the management schemes of the Department of National Defence, the budget restrictions presented the Canadian Forces with difficult, and some would contend insurmountable, operational problems. First, for most planners the levels of defence expenditures were not abstractions as Macdonald implied but rather had a concrete existence in defence objectives set by the government. These obligations were particularly evident once the government had accepted commitments to alliances that were important not only to Canada's defence but also to the defence of other countries. Second, the government in the White Paper had announced new roles or emphasized older tasks that would have to be met from a diminished store of resources. There is some evidence that the government had an expectation that they could completely withdraw from NATO

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Europe and used the "saved" manpower and resources from that commitment for other things. The problem with that proposal was (and is) that very few savings accrue to Canada from such a withdrawal because almost all the expenditures in Europe are made in the form of salaries and operations and maintenance costs. Little "new money" would be made available unless the withdrawn units were also disbanded, but that would negate the rationale for the withdrawal in the first place. In any event, the withdrawal did not take place and the Canadian Forces faced the prospect of trying to perform its standing commitments while taking on new and as yet undefined(in terms of expenditures) tasks with a steadily decreasing budget.

The Management Review Group announced in the White Paper, and brought into action later in 1971, criticized the government's defence policy because of the "lack of any Department of National Defence contributions to either the statement of 3 April 1969 or the 1971 White Paper."[28] Other officials who worked in the Department during the period confirm that there was little if any attempt on the part of the Minister to engage them in a discussion aimed at building a shared analysis of the defence policy. Indeed, the White Paper seems to have been written under Macdonald's close supervision and only circulated in outline to officials. The final text was passed to them just before its release but with the admonition by the Minister that not a word was to be changed without his permission. But most officials were not overly concerned because they believed, as one senior officer remarked to the Management Review Group, that "the White Paper did not provide meaningful policy declarations from a military viewpoint" and they simple tried to work their way around it.[29]

Once <u>Defence in the 70s</u> was issued the staffs attempted to make some plans to meet its objectives. Few in the defence establishment, however, believed that the strategic assessment was valid or that the government really could ignore NATO. Their dilemma, therefore, was to conduct operations as best they could without at the same time compromising any possibility of returning to the status quo ante when the time came -- as most believed it would -- when the government would be forced to resume a more "traditionally Canadian" defence posture. In fact, they had to wait less than two years.

Between 1970 and 1972 seven successive politicians held the defence portfolio in Canada.[30] Macdonald left the implementation of his White Paper to Edgar Bensen, whom many took to be only a "caretaker minister." During this period also a major upheaval, fully on the scale of unification, was taking place in the Department of National Defence. As a result of the Management Review Group Report of 1972, the entire headquarters structure and management system of the the Department of National Defence and the Canadian Forces would be changed. This activity, in conjunction with the budget cuts, changes in NATO Europe commitments, and the uncertainties of the White Paper itself rendered the Department of National Defence and Canadian defence policy a wide open field for the bureaucrat (in or out of uniform) who could get into the middle of the policy process as the "firstest with the mostest." By the end of 1973 it was evident that the "managers" interested in program management had prevailed over "operators" interested in defence capabilities.

The White Paper of 1987

The most recent White Paper is radically different, in terms of its development and concepts, from the two previous ones on defence. Challenge and Commitment: A Defence Policy for Canada is a "classic" defence statement in that it is focused primarily on defence needs and ways to meet them. It is the product of a political attitude that does not accept on faith that a natural "harmony of interests" exists in the world and as a consequence it reflects a belief that the military defence of Canada is of primary concern to the government. In this regard, therefore, the 1987 White Paper reflects also the beliefs and experiences of those who will have to administer it.

For this analysis the details of the strategic assessment are not as important as is the fact that it was developed "in-house." That is to say, the world situation was developed by defence officials using for the most part information drawn from Canadian, NATO, American, and other Allied sources. Not surprisingly, this assessment supports the "realist" preferences of the defence establishment: the Soviet Union plays a leading role in the world's security problems; power, in terms of military assets, is the currency of security; and the military defence of Canada is the aim of national defence policy.

The problem facing Perrin Beatty was, as always, the needs-resources imbalance. The Minister, on tabling his White Paper in the House of Commons on 5 June 1987, identified it precisely:[31]

> the existence of a significant gap between the capabilities
> required to meet the military commitments accepted by successive
> governments on behalf of the Canadian people and the capabilities
> possessed by the Canadian Forces.

Once the "commitments-capabilities gap" was defined as the problem of

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Canadian defence policy other aspects of defence policy changed also.

Operational assets cannot be developed simply by reorganizing peacetime units. Neither can capabilities be conjured up by designing some managerially more efficient policy process. Rather, the only criterion for measuring operational capabilities is a military model of efficiency and effectiveness in which the salient question is, "Will it work in conflict?" Thus there was a recognition that there is a military problem to national defence and that military concepts and values would have to be considered at the outset of defence policy planning. With this definition of the problem and the implied acknowledgment that the military leadership would have a major role to play in the development of government policy, Beatty went a long way towards building a consensus for his policy program.

In the history of Canadian defence policy there has been a continuous tension between two poles, the defence of Canada at home and the defence of Canada overseas. Since 1949 that tension has been evident in the struggles in Canadian defence policies that have in turn emphasized NATO and Canadian priorities. Liberal governments under Trudeau reduced Canada's commitments to NATO and starved the the Canadian Forces of resources as much as they dared. In doing so, however, they eventually produced a backlash first from NATO and then from the Canadian people who literally became ashamed of Canada's "free-rider" image. This response was highlighted in comments from many segments of Canadian society -- but not always, it must be acknowledged, from similar motives. So politically charged did the issue become that even the Liberal Party reacted to it by increasing defence spending in 1982, but it still surfaced as an election issue two years later.

Once they assumed power there was some sense in the Progressive

Conservative Party that treating the NATO policy pole would cure Canada's defence problem.[32] Unfortunately for this assessment, other unexpected events and issues arose that eventually made it clear that both the home front and the NATO poles would have to be addressed at the same time. These new pressures included challenges from the United States over Arctic passages; the growing influence of the so-called peace movement; discontent in Canada with President Reagan's "space defence" concepts; and such things as the successful nationalist rally, "True North, Strong and Free?" held in Edmonton in 1986.

The challenge for the Progressive Conservative government was to fashion a defence policy that would address both home defence and NATO commitments at the same time. Never before had the tension between the two poles been so inelastic and public awareness of its existence so acute. This dilemma as much as anything else likely accounts for the delay the government experienced in producing its policy document.

The key to solving the dilemma, within acceptable expenditure limits, was to find a force model and capabilities spectrum that would be as compatible as possible with both demands. This is precisely what the White Paper sets out to do and it is most evident in the enunciation of roles for the Services.

Challenge and Commitment announced that the government would "pursue a vigorous naval modernization program" aimed at producing a "Three Ocean navy" for Canada.[33] This naval program, not by coincidence, was to have capabilities that would enable the Navy to operate both in support of Canadian domestic defence objectives and NATO strategies. Thus the Minister could in good conscience deem the Navy to be a contribution to

both defence poles at once.

The Air Force, through the policies of both the former Liberal government and the present Conservative one, reduced its inventory of combat aircraft from three to one, the new CF18. This aircraft is being deployed both in Canada and overseas. Again, as with the Navy, it is easy to argue that these deployments not only are not contradictory but they are mutually supporting; for it can be argued that air squadrons deployed in Europe could be quickly returned to Canada in a crisis if it were necessary.

The Army, however, presented planners with a more serious problem. When critics and politicians speak of withdrawing the Canadian Forces from Europe it is usually the Army they have in mind. The Army is the one Service most often identified as having little relevance except in its NATO Europe role, for Canada is a large country defended by only a few widely dispersed Army units.[34] The White Paper promotes the Reserve Forces as the principal means of home defence, which if it occurs will mean that Canada will in essence have two Armies -- one more or less professional to meet overseas commitments, and another Militia Army to handle domestic duties.[35] On the assumption that a satisfactory plan to defend Canada with the Militia can be developed, it is the expectation of officials that the rationale for bringing the Army "home" may be diminished.

All these notions and plans have a great deal of support from the defence establishment. Each Service believes that it is being asked to do things that it should do and that would contribute to solving Canada's "real" defence needs. The Navy, for instance, feels that it is finally beginning to recover from the stinginess of funding of the 1960s. The Army, on the other hand, has come to embrace the integration of the Regular

Army and the Militia, something that it had resisted doing since 1950. Even without the insistence of Perrin Beatty, the Services would likely champion the roles he has spelt out for them.

It is noteworthy that as the White Paper was being prepared a strong consensus developed among the Services that each was demanding only its necessary share of the budget and not poaching on the needs of the others. In this regard the CDS, General Paul Manson, must be given full credit for managing the demands of the Services so as to produce from them a coherent military structure and acquisition program acceptable to the Cabinet. Here, at least, Hellyer's initiative to establish a single CDS seems to have fulfilled its promise.

Beatty was determined to develop what he called "an honest funding program". In pursuit of the 15-year defence rebuilding plan that he had constructed, the Minister announced that the government was "committed to real annual growth in defence spending which, except in fiscal emergencies, will not fall below two percent."[36] This level of expenditure is not as high as the defence establishment would have liked. Indeed, many were convinced that any level below 4 percent would only allow the the Canadian Forces to "rust out" as equipment became increasingly worn out and was not replaced quickly enough to maintain capabilities. In any event, a strong consensus on resource requirements was reached in the defence establishment. The Minister's task was to wring that higher level of spending from the Cabinet or, failing that, to find a compromise that would sustain his pledge of honest funding and the confidence of the defence establishment.

It was the "near defence establishment," and particularly the Minister

of Finance, who raised the most serious challenges to the defence program. The arguments, generally, were not about the needs but about the ability of the government to meet the fiscal demands of the program. Debates continued as the White Paper was in production around the value of each element of the program and ways to finance it. In the end the government settled on a funding formula that did not commit it to the entire 15-year program but that allowed Beatty to complete the White Paper on time.

The budget compromise was "2 percent and bumps." That is, 2 percent would be the budgetary floor, with the Cabinet, in annual reviews, considering incremental increases above this floor in order to finance selected major programs. In effect the defence budget process will become a "rolling five-year funding plan."[37] The compromise, however, leaves more than a little doubt in many minds about future funding and thus disturbs the consensus somewhat. It may yet inspire some competition between the Services and allow other departments' officials to return to arguments thought settled in the spring of 1987.

Consensus building in the defence establishment was a major activity during the preparation of the 1987 White Paper. The Minister was determined to present to Cabinet a document and policy proposals that had the support of those who would have to carry them out. The outline of the new White Paper had been under consideration for some time before Beatty arrived in the Department of National Defence and these discussions and false starts gave senior officers and officials some experience in drawing up the final document. When Beatty arrived with a clear direction to produce a new defence statement the policy gears were well oiled.

Even so the White Paper did not come easily from the establishment. Officials report that it when through some 20 drafts. There were

discussions, some very strongly contested, in which the central themes and methods for the defence of Canada were worked out. It was not a case of the military producing a "wish list" for the Minister's signature but in some cases it was the Minister who challenged the conservative inclinations of the officials. In the end a consensus was reached as to the nature of the problem, the roles of the the Canadian Forces, and the funding necessary to implement the policy. For many officers and officials the feeling of teamwork and honesty developed during this period was a new sensation. Within the Canadian Forces especially, there was confidence that officers were making a significant contribution to the policy process in ways that had been impossible under Hellyer or Macdonald. After the White Paper was issued this consensus was to pay dividends to the Minister and the Department of National Defence as the public and the members of the Canadian Forces came to understand and, in most respects, to trust the results of the defence policy review, even if some doubt that the political will can be sustained to provide the funds to support it all.

To what extent were the policies set out in Hellyer's and Macdonald's White Papers actually carried through to completion? Some policies were completed as announced but most were not. In both cases as soon as the Minister left office the preferences of the bureaucracy began to refashion the aims and priorities of defence policy.

At the surface, Hellyer's White Paper produced the unified Canadian Forces that he desired. But over the long term the latent resentment in the Canadian Forces and in some elements of the public towards unification worked to restrict its complete implementation. Only the persistence of successive Liberal defence ministers held the policy in place. Once

governments changed the policy changed and the defence establishment returned to a form of integration it preferred. Hellyer's White Paper produced no "mobile army," no new resources for capital expenditures, no sealift, and certainly no operational improvements as he had predicted.[38]

Defence in the 70s lasted as policy for less than two years after Macdonald left the Department of National Defence. It produced no new home defence or even sovereignty-surveillance forces, and the lack of decision about Canada's NATO commitments left the the Canadian Forces with an emasculated structure in Europe. By 1974 the preferences of those committed to the NATO roles began to reassert themselves as the history of Canada's decision to buy new tanks for the European-based units confirmed.[39]

Only in one respect did Macdonald's White Paper make a lasting impact, albeit indirectly. In that policy statement he announced a study, the MRG, to recommend to him a reorganization of defence headquarters and management. That report resulted in a significant shift in bureaucratic power from the military leadership of the Canadian Forces to Public Servants, with that new power alignment surviving until 1982, when the definition of the problem changed from program management to operational performance.

Will Challenge And Commitment fare better in the long term than previous White Papers? If the degree of consensus in the defence establishment is the controlling criterion for consistent implementation of policy, then this White Paper may well remain coherent for years to come. There is a strong consensus about what needs to be done to defend Canada, how it should be done, and what it will take to do it. So long as that consensus holds the White Paper of 1987 should provide a reliable policy

base.

A number of factors, however, could disturb this now solid consensus. For example, should there be a major change in senior officials or officers new clashes of priorities could develop. Certainly if Beatty were to leave, the direction of defence policy could be altered unless a new minister were equally dedicated and politically influential in Cabinet. Obviously, if the funding formula breaks down such that internal stress is placed on the Services and programs there will be a scrabble as groups try to protect their own interests.

Probably the most unpredictable change, but potentially the most disruptive, would occur if there was a change of government. A new government would be faced with the task of reconciling itself to the consensus in the defence establishment, which means accepting essentially the 1987 White Paper, or building a new one of its own. Given the strength of the present support for the policy and public acknowledgments of it, changing the collective bureaucratic mind may not be easy.

It is hard to conceive of the defence establishment readily abandoning the present policy. In a situation in which it was forced to do so Canada would face turmoil in its defence policy and maybe irreparable delays in equipment acquisitions while a new consensus was being constructed. If building a new consensus required the release of officers and officials who could not be persuaded to change their advice there would be a significant loss of morale and confidence in the Canadian Forces. The predictable end of such a scenario would be a government served by a reluctant defence establishment most likely looking to fashion, incrementally, defence policies that it prefers to support.

This analysis should not be taken to suggest that ministers must fall into line with the opinions and policies of their officials or be damned. To the contrary, most officials would be pleased to have clearly articulated policies from their ministers. Defence officials and officers in 1970 were, if anything, keen to try to impart some coherence to defence policies after the Hellyer era. The difficulty, however, in trying to administer policies that officials believe to be flawed or, in their experiences, not in the interest of the country, is apparent; consequently ministers must argue convincingly, if they can, to change these attitudes. If they are simply arbitrary in their policy statements, ministers will find themselves compelled to active supervision of their officials, or else they will risk losing control of their policies. Left to their own interests and opinions, officials can only be expected to resolve their inevitable doubts and what appear to them to be contradictory policies by bargaining within the establishment for things they believe to be important. This bargaining process, as Charles Lindblom and others have demonstrated, tends to produce random results based not necessarily on government policies but on the strength of the factions within the establishment in question.

NOTES

[1] Government of Canada, Challenge and Commitment: A Defence Policy for Canada (Ottawa, DND, 1987). (Hereafter cited 1987 White Paper.)

[2] Douglas Bland, The Administration Of Defence Policy in Canada: 1947 to 1985 (Kingston: Ronald P. Frye, 1987).

[3] Paul Martin, A Very Public Life, 2 vols. (Toronto: Deneau, 1985), 2:499-500.

[4] Government of Canada, White Paper on Defence (Ottawa, DND, 1964). (Hereafter cited 1964 White Paper.)

[5] Government of Canada, Debates (Ottawa: House Of Commons, 11 May 1964), p. 3148.

[6] 1964 White Paper, pp. 5-9. See Bland, Defence Administration, p. 197

[7] 1964 White Paper, pp. 22-24.

[8] Derek Blackburn, "Canadian Sovereignty, Security, and Defence: A New Democratic Response To The Defence White Paper" (Ottawa: July 1987), pp.21-24

[9] Government of Canada, Paul Hellyer, Address On The Canadian Forces Reorganization Act (Ottawa: House Of Commons, December 1966) p. 13. (Hereafter cited as Bill C243.)

[10] Ibid, p. 25.

[11] 1964 White Paper, p. 19.

[12] Ibid, pp.22-24.

[13] Ibid, p.24.

[14] Canada, Ad Hoc Committee On Naval Objectives, Final Report July 1961 (Ottawa: DND Directorate Of History, 73/250). For a description of the 1960s discussion about submarine acquisitions, see S.M. Davis,"It has Happened Before: The RCN, Nuclear Propulsion and Submarines," Canadian Defence Quarterly 17 (Autumn 1987): 34-40.

[15] 1964 White Paper, p. 23.

[16] J.Brock, The Thunder and the Sunshine (Toronto: McClelland and Stewart, 1983), pp. 115-16.

[17] For a complete description of Service reaction to unification, see Vernon Kronenberg, All Together Now: Canadian Defence Organization, Wellesley Papers 3/73 (Toronto: Canadian Institute for International Affairs, 1973.)

[18] See, for example, the findings of the defence working group of the

Royal (Glassco) Commission on Government Organization in Bland, _Defence Administration_, pp. 25-31.

[19] R.J.Sutherland, _Canada's Strategic Situation And the Long Term Basis Of Canadian Defence_ (Ottawa: DND, April 1962).

[20] Government of Canada, _Defence in the 70s_ (Ottawa: DND, August 1971).

[21] Ibid. pp. 3-7.

[22] Bland, _Defence Administration_, pp. 56-86.

[23] Government of Canada, Department of External Affairs, _A Defence Policy for Canada_, Statement to the Press by Prime Minister Pierre Trudeau, Calgary, 3 April 1969. (DEA Statements and Speeches No. 69/7).

[24] J.D. Anderson and J.C. Arnell, "Program Management in the Department of National Defence", _Canadian Defence Quarterly_, (Autumn 1971): 31-33.

[25] Interviews, Ottawa, 1985.

[26] _Defence in the 70s_, pp. 41-42.

[27] Interviews, Ottawa, October 1987.

[28] Government of Canada, DND, _Report to the Minister of National Defence on the Management of Defence in Canada_ (Management Review Group Report) (Ottawa: July 1972), pp. 25, 28. (Hereafter cited as MRG.)

[29] MRG, p. 19.

[30] Bland, _Defence Administration_, Annex A.

[31] Government of Canada, House of Commons, Perrin Beatty Speech on tabling, _Challenge and Commitment_ (Ottawa: House of Commons, 5 June 1987).

[32] A major initiative at the "Shamrock Summit" held in Quebec City between Prime Minister Mulroney and President Reagan in March 1985 was Canada's announcement to increase its deployments in Europe and to increase defence activities generally.

[33] 1987 White Paper, p. 51.

[34] NDP Defence Statement, 1987, p. 22

[35] 1987 White Paper, pp. 65-66.

[36] Beatty, Tabling Speech.

[37] 1987 White Paper, p.67.

[38] Government of Canada, _Task force On Review Of Unification Of the Canadian Forces: Final Report_. (Ottawa: DND, 15 March 1980). The Report

concluded that it was "dubious whether unification has achieved the intended goals" (p.60).

[39]On 27 November 1975 James Richardson, MND, reported to the House of Commons the results of a DND study entitled, The Defence Structure Review. It was begun in the Department in late 1973 and substantially reversed Defence in the 70s by confirming the NATO role and announcing equipment purchases, such as tanks, to support it.