NATO and Canada, 1990-1993: The Tight-Lipped Ally

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Abstract: In September 1991 the Canadian government announced that it would station a task force in Germany, to continue Canada’s participation in NATO’s defence of Western Europe. Six months later the government announced that Canada had cancelled the task force, which meant that by 1993 Canada would have no permanent military presence in Europe. Canada’s allies were not pleased with the abrupt change, but while expressing their displeasure to Canada, they also thanked Canada for its military contribution during the Cold War, and reassured Canada that they understood Canada would continue to be an active member of the alliance.

On Tuesday, 10 July 1993, the last men and women of Canadian Forces Europe (CFe) left Canadian Forces Base Baden-Soellingen in West Germany. They were honoured by the German military with a torchlight grosser zapfenstreich ceremony, the highest honour the German military can give.¹ Thus ended forty-one years of Canada’s permanent military presence in Europe. The appreciation shown to Canada’s soldiers was not extended to the government. The unilateral decision to withdraw CFe from Europe, made just months after Canada announced that Canada would keep a task force in Germany, once again raised questions about Canada’s commitment to the alliance. In 1987, before the end of the Cold War was clearly in sight,

Canada laid out a bold vision for a renewed Canadian commitment to the North Atlantic Treaty Organization (NATO) in a defence White Paper. By 1993, Canada had abandoned most of those programs and policies. The bold reversal, and particularly the bitterness over the lack of consultation and communication with allies concerning Canada’s withdrawal of troops from Europe, overshadowed Canada’s continuing participation in the alliance.

This paper’s argument is that, in the period of 1990–1992, the Canadian government displayed a firm allegiance to NATO, despite failing to live up to its hyperbole concerning its commitment to NATO. During Brian Mulroney’s tenure as Prime Minister, the government struggled to rebuild Canada’s military while at the same time reducing a massive budget deficit created by a decade of slow economic growth and rapid inflation. From 1989 until 1992, while the economy was in recession and the Cold War over, the government kept Canadian Forces in Europe at the cost of hundreds of millions of dollars a year. The decision to cancel the proposed task force, thereby fully withdrawing Canadian forces from Europe, was made to free up funds for Canadian forces in Canada and the North Atlantic. Canada played an important strategic role at sea in the overall defence of the NATO area, which the government rightly considered more important to NATO than CFE. After the withdrawal of CFE, Canada remained an active member of NATO through political consultation, defending North America and the North Atlantic and participating in new security institutions in Europe. Canada’s commitment to the defence of Europe and the West was also clearly demonstrated through diplomatic involvement in Eastern Europe and peacekeeping in Yugoslavia, starting in 1992. These were not, strictly speaking, NATO activities, yet they were conducted mainly by NATO nations to prevent those conflicts from negatively affecting the security of NATO members.

All these demonstrations of commitment to NATO cannot justify Canada’s clumsy and insensitive treatment of the alliance, which unnecessarily damaged Canada’s relationship with NATO. At NATO summits, Canada encouraged increased consultation among member nations but barely consulted NATO when making changes to Canada’s military contributions to the alliance. The government was severely constrained by the deficit and a recession, but these limits did not necessitate treating NATO in such an abrupt manner. These failures to communicate damaged Canada’s relations with NATO, but they did not eliminate Canada’s commitment to NATO.
The argument of this paper is primarily based on three types of sources. Four dossiers containing 900 pages of documents from the Department of External Affairs, obtained under the Access to Information Act, clearly demonstrate that Canada never wavered in support for NATO. One dossier contains documents pertaining to the development of the Station Task Force, and one contains communications between Canada and other NATO members concerning the cancellation of the Station Task Force. The other two dossiers contain briefing material for the Canadian officials at the 1990 NATO Summit, and an executive summary of the summit.

Interviews with two senior members of the military, General John de Chastelain and Lieutenant-General Richard Evraire, give first-hand accounts of the military's goals and difficulties. An interview with Ken Calder, a senior member of the Department of Defence, contributed useful information concerning the working relationship between the military, the Department of National Defence (DND), and other government departments. These interviews are crucial for demonstrating that the withdrawal of CFE was done to minimise the effect of Canada's budgetary problems on NATO's defence capabilities. A broad reading of scholarly literature from the period is used to give a firm understanding of the international situation, Canadian domestic politics and budgetary issues, and the state of the Canadian military. As far as possible, only publications from 1984 to 1993 are used. The annual publications Canadian Annual Review of Politics and Public Affairs and Canada Among Nations provides information regarding Canada's domestic politics and changing international relations.

These sources offer a limited and incomplete view of Canada's complex relationship with NATO in this period. The primary sources are Canadian, and yield an in-depth view of the deliberations and motives of Canadian officials, but analysis of the allied nations' reactions is limited to what they chose to share with Canada. Their concerns and opinions on Canadian policy are filtered through diplomatic tact and language, and often filtered again through Canadian officials offering summaries. To fully understand what the allies' governments and militaries thought of Canada's turnabout, access to their government and military documents is required, which was not possible for this paper. The sources used in this paper are however sufficient for concluding that Canada was acting in NATO's
best interest when it chose to withdraw CFE, and that Canada's NATO allies were not pleased with that decision.²

THE TWO-CONTINENT PROBLEM

In 1951, Prime Minister Louis St. Laurent sent a robust Canadian military contingent of ten thousand troops, heavy equipment, and aircraft to West Germany to serve in NATO's massive anti-Soviet army.³ His intention, to defend Western Europe from the Soviet threat, was noble, but he placed the small Canadian military in the awkward and expensive position of defending two continents and three oceans. In 1969, Prime Minister Pierre Trudeau tried to solve that problem, but his antagonistic stance towards NATO undermined his efforts. He did not consider the Soviet Union to be as great a threat as his predecessors did, and he openly questioned the usefulness of NATO to Canada.⁴ He may have been willing to go as far as completely removing Canada from the alliance, but faced with resistance from senior cabinet members, he settled upon cutting CFE in half and freezing the military budget.⁵

In 1985, Defence Minister Erik Nielsen came up with a new way to get Canadian forces out of Europe. Instead of taking a contrary, hostile stance, he managed to couch the withdrawal in pro-NATO terms. He proposed that Canada relocate CFE to Canada as part of an augmented CAST Brigade, which was tasked with the defence of

² The primary research question for this paper was “why did Canada withdraw Canadian Forces from Europe in 1993?” To answer that question, another question must first be answered: “why would Canada keep an expensive task force in Europe after the Cold War was over?” Canada’s European NATO allies valued having Canadian Forces in Europe, and Canada was therefore willing, for a time, to continue fielding CFE. Since allied opinion was the primary reason keeping Canadian forces in Europe, their reactions to the cancellation must be given some attention, to understand why Canada even considered keeping forces in Europe. However, the purpose of this paper is to examine the Canadian decision to withdraw CFE, not to fully analyze Canada-NATO relations in 1991-1993.
Norway under NATO defence plans. Immediate and negative allied reactions quickly led the end of that idea. Norway did not want to be seen as stealing forces from Germany, and Germany did not want Canada to start a domino-action withdrawal of other nations. The United States and Britain agreed with this analysis, so Canada withdrew the proposal.

The last time that the issue was raised during the Cold War was in the spring of 1988. Ken Calder, on instruction from the Assistant Deputy Minister of Policy in the Department of National Defence Bob Fowler, wrote a memorandum to the deputy minister of defence and the chief of staff. The memorandum suggested that, due to the political changes in Eastern Europe, Canada could withdraw CFE from Europe. The Vice Chief of the Defence Staff Jack Vance requested that every copy of the memo be destroyed, since it suggested an outright reversal of the White Paper only one year after it was issued. In an interview with the author, Calder said that after the White Paper had been published, members of the military and government thought that the issue of withdrawing from Europe was settled. The next time that the issue was raised, the ministers who initiated the process first obtained permission from the prime minister.

THE 1990 NATO SUMMIT

The two primary issues that the NATO heads of government had to deal with at the 1990 NATO Summit were the future role of the alliance and its relationship to the Eastern European nations. Canada took a strong position for the continued relevance of NATO as a “major locus” of Western political discussion, and for the inclusion of Eastern Europe in ensuring European security. Three Canadian goals for the summit were included in the final summit

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6 Ken Calder, Interview by Ian Weatherall, Audio-recorded, 1 April 2014.
7 Claude LeBlanc, Presentation given on the Progressive Conservative’s Commitment to the Central Front, 6–9.
See also: Adolf Carlson, Who Will Stand the Nordic Guard? (Carlisle: US Army College, 1988). Carlson argues that the Canadian government should have followed through with the redirection of Canadian focus from Germany to Norway. His argument is that Canada’s contribution to Norway was strategically more important to NATO than Canada’s forces in Germany, and an increase of forces to Norway a much better use of Canada’s limited budget.
8 Ken Calder, Interview by Ian Weatherall, Audio-recorded, 1 April 2014.
statement. These were a statement to the Soviet Union that NATO no longer considered it an adversary, alterations to the structures of conventional forces in Europe, and an enhanced political dimension for NATO under Article Two.9

A robust ability to defend NATO’s area remained a high priority, however. The summary notes prepared for members of the Canadian delegation stated that the United Kingdom sought a reaffirmation of the defence aspect of the alliance and that France was wary that changes to NATO’s political aspect would weaken its military capabilities.10 By arguing for an enhanced political aspect to NATO, Canada was not trying to weaken NATO’s military abilities but to improve NATO’s ability to exercise influence without resorting to force. A paper entitled “The New European Architecture” was included in the Canadian briefing book.11 The paper argued that NATO’s non-provocative, collective defence was “particularly important in easing Europe through the transitional period ahead.” Canada supported maintaining an appropriate military capability for NATO, based on reduced levels of conventional and nuclear arms. The Canadian focus put on the enhanced political aspect for NATO did not remove expectations of Canada’s military commitment to the defence of the NATO area. Richard Evraire recalled that, as far as the members of the Military Committee were concerned, NATO continued to be a collective defence organisation with the primary task of defending Europe, the North Atlantic, and North America. The shift towards an enhanced political role for NATO was “an intellectual change” that was not discussed at the committee.12

JOE CLARK, BILL MCKNIGHT, AND CONFLICTING COMMITMENTS TO NATO

In his book, How We Lead: Canada in a Century of Change, Joe Clark stated that he was proud to have played a leading role in

9 Executive summary: NATO Heads of State and Government Summit 1990, File 27-4-NATO-1, MF 9952. Library and Archives Canada (LAC), 41.
10 Ibid., 5.
11 Ibid., 24.
12 Richard Evraire, Interview by Ian Weatherall, Audio-recorded, 3 April 2014.
Brian Mulroney’s activist agenda of the 1980s and 1990s.\textsuperscript{13} In a short article published by McGill University, he refers to that government having a principled foreign policy.\textsuperscript{14} With these two words, “activist” and “principled,” he aptly summarised the two underlying beliefs that drove his foreign policy during his time as secretary of state for external affairs. These were that Canada should be heard on the international stage and that Canada had something positive to contribute in international affairs. Canada’s voice and perceived influence came at a price. Permanently maintaining troops in Europe, sending peacekeepers to nearly every UN peacekeeping mission, providing aid to developing countries, and taking an active role in several international organisations cost Canada billions of dollars a year. A common term for spending large amounts of money to ensure that Canada was heard was “buying a seat at the table.”

From 1984 until 1991, the Progressive Conservatives’ actions to remedy the military’s inability to meet its NATO commitments (termed the commitment-capability gap) were congruent with buying a seat at the NATO table. In 1985, Defence Minister Erik Nielsen abandoned his plan to shift Canadian focus from West Germany to Norway, a cost saving measure, because of opposition from NATO allies. Defence Minister Perrin Beatty’s 1987 White Paper was intended to restore Canada’s status as a good ally, primarily by investing large amounts of money, much of it in CFE, to narrow the commitment-capability gap. Having Canadian forces stationed in Germany was a highly visible, and highly expensive, reminder of Canada’s commitment to European security, which External Affairs highly valued.

In 1991, with Bill McKnight as minister of national defence, the government allowed the DND to alter its support for NATO in a way that undermined External Affairs use of CFE as political leverage. McKnight was explicitly tasked with ordering the department’s finances and creating a financially viable political agenda, instead of making well-intended promises that Canada could not afford. To do so, McKnight initiated a defence review that would replace the White Paper as DND’s blueprint for the post-Cold War future, taking into consideration the new reality in Europe and Canada’s worsened

\textsuperscript{13} Joe Clark, \textit{How We Lead: Canada in a Century of Change} (Toronto: Vintage Canada, 2013), 195.

\textsuperscript{14} Joe Clark, “Restoring a Broadly-based Canadian Foreign Policy,” Speech given at McLaughlin College, Scarborough, Ontario, on 15 November 2007.
economic condition. Unlike the White Paper, the defence review was unsympathetic to what Canada’s allies considered Canada’s ideal role to be. The defence review was not published, another deviation from the highly publicised White Paper, causing misunderstandings when Canada began to radically veer away from the path set in 1987.

THE DEFENCE REVIEW

On 11 March 1991, the Minister of Defence, Bill McKnight, wrote to the Prime Minister to inform him of changes in Canada’s defence policies. By the end of 1991, Canadian Forces Europe would be reduced to the troop level it had been at the beginning of 1985, reducing CFE to 5,600 troops from a peak of 7,700. McKnight proposed a further reduction to down 2,500 or 3,000 troops by the end of 1993. Between 1991 and 1994, about 3.4 billion dollars would be cut from the defence budget, necessitating the closure of fourteen bases, freezing of capital acquisitions for Europe, and the cancellation of the nuclear submarine programme. These programme cancellations alone were not sufficient to meet the budgetary reductions, and the only programme that could be reduced was CFE. Officials in the DND would begin consultation with officials in Finance and External Affairs to determine the course of action if the prime minister authorised the plan.15

The defence review was published on 26 March 1990, entitled “A New Defence Policy for Canada.” It stated that the end of the Cold War necessitated a thorough review of Canada’s defence policies since events in Europe had made parts of the 1987 Defence White Paper obsolete. Canada’s focus on Europe had neglected requirements in Canada, and the new fiscal situation required that the military planning conform to what the nation could afford. The government considered the funding in the White Paper too high in light of the ongoing recession, and over the next five years 3.398 billion dollars of forecast spending would be cut from the defence budget. Every NATO ally, the nations of Eastern Europe, and the Soviet Union were cutting their military budgets in response to the end of the Cold

War. To expect Canada to maintain its defence budget would be politically unreasonable. The difference between forecast spending and actual spending is crucial to understanding this review. The White Paper forecast increases to the defence budget. In the review the increases were cancelled, but the review did not reduce the budget below the amount already being spent. In the period of 1988–1991, when defence spending remained steady, references to cuts in the military budget referred to the proposed increases being cut, not the already existing budget being cut.

The term used in the defence review to summarise Canada’s new main policy elements was “continuity, but changes in emphasis.” Canada would continue to ensure its security through collaboration with NATO allies, but with more attention given to the defence of Canada and Canadian waters. The DND argued that Canada could support NATO through the other existing commitments; that is, North American defence and naval operations in the North Atlantic. The DND wanted to create a new long-term defence plan for Canada that would still ensure the purchase of new equipment and that would avoid making policy decisions based solely on fiscal reasons. The new expected funding level was constant funding until 2006, which would result in forty-six billion dollars of savings for the government in that period. The reductions in Europe would phase out Canada’s high-intensity armoured combat tanks, and the air force would lose three squadrons. Forty CF-18s would be mothballed to make the existing fleet last longer. Only naval capabilities would be left near existing capabilities. External Affairs declared the defence review largely in harmony with their outlook on Canadian security, with the exception of the withdrawal of all forces from Europe. External Affairs wanted Canada to retain “an appropriate military presence” in Europe, because of Canada’s vital interests in European security.

On 28 March 1991, Secretary of State for External Affairs Joe Clark wrote to Mulroney to express his general agreement with McKnight’s assessment of the European security situation. He cautioned the prime minister to not overlook the instability in the Soviet Union and Yugoslavia nor the unwillingness of the Soviet Union...
to take on certain arms reductions agreements. Clark welcomed the proposal by McKnight to maintain a reduced commitment to Europe after 1993, but recommended that Canada clearly state its intentions before making any changes to CFE to reassure allies that Canada was still committed to NATO. Clark wanted the Canadian presence to be a viable part of NATO’s defence capabilities and not just a rump force. He suggested that a small team of officials from Defence and External Affairs examine some of the options with NATO to determine the best ongoing role for Canada.¹⁸

DISCUSSIONS BETWEEN EXTERNAL AFFAIRS AND THE DND

On 10 April 1991, the Cabinet Committee on Foreign and Defence Policy asked National Defence and External Affairs to prepare a document laying out the options of how Canada could continue to have a military presence in Europe after 1995. Approved on 10 May 1991, the document, entitled “Canadian Stationed Forces in Europe” had four sections. Section One was prepared by External Affairs to set out the case for a continued military presence in Europe. They argued that geopolitical balance had changed, but there continued to be a valid security requirement for security forces in Europe. The United Kingdom, the Netherlands, Belgium, Norway, Italy, and Germany had all urged Canada to continue to field a military force in Europe because of security concerns. External Affairs believed having a Canadian presence in Europe gave Canada “enhanced weight” in discussions concerning the future of Europe’s security architecture. All other NATO allies were reducing their deployments to Germany and accepted that Canada would do so as well, but External Affairs considered a complete withdrawal of CFE by 1995 an unacceptable option. NATO was revising its military strategy and available information indicated that Canada could make a credible contribution with as little as 1,200 troops organised in a combat group within a multinational Immediate Reaction Force. Although this would require Canada to bear costs slightly above those

proposed in the defence review, some of these costs could be reduced by sharing bases and infrastructure with allies.\textsuperscript{19}

Section Two of the document was written by National Defence and made a case for withdrawing CFE from Europe.\textsuperscript{20} It started with a comparison of the early years of NATO to the post-Cold War Europe that the paper was addressing. At the time of the Korean War, the Soviet Union’s military presence in Eastern Europe greatly outnumbered NATO forces in the region. Several of the NATO nations were at war with a Soviet satellite state, North Korea. By 1991, the Soviet conventional military threat to Europe was reduced, the Warsaw Pact no longer existed, and NATO allies were cutting their defence budgets. DND proposed that the Canadian combat units could be withdrawn by 1995 in a way that maximised the utility of the monetary resources available to DND. Canada’s best role was to defend Canada and its oceans while leaving the immediate defence of Europe to the Europeans and Americans. The department also stressed that Canada contributed to general security through the North American Aerospace Defence Command, peacekeeping, participation in multinational forces in the Gulf, and Canada’s naval presence in the Pacific and Atlantic.

The authors of Section Two also argued that CFE had to “train as you intend to fight.”\textsuperscript{21} The training for European combat included low-level flying, air combat manoeuvring, live firing, and operation of land forces over open terrain. Before 1989, the Canadian Forces were allowed to do live training exercises across any terrain, regardless of the damage to crops and dirt roads. They had to pay for damage that they caused and were tolerated by the neighbouring German citizens during the Cold War. But once the imminent threat of invasion from Czechoslovakia ceased to exist, citizens were not willing to deal with damages from training. John de Chastelain, chief of the Defence Staff from 1989 to 1993, stressed in an interview with the author the importance of the training issue in the DND’s argument for withdrawal. If CFE could not train in Europe, then it would have to cycle forces back to a training base in Canada that was designed to mimic Europe. The troops in Europe would be confined to the

\textsuperscript{19} Canadian Stationed Forces in Europe, 10 May 1991, Defence Policies-Europe; 27-1-1, vol. 4, LAC, 145.
\textsuperscript{20} Ibid., 146.
\textsuperscript{21} Ibid., 145.

base, unable to train in the terrain they were expected to operate in the case of war. The inability to train troops in Europe would either require increased costs to cycle troops more often or a reduction in the combat-readiness of CFE.22

DND was, however, willing to continue stationing troops in Europe, and proposed three options they considered viable residual military presences for Canada in Europe.23 Option One was to provide airborne airfield defence for NATO’s early warning force. Option Two was a small battle group or brigade group stationed at an American base, the vanguard of a brigade group stationed in Canada. The group would have a manpower level of 1,100, 667 of whom would be infantrymen, plus one armoured squadron. Option Three was a small standalone battle group, composed of 601 infantrymen, three armour squadrons, and engineer support, for a total of 1,496 men. Option One was the cheapest, at 47 million dollars a year. Option Two would cost

22 John de Chastelain, Interview by Ian Weatherall, Audio-recorded, 8 April 2014.
114 million dollars a year. Option Three cost 157 million dollars a year, including 8 million dollars for the maintenance of tanks in Canada. Option Two and Option Three would also require a future replacement of Canada's main battle tank in addition to the annual costs.

NATO members were aware that Canada was considering reductions to CFE, but few details were revealed to them during the review period. A letter from British Prime Minister John Major to Mulroney urged Canada to continue its commitment in Europe, saying it was vital that Canada have a continued role in Europe's security. The American Secretary of State James Baker wrote to Barbara McDougall, who had replaced Joe Clark as Canada's Secretary of State for External Affairs in April, urging Canada to maintain current levels of forces in Europe. Concerned that the North American influence in NATO was waning, Baker wanted to ensure that NATO remained truly transatlantic. He said that the United States valued Canada's presence in Europe and hoped that Canada would maintain troop levels despite other allies cutting their levels. Warning that Canada could suffer a loss to its ability to influence European affairs, he requested that Canada continue consulting allies. If Canada were to reduce force levels, it should do so as part of a NATO strategic review, instead of a unilateral decision.

An External Affairs message to the Canadian ambassador in Washington said that Canadian officials in Ottawa were being bombarded with questions and blunt statements of American views, some of them wandering into realms of "outrageous hyperbole." The message said that Baker took the same "regrettable" approach at a meeting with McDougall at a meeting in Copenhagen. According to the message, Baker implied that Canada would lose its seat on the NATO Defence Planning Committee if it withdrew all forces from Europe. External Affairs found this suggestion a possible threat and called it "particularly objectionable" and "nonsense" since all

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26 Canadian Forces in Europe: View of Sec State Baker, 10 June 1991, Defence Policies-Europe; 27-1-1, vol. 4, LAC, 39. There appears to be at least two letters from James Baker to Barbara MacDougall, one of which was included with the stack of documents obtained through The Access to Information Act. The letter that External Affairs found particularly objectionable was not included, but some of the contents can be obtained through references in other documents.
members of NATO had a seat regardless of whether they stationed troops outside their borders or not. The message concluded by saying that Canada should advise senior State Department officials that they were doing their cause and that of the alliance “no good by bandying about such distortions of reality.”

On 30 May 1991, Minister of National Defence Marcel Masse, who had replaced Bill McKnight, discussed the issue of finding a place to station troops in Europe with the Canadian ambassador to Germany, Thomas Delworth. Ambassador Delworth suggested that the Germans take ownership Canadian Forces Base Lahr while a reduced Canadian contingent remained there. This arrangement would allow Canada to continue to operate in familiar territory without being demoted in status by being moved to a subordinate position under American troops.27

A 2 June 1991 External Affairs memo written by Michael Dawson, probably to Marcel Masse, (the original recipient’s name is crossed out and replaced with a handwritten “MM”), discussed the proposal that Canada provide specialist troops that would round out a larger military formation drawn from several nations. Dawson saw two problems with this idea. First, it was not compatible with Canada’s current capabilities. Secondly, and more importantly, such a role would be considered a subordinate role and would not be sufficiently high in profile.28 He listed several possible support roles that Canada was unable to fill, and two that were compatible with existing capabilities. These were combat engineers and air defence troops which, although valuable, have little profile and which would hinder Canadian officers from rising in NATO ranks. He doubted DND would willingly take on such a low-profile role, and he stressed that Canada’s greatest strength was infantry, artillery supported by combat engineers, and light armour. Based on these strengths, he recommended a land forces role for the Canadian military and not an air defence role.29

29 Ibid., 91.
Prime Minister Mulroney’s Speech in Berlin

Prime Minister Mulroney was scheduled to visit Berlin in mid-June 1991. Cabinet was planning to meet on 18 June to decide the future military role Canada would play in Europe. Delworth wrote to External Affairs headquarters urging cabinet to meet on 4 June instead, which would allow Mulroney to give concrete details to Germany during his visit. Cabinet kept the 18 June date. External Affairs and the DND had not yet agreed on the preferred future role of CFE: on 6 June External Affairs was still debating the benefits of sharing a base with the Germans.

Mulroney’s speech in Berlin on 14 June 1991 was therefore light on details, but he stressed Canada’s commitment to Europe. The reforms enacted by Mikhail Gorbachev had resulted in the Soviet Union’s “remarkable progress” in five years, making the world an incomparably safer place and greatly reducing the military threat to Western Europe. However, until real progress became evident in the Soviet Union’s transition to democracy, the West had to be cautious in its response. To ensure this, he said, “Canadian Forces will remain as long as there is a residual threat to European and Canadian security here and as long as we are needed and welcome”.

Canada had the good sense, at least in 1991, to inform allies of the decision far in advance of the official announcement. On 17 June 1991 External Affairs in Ottawa informed NATO and Bonn that, once the defence review was complete, General John A. Macinnis would brief Canadian officials at NATO headquarters and the Canadian embassy in Bonn so that they could inform the allies of the results. On 18 June the cabinet had to choose what Canada’s military response to these changes would be. A memo from NATO to External Affairs Ottawa on 27 June 1991 expressed relief and gratitude that Canada was not fully withdrawing militarily from Europe, and said that the German, American, and English governments were all likewise relieved.
THE TASK FORCE

The official announcement of the reduced Canadian force in Europe, given on 17 September 1991, gave the number of troops to remain in Europe at 1,100. Defence Minister Marcel Masse did not mention which option was chosen, but the number of troops announced nearly exactly matches Option Two—a small brigade group that would be stationed in a leased base. The announcement said the unit would serve as a vanguard for a brigade stationed in Canada ready to deploy anywhere in the world, and which could be put at NATO’s disposal if needed in Europe. Both Option Two and the announcement stipulated that the exact role of the brigade group would be negotiated with NATO to fit it into the collective defence units that were at the time being restructured. The new formation was called a task force, since it was below brigade size. Masse said that Canada remained fully committed to NATO and that Canadian forces stationed in Europe continued to contribute to NATO’s defence. He

gave three reasons for the troop reduction: a changing international situation, increased need for Canadian forces in Canada to aid civil authorities, and budgetary constraints.35

Canada barely consulted with the NATO allies when deciding the new role of Canadian Forces in Europe. Instead, Canada waited until the task force had been announced to reduce the ability of the allied nations to pressure it into making a larger, and more expensive, contribution. The allies were all aware that Canada was conducting a review and many of them clearly made their views known to Canada. But aside from James Baker's urging of Canada to maintain current troop levels, no nation gave detailed requests to Canada. Canada was the last ally to report its plans for troops in Europe to NATO. The other allied nations had begun their review processes before the treaty on conventional arms in Europe was negotiated and their review processes were included in the negotiations of the treaty. By waiting until after the treaty was negotiated, and not consulting with the allies, Canada made the task force a “take it or leave it” deal. The allies were relieved that Canada would continue to station some forces in Europe and therefore accepted the task force. The task force was a political gesture. External Affairs agreed with the DND's analysis that the Soviet Union’s ability to conduct a surprise attack was eliminated and that the arms reductions had significantly reduced Soviet aggression. External Affairs was not concerned with fielding a viable military force in Europe; they wanted “tangible political proof of our commitment to NATO.”36

THE 1991 BUDGET

In 1991, the government declared the recession that began in 1988 to be over, although unemployment was still rising and job creation was slow.37 Again, the government was having difficulty keeping to its predicted deficit. The DND received a 5 percent increase in its budget

for 1991, plus six hundred million dollars to cover the cost of the war in the Persian Gulf. In the 1991 edition of the *Canadian Annual Review of Politics and Public Affairs*, Andrew Richter noted that, at the time, some observers expressed surprise that the DND had escaped budget cuts. Twenty percent of the military budget was allocated to capital expenditures, and 40 percent of the navy’s budget was for capital expenditures. De Chastelain was quoted in the *Canadian Annual Review*, saying that the military had accepted the reduced levels of funding (accepted the cuts to proposed spending) and was planning its equipment acquisitions under the new funding levels. According to him, the navy had been “clearly protected” in the budget since it received the highest amount for capital acquisition. In the author’s interview with him, he said that the navy played a more important role in NATO’s defence plan than CFE did. The navy’s escape from cuts showed that Canada was attempting to protect NATO’s defence capabilities from Canada’s budget cuts. The 1991 military budget was one of the most reasonable in recent history, containing no promises that required increases to the budget, nor any cuts that drastically reduced existing capabilities. Had the government continued to fund the military at that level they could have avoided creating a rift between NATO and Canada.

**THE 1992 BUDGET**

The hoped-for economic recovery did not happen in 1992. Slow growth rates meant that the deficit would be 31.5 billion dollars, roughly what it was in 1988. The recession effectively eliminated years of budget cuts. No new taxes were introduced in 1992 to deal with the deficit; all reductions would come through spending cuts. To reduce the deficit by four billion dollars, while cutting taxes to stimulate economic growth, the government cut the DND’s budget significantly for the first time since 1985. These cuts were on actual spending; forecast spending had already been eliminated. To

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39 John de Chastelain, Interview by Ian Weatherall, Audio-recorded. 8 April 2014.

accommodate these cuts, the task force for Europe was cancelled. In the budget speech, the new Finance Minister Don Mazankowski announced substantial “peace dividends” for Canadians. The changes in the world (he did not specify which changes, but the dissolution of the Soviet Union happened in December 1991) allowed Canada to “reduce our longstanding presence in Europe without lessening our commitment to NATO solidarity.” The 1987 White Paper expenditure forecasts stated that only a fiscal emergency would warrant reductions, and the DND had stated in the defence review that it hoped to avoid making defence policy solely for fiscal reasons. In 1992, both these unwanted situations happened.

When the task force was announced, Canada’s allies were informed in advance of the review. Once the review was finished they were

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42 The “decade of darkness” is usually associated with the Liberal government headed by Jean Chretien and his finance minister Paul Martin, but the 1992 budget is a logical starting point for that decade, when the government decided to cut into the military’s existing capabilities to fund deficit-reduction.
given the results before the government announced the decision. The abruptness of hearing about the new policy in a parliamentary speech, instead of from External Affairs or the DND, created unnecessary problems for Canada. In five sentences, the finance minister created a minor diplomatic crisis for Canada. Lieutenant General Richard Evraire was Canada’s military representative to NATO’s Military Committee in Permanent Session. He had the unfortunate task of informing NATO that Canada was withdrawing CFE. He stated in an interview with the author that “Canada was not a popular country at the time.” Allied nations did not appreciate the Canadian government’s excuse of cabinet secrecy. Evraire opined that this lack of transparency was a key reason for NATO’s negative reaction to the withdrawal. Other nations were also conducting reviews and reducing their force levels, but they were more open with NATO about their intentions. The government faced little domestic opposition to the cancellation; the New Democratic Party approved and the Liberal Party backed a “reorientation” of Canada’s NATO role.

REATIONS TO THE CANCELLATION OF THE TASK FORCE

The relief expressed at Canada’s decision to field the task force turned into quiet disappointment. One week after the budget speech, the Canadian embassy in Lisbon wrote to External Affairs Ottawa informing them that Portugal recognised Canada’s commitment to NATO and was particularly pleased to hear Canada was sending peacekeepers to Yugoslavia. However, “the action taken unilaterally of withdrawing troops certainly could be construed to being contradictory.” Any response from Portugal would come from defence sources (perhaps a slight jab at Canada for not informing Portugal through defence sources), and a public statement in any form was unlikely. The Dutch government told Canada that the decision would set an unfortunate trend leading to the erosion of transatlantic ties, and perhaps the dissolution of NATO.

43 Richard Evraire, Interview by Ian Weatherall, Audio-recorded, 3 April 2014.
however, acknowledge that Canada deserved its share of peace dividends.\textsuperscript{47} The Danish chief of Defence Staff said that although the significance of the Canadian withdrawal should not be exaggerated, the loss of that symbol of transatlantic commitment was unfortunate. He asked if Canada could leave even fifty or 100 men in an advance guard role. He expressed concern that the Canadian withdrawal could set an unfortunate precedent for the Americans, but doubted that Canadian decisions weighed heavily in Washington.\textsuperscript{48}

Canada’s two main allies, the United States and Britain, were clearly dissatisfied with Canada’s sudden cancellation of the task force. A \textit{New York Times} article quoted a spokesperson from the State Department that the United States was “very disappointed” and would have “preferred a continuing Canadian presence within the \textsc{nato} force structure in Europe.”\textsuperscript{49} The article’s author, Clyde Farnsworth, considered the withdrawal potential ammunition for Members of Congress who wished to reduce American contributions to \textsc{nato}. The British government made a request for Canada to reverse its decision. The British high commissioner in Ottawa delivered a formal request to the Canadian government, and the Canadian high commissioner was summoned to the Foreign Office to hear the British objections.\textsuperscript{50}

Reactions from other \textsc{nato} allies were less objectionable. Spain reminded External Affairs that Spain had also cut its military budget and considered itself to be supportive of \textsc{nato} despite not stationing forces outside of its borders.\textsuperscript{51} Germany chided Canada for the lack of consultation concerning the change in Canadian policy but appreciated Canada’s forty years of defending Germany as well as Canada’s current commitment to send troops to Yugoslavia.\textsuperscript{52} Helmut Kohl said that during the Cold War Canada had done more than its

\textsuperscript{48} Copenhagen to External Affairs Ottawa: Danish Views on Canadian Forces Withdrawal, 3 March 1992, Defence Policies-Europe; 27-1-1, vol. 6, LAC, 291.
\textsuperscript{49} International Herald Tribune, Canada to Pull Out all Forces in Europe, 4 March 1992, Defence Policies-Europe; 27-1-1, vol. 6, LAC, 277.
\textsuperscript{50} Peter Almond, “Canada’s Troop Cut May Start NATO Slide,” 29 February 1992, Defence Policies-Europe; 27-1-1, vol. 6, LAC, 275.
\textsuperscript{51} Madrid to External Affairs Ottawa: Canadian Forces in Europe, 29 February 1992, Defence Policies-Europe; 27-1-1, vol. 6, LAC, 295.
\textsuperscript{52} Bonn to External Affairs Ottawa: Canadian Military Withdrawal from Europe: German Position, 4 March 1992, Defence Policies-Europe; 27-1-1, vol. 6, LAC, 271.
share of defending Germany.\textsuperscript{53} Greece informed Ottawa that they did not consider the withdrawal comment-worthy and understood Canada’s budget constraints but shared the common concern of weakening transatlantic ties.\textsuperscript{54} An article in the Norwegian paper \textit{Aftenposten} said that although Norway considered Canadian forces in Europe “extremely important visible evidence” of the transatlantic ties, Norway understood that Europe would have to assume a larger share of its defence costs.\textsuperscript{55} Turkey also expressed unhappiness with the lack of consultation but reassured External Affairs that Turkey understood that Canada’s commitment to NATO was as strong as ever.\textsuperscript{56}

\textbf{AN INCONSISTENT DEFENCE OF CANADIAN DEFENCE POLICY}

In an interview with the \textit{New York Times} on 14 March 1992, Mulroney defended Canada’s commitment to European security. In it, he equated Canadian support for European security with support for NATO, an increasingly common equation for the Canadian government. When asked about the withdrawal, he reminded the interviewer that Canada lost large amounts of men in the two world wars, was a founding member of NATO, and paid its United Nations bills on time. Canada was in the process of sending 1,300 troops to Yugoslavia and was lending over two billion dollars to Russia to support the Boris Yeltsin government. Pointing out that Canada was loaning Russia five times more money per capita than the United States was, Mulroney said that Canada was actively working for peace in Europe by promoting stability in Eastern Europe.\textsuperscript{57} He claimed that Canada was not becoming isolationist despite what some NATO members said. Although he adequately defended Canada’s

\textsuperscript{53} External Affairs Ottawa to Paris: Canadian Commitment to Europe, 16 March 1992, Defence Policies-Europe; 27-1-1, vol. 6, LAC, 233.
\textsuperscript{54} Athens to External Affairs Ottawa: Canadian Forces in Europe: Reactions in Greece, 3 March 1992, Defence Policies-Europe; 27-1-1, vol. 6, LAC, 269.
\textsuperscript{55} Horten Fynn, “What is to Become of NATO?" \textit{Aftenposten}, 3 March 1992, Defence Policies-Europe; 27-1-1, vol. 6, LAC, 267.
\textsuperscript{56} Ankara to External Affairs Ottawa: Canadian Forces in Europe: Minimal Turkish Reaction, 16 March 1992, Defence Policies-Europe; 27-1-1, vol. 6, LAC, 242.
\textsuperscript{57} External Affairs Ottawa to Paris: Canadian Commitment to Europe, 14 March 1992, Defence Policies-Europe; 27-1-1, vol. 6, LAC, 233. Communication included a transcription of a part of the interview.
commitment to European security, the interview failed to reconcile Canada’s defence policies with support for NATO.

At the 1992 seminar of the Canadian Institute of Strategic Studies, the Assistant Deputy Minister (Political and Industrial Security Affairs) of the Department of External Affairs Jeremy Kinsman gave an original, albeit weak, defence of Canada’s decision to cancel the task force. His speech demonstrated a comprehensive understanding of Europe’s security challenges. When asked about the withdrawal in the forum discussion, he began his response by stating that stationing the forces in Canada would mean soldiers could be closer to their families.58 He finished by saying that Canada’s forces in Europe bore little relation the threats that Europe faced. When asked if the decision was made solely on the issue of families, Kinsman responded by explaining that the dissolution of the Soviet Union had changed the security situation, allowing Canada to reconsider its method of commitment.

Mulroney’s and Kinsman’s unwillingness to answer the questions, but instead address similar issues, did not reflect well on the government’s insistence that they were displaying a consistent commitment to NATO. In a DND backgrounder entitled “Impact of 1992 Federal Budget on Defence Policies and Programs,” the department argued that care had been taken to protect the core capabilities of the military.59 By not explaining what Canada was doing to ensure Canada remained an active member of NATO, Mulroney and Kinsman (perhaps without intending to do so) gave the impression that Canada had something to hide.

External Affairs faced the task of dealing with the diplomatic fallout created by DND and the Department of Finance, and the answers they privately gave to allies better reflected Canada’s reasoning. The Netherlands requested “the strongest possible guarantee” that Canada would continue its other NATO commitments at their current levels. External Affairs responded by reassuring the Netherlands that Canada would continue its other NATO obligations, including Canada’s peacekeeping in Yugoslavia and participation in nuclear disarmament.

talks, as a demonstration of ongoing commitments in Europe.60 The Danes agreed that Canada adequately demonstrated its commitment to NATO through other means.61 While Britain accepted Canada's decision to reduce its defence spending, it proposed at the 1992 meeting of the North Atlantic Assembly in Banff that Canada station 300 troops in Europe, as part of a multinational contingent.62 Sir Philip Goodhart, the British representative at the meeting, wrote to the British secretary of state for defence on 21 May 1992 to give him details of the proposed contingent. Three small Canadian infantry groups would serve with British, American, and French battalions in Europe and be regularly rotated with other companies in Canada. The purpose of these groups was to keep Canadian soldiers on the continent at minimal cost to Canada, since he considered it important to keep Canadian troops in Europe to prevent NATO from unraveling. He was unable to discuss the proposal with Canadian officials. However, he suspected that Canadian officials were avoiding the meeting to minimise criticism from allies.63

On 25 May 1992, Brian Mulroney wrote to the NATO Secretary-General Manfred Woerner to inform NATO that Canada would not reconsider its decision to cancel the task force. The need to focus on defence requirements in Canada and to maintain a “combat-capable force” unfortunately meant that Canada could no longer station forces in Europe. He reminded Woerner of Canada's other NATO commitments, including reconnaissance forces in Europe, troops for immediate reaction for Europe and Norway, defence of North America, and maintaining an infantry brigade in Canada capable of being deployed to Europe. In the summer of 1991 in Berlin, Mulroney stated that Canada would remain in Europe as long as a residual threat remained. In the letter to Woerner, Mulroney said that the entire alliance had the opportunity for a “reevaluation of the best use and deployment of our collective forces,” because the demise of

61 Copenhagen to External Affairs Ottawa: Danish Defence Views on Canadian Forces Withdrawal, 3 March 1992, Defence Policies-Europe; 27-1-1, vol. 6, LAC, 293.
the Soviet Union had lowered the threat to Western Europe to the level where Canada no longer considered it necessary to have forces in Europe. On 1 July 1992, the Canadian Joint Delegation to NATO in Brussels forwarded a letter from Woerner to External Affairs Ottawa, in which Woerner decided that, in view of Mulroney’s letter, the consultation process with Canada was considered completed. NATO and Canada’s allies were disappointed with Canada’s decision, but they eventually accepted Canada’s cost-reducing measure.

IN DEFENCE OF CANADA’S CONTINUING COMMITMENT TO EUROPE

The cancellation of the task force, which resulted in the complete withdrawal of Canadian forces from NATO’s European forces, did cancel or reduce Canada’s strong interest in European security. By 1992, Canada had separated support for European security from support for NATO. Canada believed that it could contribute to European security through peacekeeping and diplomatic actions in addition to ensuring security through membership in NATO. By creating security through non-NATO initiatives, Canada thereby reduced the chance that NATO nations needed to use military force to defend their territory. In 1992 and 1993 Canada participated in the Open Skies Agreement, the creation of the North Atlantic Cooperation Council, and the expansion of the CSCE to meet new security challenges. Canadian inspectors and aircraft were active in carrying out inspections of nuclear arsenal reduction commitments, and trained other nations on proper verification techniques.

Canada removed Canadian forces from NATO’s military structure in Germany, but did not immediately remove Canadian forces from the European continent. Twenty-four hundred troops went south from CFB Lahr in Germany to Bosnia-Herzegovina to participate in the United Nations Protection Force. Sending Canadian troops into a

67 Oliver, “External Affairs and Defence,” 129.
hostile conflict zone to prevent an escalation of violence in Europe’s most sensitive area was a better use of Canada’s limited budget than stationing forces in the idyllic Black Forest. The Canadians were given the task of securing the Sarajevo airport for humanitarian flights, facing artillery and sniper fire almost daily as the ceasefire was rarely observed. By July, sixteen Canadian personnel had been wounded, casualties that could have been avoided by keeping the forces in Germany. Canada’s willingness to put its forces in harm’s way clearly demonstrated a commitment to European security despite being potentially done at the expense of NATO.

Canada continued to pour money into the Eastern European countries in hopes of supporting the moderate and democratically elected governments. Brian Mulroney repeatedly bragged that Canada gave almost five times as much per capita to Eastern Europe than the United States. In January of 1992, at the Coordinating Conference for aid to the former Soviet Union, Barbara McDougall co-chaired the food work group with Great Britain, to ensure a constant flow of aid from multiple donor countries. Canada donated medical aid to Red Cross teams in Russia, Ukraine, and the Baltic States and extended a line of credit to Russia for purchasing Canadian wheat. By the end of 1992, Canada had extended diplomatic recognition to all the former Soviet states, and Brian Mulroney criticised other Western leaders for slow recognition, which hampered the growth of democracy and stability in Eastern Europe.

CANADA’S ONGOING PARTICIPATION IN NATO

The withdrawal of Canadian Forces Europe from Germany was not the withdrawal of Canadian forces from NATO. A brigade in Canada remained earmarked for deployment to Europe, with equipment prepositioned for rapid action, and Canada’s other involvement in NATO’s operations in Europe and the North Atlantic continued. After the budget, the government stated that Canada could return with military force to Europe when appropriate, and if the government of

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68 Ibid., 102–104.
69 Ibid., 106–108.
70 Ibid., 123.
Canada deemed it necessary. Allowing the opinions of Canada’s allies to determine Canadian foreign policy by stationing forces in Europe throughout the Cold War and during the immediate post-Cold War period cost Canada billions of dollars. As a show of support for NATO, Canada stationed many of its best forces and equipment in Europe while allowing Canadian territorial defences to atrophy. Canada’s decision withdraw CPE and cancel the task force was not a permanent withdrawal, but from 1992 forward Canada would determine the circumstances that required Canada to divert money, troops, and equipment to Europe instead of letting the European allies do so. In April, new programs for the defence of Canada’s north were announced, including more patrols, better surveillance aircraft, upgraded airfields, underwater acoustic surveillance, and the expansion of the Canadian Rangers. Canada continued the majority of its defence programs, most which were oriented towards NATO.

**FAILURE TO COMMUNICATE**

Canada’s primary failure during this period was not communicating with NATO. The government was vocal at NATO summits in its support for NATO, but concerning troop levels in Europe the government was very tight-lipped. The Progressive Conservative government’s first attempt to alter Canada’s European commitment in 1985 was stopped by the protests of Canada’s allies. After that failure, the Canadian government kept consultation with allies to a minimum to keep control over Canada’s foreign policy. The government’s hyperbole concerning Canada’s commitment to NATO, evident in the White Paper, at the summits, and in Mulroney’s speech in Germany, was more damaging than constructive to Canada’s relation with Europe. Grand words of friendship and commitment gave NATO expectations that Canada was unable to meet. The increasing levels of sensitivity that Canadian officials showed to allied opinion demonstrated that Canada knew its defence policies would be controversial. This sensitivity peaked in 1992, when Canada began avoiding communication with its allies. The decision to cancel the task force was acceptable under the fiscal situation but announcing

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72 Oliver, “External Affairs and Defence,” 124.
it in the budget speech with no previous warning was a mistake. Canada finally buckled to the difficulty of defending two continents, an unrealistic expectation for a small nation. The government that promised to improve Canada-NATO relations ended up continuing the rift, ironically, by trying to avoid conflict with NATO.

CONCLUSION: CANADA’S COMMITMENT TO NATO

Since 1951 Canada had maintained an expensive brigade and air defence commitment in Europe. In that year, the NATO military command had offered Canada the primary role of defending Canada and the North Atlantic as its contribution to NATO, since stationing troops in Europe would stretch Canada’s military. Prime Minister Louis St. Laurent turned that offer down and sent troops to Europe.73 By 1991, the need for Canadian troops in Europe had disappeared, yet Canada was willing to keep a task force in Germany as a political gesture. However, the recession of the early 1990s and a massive deficit forced Canada’s hand. Eliminating the task force was the minimal impact decision. Had Canada cut its navy, NATO’s defence in the North Atlantic would have been compromised. Further, only one country—Canada itself—stationed troops in Canada for the defence of North America. Had Canada cut those, NATO’s defence of North America would have been reduced.

The cancellation was a political blow to Canada’s international reputation, but any other cut by Canada would have reduced NATO’s abilities much more than the loss of the task force did. The Canadian navy, which was Canada’s most important contribution to NATO, continued to have the highest capital expenditure budget to maintain its capabilities in the North Atlantic. The government, DND, and External Affairs worked hard after the Cold War to ensure that Canada remained a committed ally. Disapproval of Canada’s decision to withdraw CFE and the clumsy cancellation of the task force did not remove or lessen Canada’s active participation, both militarily and diplomatically, in the North Atlantic Treaty Organization.

ABOUT THE AUTHOR

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