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Canada and China Giving the Lai

Stephen Harper's government changes its tune

Jul 30th 2011 | OTTAWA | from the print edition

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JOHN BAIRD, Canada's foreign minister, insists there was no hidden political hand behind his government's deportation on July 23rd of Lai Changxing to Beijing, where he was promptly arrested on charges relating to a multi-billion dollar smuggling ring which acted there with apparent official connivance in the 1990s. The Chinese authorities have been pressing Canada to hand over Mr Lai since 1999. The decision to do so, says Mr Baird, was taken freely by an independent judiciary "and we wouldn't and couldn't intervene."

On the face of things, that is true. The federal court order of July 21st capped a long legal battle between Mr Lai and the immigration authorities that began in June 2000, when Canada decided he was not a legitimate refugee and issued a deportation order. His deportation came only after he exhausted every avenue of appeal, of which there were many.

But dig deeper and the hidden hand appears. Both the immigration official who last reviewed the case and the judge based their decisions on assurances sought and received by the government that Mr Lai would not be tortured, subjected to cruel and unusual punishment or killed if he were sent back.

Giving China the benefit of the doubt on human rights is a relative novelty for Stephen Harper's Conservative government. Shortly after he won office in 2006, Mr Harper pledged that Canada "would not sell out" in talking about human rights with China. His first foreign minister accused China of industrial espionage. When Mr Harper visited China in 2009, his hosts chided him for waiting almost four years before coming.

That visit marked the start of a courtship. China is a friend and "important ally", Mr Baird said when he visited the country this month. Though he stressed that he could not interfere in Mr Lai's case, he added that "the Canadian people and the Chinese people don't have a lot of time for white-collar fraudsters."

This change of tune owes much to Canada's search for new export markets to compensate for the stagnation of its main economic partner, the United States. China's share of Canadian exports has almost doubled in the past five years (though it still amounts to only 3.3% of the total). China has become an important market for Canadian fuels and softwood lumber. Investment by Chinese state companies, once reviled, is now welcomed. This month a Chinese oil company bought OPTI Canada, an ailing tar-sands producer, for C\$2.1 billion (\$2.2 billion).

Like others, Canada also sees ties with China as a potential source of leverage with the United States. "There is a real sense in Canada now that the Americans take us for granted and that Canada has to strengthen relations with China in order to get more respect in the US," says David Emerson, a former foreign minister who is now a consultant. Delays by the American State Department in granting approval for a cross-border pipeline to carry crude from the tar sands to the Gulf Coast have prompted calls for a pipeline from Alberta to the west coast, for shipment to China.

Mr Baird says the push for business does not mean Canada has abandoned its concern about China's record on human rights. But when provincial leaders join the federal government for a trade mission to China next year, the topic is unlikely to feature on the agenda. Judging from the rapturous official response in China to the deportation of Mr Lai, the mission is likely to get a warm welcome.

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