

CALM: THE RAREST COMMODITY OF ALL¹

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Canada is extremely lucky. We have the second largest country on the planet but a population well under half that of Germany. And we have everything: water, crops, livestock, fisheries, oil, gas, uranium, gold, diamonds, even rare earth metals — key components in high-tech products such as hybrid-car batteries, wind turbines and computer hard drives. Furthermore, Canada was settled in an unusual way. Many of our eastern cities, such as Quebec and St. John's, originated as military installations. The ports are at sea level, but the cities themselves rise up quickly into easier-to-defend hills. This may ultimately make them more able to adapt to rising sea levels and storm surges than can low-elevation urban areas such as Manhattan or Miami.

For these reasons (and more), Canada will likely still seem a place of *relative* abundance and calm as we head into a time of global resource scarcity and disruption caused by extreme weather events, although there is no question that Canada will, on the whole, be negatively affected by environmental change. This hasn't escaped the notice of countries that are not as lucky. Around the world, nations concerned about existing and worsening resource scarcity are making moves to secure supply. Populations facing hardship may be looking for new places to move, as refugees either after an extreme event **or** because of gradual erosion of stability **in** their home countries. And that is sure **to** affect the way they look at Canada.

Some have been planning for scarcity for a long time. China's one-child policy, implemented in 1979, followed a series of famines and was, at least in part, designed to reduce demand on resources. China's willingness to implement such an emotionally, socially and politically difficult policy is a small indication of the seriousness with which it is also trying to secure supply. For example, along with other countries concerned about food supply, such as Saudi Arabia and South Korea, China is investing heavily in farmland in places like Africa. Often, the farms are run by Chinese nationals and the produce is destined for Chinese markets. And what scarce resources China does have, such as rare earth metals, are being kept in the country by the imposition of export quotas and high export tariffs.

The crux of it is that many of the things we currently view as commodities — say wheat and metals — are already seen as strategic assets by less fortunate nations. When something is considered a strategic asset, different economics and politics apply. A bushel of wheat isn't viewed just as a bushel of wheat but as an essential component for keeping people from rising up against the government. During the food price spike of 2008, for instance, China was very quick to increase food subsidies to that most restive group, students. And in August, Russian Prime Minister Vladimir Putin announced a temporary ban on grain exports because of a severe drought that is expected to reduce the harvest by more than 20 million tonnes.

Canada may think of itself as a commodities nation, but others see us as a strategic-assets storehouse. However, so far, we have escaped the "resource curse," in which countries that have a lot of what others need become increasingly destabilized in the mad rush of other nations to grab their goodies, as has happened to Sudan and Angola over their oil. The question is. Will the Canadian government incorporate the increasing strategic value of our commodities into the way we engage with the rest of the world? Will we continue to sell off our storehouse to the spot-price highest bidder? Or will we try to plan for the longer term, develop a strategy and perhaps

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use our relative abundance to help allies get through the coming scarcities — in effect using our resources to increase our own security?

Helping other nations may also reduce the numbers of international environmental refugees, something that needs to be considered if we are going to develop a cohesive policy toward population movements triggered by extreme environmental events rather than just trying to absorb each wave of refugees as it hits our borders. Parts of the Canadian government, including Public Safety Canada, have been considering these issues, and in certain sectors — in particular water — NGOs are raising strategic concerns. But we have a long way to go. What other nations already understand is that in an increasingly unstable world, Canada's wheat, livestock, water, oil and land aren't just commodities — they are stability. And that may soon become the rarest commodity of all.