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# **Global Health as Strategic Security:**

Why Canada Should Lead on Health Financing in a Disordered World

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## Executive summary

Global health crises are increasingly recognized as national security threats. The COVID-19 pandemic demonstrated how outbreaks can rapidly disrupt economies, strain supply chains, weaken governance, and undermine public trust across borders. For a highly interconnected country such as Canada, weaknesses in health systems abroad can produce direct strategic consequences at home. This policy brief argues that global health financing should be treated not as discretionary aid but as a strategic investment in risk reduction, resilience, and international influence.

Recent declines in development assistance for health and the retrenchment of major donors risk weakening global surveillance systems and creating governance gaps in international health institutions. These trends increase the likelihood that health crises abroad will escalate into economic, political, and security challenges affecting Canada.

Canada has an opportunity to play a leadership role by supporting multilateral health financing mechanisms, strengthening global health system resilience, and ensuring that international investments deliver measurable preparedness outcomes. Treating global health financing as a strategic asset can help Canada reduce global risk while reinforcing its influence and security in an increasingly disordered international environment.

## Introduction: Health Shocks in a Disordered World

The boundaries between global health and national security have never been thinner. COVID-19 demonstrated with punishing clarity that a pathogen emerging in one region can, within weeks, shut borders, disrupt supply chains, strain military readiness, and fracture public trust across the industrialized world. Yet the pandemic was not an aberration. It exposed pre-existing vulnerabilities. The results should compel a fundamental reassessment of how governments, including Canada's, think about health financing in their national security calculus.

This paper argues that global health financing is not “discretionary charity”. It is a strategic investment in risk reduction, institutional resilience, and geopolitical influence that yields measurable security returns when designed and governed well. At a moment when development assistance for health is contracting sharply, when the multilateral architecture is under unprecedented strain, and when great-power competition increasingly extends into the domains of health governance and medical supply chains, Canada has both a vulnerability and an opportunity.

The vulnerability is this: as a trade-dependent, globally connected middle power, Canada is acutely exposed to the second- and third-order consequences of health system failures abroad. The opportunity, however, is also tangible: in a landscape of donor retrenchment and institutional fragmentation, credible, sustained Canadian leadership can shape outcomes that directly protect Canadian interests.

## The Security Logic of Global Health

The pathways through which health outcomes affect national security are now well documented and operate through several reinforcing channels. Cross-border outbreak transmission remains the most visible: pathogens move through travel and mobility networks faster than diplomatic or military crisis-response cycles can adapt. Canada's deep integration with the United States economy, its high-volume border traffic, and its international connectivity mean that even geographically distant health emergencies can arrive at Canadian points of entry with little warning. The Public Health Agency of Canada already treats event-based surveillance and border health operations as core resilience functions. This is an implicit acknowledgment that health security and national security overlap.

Supply chain disruption represents a second critical channel. The OECD has [documented](#) that medical product shortages were common before COVID-19 and that the pandemic placed severe strain on already-stretched supply networks. Geographic concentration of manufacturing—particularly for active pharmaceutical ingredients and critical medical inputs—creates chokepoints that can be weaponized through export controls or procurement nationalism during crises. For Canada, which depends heavily on internationalized medical supply chains, these vulnerabilities carry direct

implications for hospital capacity, emergency response, and the kind of critical infrastructure resilience that [NATO's](#) baseline requirements now formally demand.

Beyond the immediate channels of contagion and supply, health crises propagate through economic shocks, governance degradation, and information warfare. Large-scale health emergencies can produce catastrophic output losses. For instance, COVID-19's cumulative economic damage is [estimated](#) to be in the trillions of dollars. In fragile states, epidemics amplify social conflict by deepening grievances, eroding trust in authorities, and generating displacement pressures that cross borders. The [Canadian Security Intelligence Service](#) has publicly identified health-crisis exploitation through disinformation as an observed national security threat, with hostile state actors leveraging pandemic uncertainty to polarize societies and undermine institutional credibility.

It is important to note that these are not theoretical risks. They are documented operational realities that link health system performance abroad to security outcomes at home.

## The Case for Investment, Not Aid

The traditional framing of global health spending—as poverty reduction justified by humanitarian values and treated as discretionary during fiscal consolidation—is analytically incomplete and strategically inadequate. A more rigorous framing recognizes that a defined subset of global health expenditure generates security externalities for the donor. These externalities fall into three broad categories: risk reduction (lowering the probability and scale of cross-border health crises), resilience (strengthening systems so that shocks do not metastasize into large-scale, system-level crises), and influence (shaping governance standards and maintaining strategic presence in domains where competitors increasingly use health diplomacy as a tool of statecraft).

The evidence base for this investment logic is strongest in pandemic prevention, preparedness, and response. Analysis by the [Pandemic Fund](#) suggests high expected returns on preparedness investments, consistent with the macroeconomic observation that pandemic-scale events generate fiscal and output losses vastly exceeding the cost of prevention. Immunization represents a second area of strong returns: [Canada's](#) own pledging language around Gavi frames vaccines as a multi-year resilience tool rather than a charitable output, recognizing that routine immunization infrastructure supports early detection, population-level protection, and reduced outbreak amplification.

The evidence linking health financing to reduced conflict and instability is credible but conditional. [Studies](#) find associations between epidemics and social unrest, and emerging [research](#) suggests that development assistance—including in health and social sectors—can reduce violence when governance and monitoring are strong. The operative word is *conditional*. Aid can also backfire in [high-corruption environments](#) or where it distorts accountability. This means the security dividend from health investment is not automatic; it depends on how those investments are structured,

governed, and monitored. The implication is not that the investment case is weak, but that it demands disciplined design. It actually strengthens, rather than undermines, the argument for treating health financing as strategic rather than discretionary.

## The Costs of Retrenchment

Donor retrenchment in global health is no longer a hypothetical scenario to be modelled. It is already underway. Development assistance for health peaked during the COVID-19 response and has since declined sharply: peer-reviewed [estimates](#) indicate a fall from approximately \$80 billion in 2021 to under \$40 billion in preliminary 2025 figures. The World Health Organization [reported](#) in late 2025 that external health aid was projected to drop 30–40 percent compared to 2023 levels, with survey-reported service disruptions in maternal care, vaccination, and disease surveillance reaching alarming levels in affected countries.

The most consequential recent development has been the formal withdrawal of the United States from the World Health Organization in January 2026. Regardless of the domestic political motivations behind this decision, its structural effects are significant: it creates coordination and funding gaps in the global health architecture, opens space for alternative standards and governance norms advanced by competitors, and sends a signal to fragile states about the reliability of multilateral commitments. Other major donors are also pulling back. The United Kingdom has announced reductions in ODA from 0.5 to 0.3 percent of GNI to fund increased defence spending—an explicit trade-off between development and security that, paradoxically, may weaken the very resilience it seeks to protect.

For Canada, the strategic consequences of this contraction are direct and measurable. Weakened surveillance and service delivery systems abroad increase the probability and severity of outbreaks that reach Canadian borders. Reduced multilateral capacity means fewer early warning signals, slower international response, and greater pressure on Canadian bilateral resources during crises. Influence vacuums in global health governance create openings for actors whose standards and accountability norms may not align with Canadian interests. And abrupt aid withdrawals—what analysts describe as “financing cliffs”—risk triggering service collapse and humanitarian surges in countries where Canada already has significant development, diplomatic, and security commitments.

## Canada’s Position: Strengths, Vulnerabilities, and the Leadership Niche

Canada enters this period of disruption with a credible but constrained set of assets. On the strength side, Ottawa has demonstrated sustained commitment to major multilateral health platforms, including substantial multi-year pledges to Gavi, the Global Fund, and the Global Financing Facility.

Canada has invested in biological threat reduction programming in the Indo-Pacific and Africa, linking health security with regional diplomacy. Despite having problems of its own, its public health infrastructure and record of coalition-building give it standing in multilateral forums that many larger donors cannot match on trust and credibility.

The vulnerabilities are also real. Canada's [ODA](#) stands at 0.34 percent of GNI with no announced trajectory toward the 0.7 percent target, limiting its ability to fill gaps left by larger donors' retrenchment. Its medical supply chain dependencies create exposure to coercion and scarcity during crises. And the risk of being a "rules-taker" rather than a "rules-maker" grows as multilateral health governance fragments, potentially forcing Canada into difficult choices between alliance alignment and multilateral norm preservation.

Yet it is precisely in this environment that Canada's leadership potential is greatest. The current moment rewards not the largest cheque book but the most credible convener —the actor that can build coalitions of like-minded states around predictable financing, governance accountability, and measurable outcomes. Canada's niche lies in translating global health investments into demonstrable preparedness and system resilience, backed by data discipline and governance standards. The issue here is not about replacing large-scale funding by Canada alone but rather ensuring that the investments the international community makes are structured to deliver security-relevant returns, and that Canada is positioned to shape those structures rather than merely react to their erosion.

## A Case in Point: The Global Financing Facility

The Global Financing Facility offers a concrete illustration of what security-relevant health investment looks like in practice. The GFF operates as a multi-donor platform that supports country-led investment cases to reduce preventable deaths among women, children, and adolescents. Its architecture is designed around leverage: trust fund grants are matched with World Bank IDA and IBRD financing to align multiple sources of capital behind national health priorities. As of late 2024, the [GFF](#) had committed approximately \$1.4 billion in grants across 38 countries, linked to over \$10 billion in World Bank financing—a grant-to-lending leverage ratio of roughly 1:7.

The GFF's security relevance operates not through direct hard-security outputs but through the resilience and shock-absorption mechanisms that determine whether health emergencies remain manageable or escalate into governance crises. By financing primary health care, maternal and child health services, and system-strengthening functions—including health information systems and civil registration—the GFF reduces the probability that routine health shocks become catastrophic. Its engagement with ministries of finance, not only ministries of health, supports the fiscal and institutional resilience that makes systems less dependent on volatile external aid. And its [emphasis](#) on data and accountability creates visibility that complements global early warning capacity—a clear national interest for a country as globally connected as Canada.

[Canada](#) has been a significant GFF supporter, providing over CAD 300 million across successive funding cycles. But leadership is distinguishable from donorship. Canadian leadership around the GFF could mean tying support to measurable resilience indicators, convening coalitions focused on sustainable financing transitions, providing targeted technical assistance in areas like procurement integrity and health financing analytics, and positioning GFF country platforms as complements to pandemic preparedness financing, and therefore ensuring that preparedness investments are embedded in primary health care systems rather than siloed in parallel structures that dissolve when external funding recedes.

## Framing the Path Forward

The central argument of this paper is straightforward: global health financing, when properly designed and governed, functions as a strategic investment that reduces risk, builds resilience, and sustains influence in a competitive and increasingly disordered international environment. Canada's exposure to the consequences of health system failures abroad is not a matter of altruism but a matter of national interest, grounded in the realities of cross-border contagion, supply chain interdependence, economic integration, alliance obligations, and information-environment vulnerability.

The question facing Canadian policymakers is not whether global health affects national security. That question has been answered, decisively, by the events of the past several years. The question is whether Canada will treat health financing as a strategic instrument, subject to the same rigour of design, governance, and accountability that it applies to other elements of its national resilience portfolio or whether it will continue to treat it as a discretionary line item, vulnerable to the fiscal pressures and political cycles that have already driven other major donors into retrenchment.

The current moment is one of both risk and opportunity. The risks of inaction—weakened surveillance, supply chain fragility, governance vacuums, influence loss—are tangible and growing. But the opportunity is also there: in a landscape where major donors are stepping back, credible middle-power leadership backed by consistent financing, data discipline, and governance integrity can shape outcomes that protect not only the world's most vulnerable populations but Canada's own security and strategic position. That, in the final analysis, is the case for global health investment as a strategic asset.

## About the Authors

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