Bilateral Agendas: Canadian Foreign Policy on the Ground

Library and Archives Canada Cataloguing in Publication

Delvoie, Louis A., author
Bilateral agendas : Canadian foreign policy on the ground / Louis A. Delvoie.

(Martello papers, 1183-3661 ; 41)
Includes bibliographical references.

sequently, Canadian diplomats are constantly engaging with their counterparts around the world to strengthen bonds across a whole spectrum of interests, often without great fanfare. If we are to fully understand and appreciate Canada's position in the international system, acknowledging the role of these missions is critical.

Taking a 'cookie-cutter' approach to international diplomacy is inadequate in the extreme, and effectively building and nurturing bilateral relationships requires sensitivity to the nuances of the temporal and geo-political context. Nevertheless, as the author suggests, while the global situation is fuid, the tools available to the Canadian government to navigate these sometimes choppy waters remain constant. *Bilateral Agendas: Essays in Canadian Foreign Policy* provides us with a fascinating insight into the way in which Canada's bilateral diplomatic engagements have developed in a selection of countries, including some that might not have always appeared on the radar of any but the keenest of policy observers. Nevertheless, they represent locations in which Canadian diplomats have expended considerable time and energy, often with great effect. Each chapter can be seen as a stand-alone article that provides a close examination of the history and development of Canada's relationships with particular countries. As a whole, however, they comprise a valuable lens through which we can observe the broader shape of Canadian diplomacy, giving us a penetrating analysis of a range of the challenges, considerations and circumstances that can affect the way that Canada develops its foreign policy and bilateries,

Table of Contents

Acknowledgements

As indicated in the Introduction, all of the chapters in this book have appeared in print in the form of articles or chapters in edited volumes over the last 20 years. The chapter on the Maghreb countries was published in the journal *Canadian Foreign Policy* in 1996. Those on Egypt and Italy were published in *International Journal* in 1997 and 2000 respectively. An early version of the chapter on India appeared in the *Round Table* in 1998 and a subsequent revised and updated version in Christopher Sam Raj and Abdul Nafey (eds.) *Canada's Global Engagements and Relations with India* (New Delhi, 2007). The essays on Indonesia and Turkey were issued in the *Occasional Papers* series of the Queen's University Centre for International Relations/Centre for International and Defence Policy in 2010 and 2011 respectively. Finally, the chapter on diplomacy in Pakistan was part of a collection edited by my friend and colleague Dr. Robert Wolfe and entitled *Diplomatic Missions: The Ambassador in Canadian Foreign Policy* (Kingston, 1998).

I am grateful to all of the editors of the publications mentioned above for seeing merit in my modest offerings. Many of them offered helpful advice on ways to improve my initial texts.

Since retiring from the Canadian Foreign Service I have found a thoroughly congenial home in the Queen's University Centre for International Relations, now the Centre for International and Defence Policy. Over the years the directors of the Centre have provided me with both friendship and much useful advice in my work. I should like to express my sincerest thanks to Dr. David Haglund, Dr. Neil MacFarlane, Dr. Charles Pentland, Dr. Kim Richard Nossal, and Dr. Stéfanie von Hlatky.

- The negotiation of free trade and investment protection agreements.
- The establishment of intergovernmental mixed commissions to deal with economic and development assistance issues.
- The negotiation of security cooperation agreements in fields such as defence, counter-terrorism, organized crime and narcotics smuggling.
- The promotion of high-level visits and exchanges involving heads of state, heads of government and cabinet ministers.

While all of these instruments are available to the Canadian government, they would not all be deployed in all cases. The choice of instruments would depend in large measure on the nature and extent of the interests being pursued in a given country. It would also depend on circumstances surrounding the relationship. Thus the Canadian government would not normally consider negotiating a cultural and academic exchange agreement with a country from the Global South that has an inadequate educational system and high rates of illiteracy. Similarly, it would not normally envisage concluding a security cooperation agreement with a government which was routinely hostile to Western countries in its foreign policy or which was guilty of massive human rights violations.

The selection of instruments to be used in any country or group of countries will also be a function of the finite political, diplomatic and financial resources available to the Canadian government. While some instruments can be deployed by simple executive fiat, others often require prolonged and arduous negotiations involving ministers and senior officials. Even the basic costs of maintaining diplomatic missions abroad can sometimes severely tax the finances of the Department of Foreign Affairs and International Trade. For these reasons alone, the Canadian government must be highly selective in its choice of potential bilateral partners, weighing up the level of its interests in any particular country. It simply cannot hope to maintain substantive relations with all 193 member states of the United Nations. Nor should it.

Finally, the process of developing bilateral relations with other countries, much like the course of true love, is not without heartbreaks. Obstacles and setbacks are not uncommon, and over the years they have

repeatedly tested the mettle and resilience of Canadian diplomacy.

• • •

As noted in the Acknowledgements at the end of the text, all of the chapters in this volume were written and published over the last twenty-two years. Some of the earlier ones deal with situations and conditions which no longer prevail today. In that sense they are historical in nature. What has not changed to any great extent is the arsenal of policies, techniques and actions which the Canadian government deploys to develop bilateral relationships with other countries. In that sense these chapters are still topical. The purpose in bringing them together here is to provide a unified and systematic examination of the bilateral dimensions of Canadian foreign policy. With one exception, all of the essays examine the evolution and development of Canada's relations with a number of countries in Europe, North Africa and Asia. The exception is the chapter on Pakistan, which seeks to illustrate the role of the head of a diplomatic mission in sustaining and enlarging a bilateral relationship. It is more personal in tone than the other essays, since it recounts the author's experiences as High Commissioner to Pakistan in the 1990s.

BUILDING NEW RELATIONSHIPS

The Maghreb Countries: 1964–1996

Throughout most of Canada's first century as a nation, the countries of the Arab Maghreb (Algeria, Morocco and Tunisia) were colonies or protectorates of France without any independent role in the community of nations. Therefore the relationships which Canada began to develop with these countries in the late 1960s had no historical or traditional basis. They were not the product of geographic proximity, of old affiliations in common enterprises or international organizations, or of immigrant communities in Canada. Rather they resulted from deliberate policy-making on the part of the government of Canada in response to specific domestic and international concerns and interests. In this they represent an interesting case study in the systematic development of bilateral relationships within the context of a comprehensive Canadian foreign policy, and as building blocks of that policy. In Canada's relations with Algeria, Morocco and Tunisia are to be found in microcosm three thrusts of Canadian policy: the maintenance of national unity, the promotion of social justice through assistance to the Global South, and the fostering of economic growth through the expansion and diversification of Canada's export markets.

Impetus and Policy Orientations

If Quebec's "Quiet Revolution" of the early 1960s was to leave an indelible mark on Canada's domestic politics and constitutional evolution,

of some 40 Canadian teachers to Tunisia, and the provision of some 20 scholarships for Tunisians to study at Canadian universities. In mid-1966 Canada established an embassy in Tunis, and the press release issued to mark the event noted "the similarity of outlook on many aspects of world affairs shared by the two countries, and the affnities resulting from the importance to both of the French language and culture."[5]

But if these initiatives of the Canadian government were intended in the frst instance to better refect Canada's bilingual and bicultural character in foreign affairs, they quickly took on more complex motivations. These were the product of three phenomena: First, the ever more assertive claims by the Quebec government to the right to play an autonomous role in international affairs. Second, the encouragement given to some of those claims by the French government. Third, the development of new international organizations and institutions bringing together the Francophone countries of the world. While the Canadian government was at the forefront of those advocating the creation of an international Francophone community, and while it was prepared to recognize Quebec's legitimate interests in developing both bilateral and multilateral cultural relations with Francophone countries, it was not prepared to see challenged its constitutional rights and responsibilities for the conduct of Canada's international relations. Among the Canadian government's responses to this situation was a determination to strengthen relations with the countries of Francophone Africa by increasing its programme of aid to them and thus "pre-empt a potential Quebec programme."[6]

In early 1968 a veteran Liberal cabinet minister, Lionel Chevrier, was selected by the Canadian government to undertake a wide-ranging mission to seven countries of Francophone Africa. The ostensible purpose of the mission was to explore the needs of these countries in the feld of development assistance and to offer Canada's cooperation to them. But the mission also had a clearly political sub-text:

> Chevrier was told by Martin to offer assistance to the francophone states for a specifc pol ☋

Among the countries visited by Chevrier were Tunisia, Morocco and Algeria, and it was during these visits that the foundations were laid for Canada's long term development assistance programmes to the three Maghreb countries. It was also as a result of the Chevrier mission that the decision was taken to give institutional expression to Canada's relations with one of these countries through the establishment of the

> opment in the less advanced countries will...provide a growing market for Canadian goods and services.[10]

The commercial dimension was to remain one of the most enduring facets of Canadian aid programmes in the Maghreb countries. Thus as recently as 1992 the Canadian International Development Agency (CIDA) stated that in the Maghreb "CIDA seeks to encourage the transfer of technology…and to support projects promoting economic and commercial trade."[11]

The start-up phase of Canada's relations with the Maghreb countries also coincided with the launch of another policy initiative of the Canadian government: the drive to diversify Canada's international economic relations in the aftermath of the "Nixon shock" of August 1971. A review of Canada-United States relations conducted in 1971-72 concluded that Canada should adopt a policy aimed at lessening "the vulnerability of the Canadian economy to...the impact of the United States" and that this policy should among other things involve "the active pursuit of trade diversification and technical cooperation…on a global basis as one means of avoiding excessive reliance on the United States."[12] In the first instance, the implementation of this thrust of the so-called "Third Option" policy produced a series of endeavours to strengthen Canada's relations with the European Community and with Japan. By the mid-1970s it had also come to encompass the Arab world where sharp increases in the price of oil had created new export opportunities. The Maghreb countries, where Canada had already established entrées through its aid programmes, were among the first Arab countries to be targeted, especially Algeria with its substantial revenues from oil and gas production.[13]

These various strands in Canadian foreign policy came together in the process of developing Canada's bilateral relations with the Maghreb countries over a period of years, as can be seen in a brief examination of those relations on a country-by-country basis.

Tunisia

In the decade following its attainment of independence in 1956, Tunisia managed to carve out for itself an enviable reputation and image in the

early 1980s,[19]

roccan origin living in Canada and some 30,000 Canadian tourists visit Morocco each year.[26]

Common membership in the international institutions and organiza-13

Canadian mission in Havana) it was decided that these arrangements should be made with Cuba".[30] A few FLQ exiles did, however, manage to make their way independently to Algeria, and set up there a "Délégation extérieurs du FLQ" which had a short-lived existence from December 1970 to the Spring of 1972.[31] In response to démarches by the Canadian government, the Algerian government gave unequivocal assurances that it did not recognize the FLQ as a "liberation movement" and that members of the FLQ living in Algiers would not be allowed to undertake any political or other activities inimical to the interests of Canada. It fully lived up to its word.[32]

The autumn of 1970 also saw another signi f cant event in the launch of the bilateral relationship between Canada and Algeria. In the November of that year, an Algerian economic delegation of senior government of f cials visited Ottawa. Apart from signing agreements for the provision of CIDA assistance to f sheries and forestry projects in Algeria, the delegation concluded an agreement for the commercial sale of between 850,000 and 1 million tons of Canadian wheat to Algeria.[33] This was to prove to be the f rst in a series of long-term agreements for the export of Canadian wheat to Algeria and laid the foundations for a solid relationship between the Canadian Wheat Board (CWB) and the Of ce Algérien interprofessionel des céréales (OAIC), which over the years ensured a reliable and predictable market for Canadian wheat.

In its early stages the Canadian aid programme for Algeria involved a number of large projects such as the construction of a f sheries school and the building of a network of grain storage silos. By the mid-1970s, however, the focus had shifted to the provision of training and expertise. In cooperation with the University of Montreal, CIDA sponsored the establishment of a management training centre for the Algerian government and assisted in the development of Algeria's Ecole nationale d'administration. CIDA also provided technical training teams for the development of expertise in certain agricultural sectors, f re- f ghting and preventive medicine. At the height of the programme, CIDA was also f nancing the education of some 110 Algerians studying in Canada.[34] More recently, the CIDA programme for Algeria has concentrated on transfers of technology and on support for institutional and industrial linkages between the two countries.

The CIDA programme was instrumental in the development of Can-

ada's commercial relations with Algeria, introducing a number of Canadian engineering and management frms to the Algerian market. This allowed Canadian frms to demonstrate their expertise to the Algerian government, which controlled virtually all major sectors of the country's economy. Of no less importance was the vision displayed by the Export Development Corporation (EDC), which very early on saw the potential of the Algerian market for Canada. Starting modestly with an export credit of $10 million extended in 1971, the EDC moved rapidly to broaden its support to Canadian exporters by putting in place a $100 million line of credit in 1973. The Canadian scholar Peter Dobell outlines this initiative as follows::

> An interesting innovation for Canada was an arrangement to supply credit to Algeria totalling $100 million - $85 million of which was to be provided by the Export Development Corporation and the Bank of Canada and $15 million by CIDA. This was the frst time that CIDA had used aid funds to sweeten a commercial loan, a device well suited for a country such as Algeria with a substantial revenue from oil.[35]

As Canada's exports to Algeria grew through the 1970s, so too did the involvement of EDC. In 1978 EDC extended a $1.2 billion line of credit to Algeria through the Algerian Development Bank. With the exception of its engagement with China, this was EDC's largest single commitment abroad. By 1980, EDC's exposure in Algeria in terms of lines of credit, export fnancing and insurance guarantees amounted to $2 billion. By way of comparison, its exposure in Morocco amounted to $10.8 million and in Tunisia $1.2 million.[36]

In the development of the trading relationship with Algeria, the growing interest and involvement of Canadian companies was key, but it would be diffcult to overestimate the role of the Canadian government. Given the Algerian government's strong preference for doing business on a government-to-government basis, various agencies of the Canadian government were involved not only in normal trade promotion activities, but also in the negotiation and conclusion of agreements covering almost all major public or private sector export contracts.[37] Among these were contracts for the sale of wheat, milk, canola oil, tallow, ships, locomotives, industrial equipment, pre-fabricated houses, vocational training centres and vehicle maintenance depots. The efforts

of the Canadian government in Algeria certainly paid off. By 1982 Algeria ranked as "Canada's most important trading partner in Africa and the Middle East" and "thirteenth among Canada's economic partners in the world."[38]

In the early 1980s the Canadian interest in Algeria was broadened and given explicit expression in Canadian foreign policy statements. Given the limited resources available to the Canadian government in the realm of international relations, it was decided that foreign policy

ister dwelt not only on the bilateral agenda, but also on his efforts to help launch the process of "global negotiations" on economic issues as a contribution to fostering a North-South dialogue in international relations. The visit represented, among other things, an explicit recognition on the part of Prime Minister Trudeau that Algeria was one of the "key developing counties" and "major nations" whose views would have to be taken into account if the process of global negotiations were to be launched with any prospect of success.[42]

The year 1982 saw the establishment of the first links between Canadian and Algerian parliamentarians, with an exchange of visits by delegations led by the Speaker of the House of Commons and by the President of the Algerian National Assembly. A communiqué issued in Ottawa noted that "these parliamentary exchanges are a first for Canada and Algeria and...they bear witness to the remarkable progress made in relations between the two countries over the past decade."[43] By the time of the visit to Ottawa in February 1983 of the Algerian Minister of Education, to sign an agreement on scientific and technical cooperation, the communiqué language had been ratcheted up to make reference to the existence of a "special relationship" between Canada and Algeria.[44]

With the benefit of hindsight it is possible to see that the Canada-Algeria relationship reached its peak in terms of both content and profile in the years between 1980 and 1985. Thereafter it was to know a period of relative decline. There would seem to be three principal reasons for this. First, Algeria was hit hard by the sharp decline in the world price for oil; it could no longer afford its ambitious programme of imports from Western countries and began to build up a large external debt. Second, the Mulroney government did not attach the same importance to trade diversification as had the Trudeau government. Adopting a very different approach to Canada-United States relations, the Mulroney government largely abandoned the policy thrusts represented by the "Third Option" and the "strategy of bilateralism" which had been instrumental in the development of the Canada-Algeria relationship. Third, in the early 1990s Algeria fell prey to an ongoing period of political unrest and instability which had an adverse impact not only on its socio-economic development plans, but also on its international relations.

Despite these adverse conditions there has been an encouraging resurgence in the volume and value of bilateral trade in the last few years

and Algeria has once again become Canada's largest export market in the African and Middle Eastern region.

Regional and Multilateral Approaches

Canada's relations with the Maghreb countries have, in the past, been conducted almost exclusively on a bilateral basis. The Canadian government did at various times envisage the possibility of cooperating with them on a regional basis,[45] but did not find in the region the necessary political will or mechanisms for doing so. Indeed, over the years numerous schemes for regional integration have run aground in the face of divergent and competing political ideologies and ambitions, to say nothing of the absence of economic complementarities. The latest iteration, the Maghreb Arab Union, launched in 1989 and described as "the most ambitious regional unity agreement to date",[46] has run into most of the same difficulties as its predecessors, compounded by the uncertainty generated by the political instability in Algeria.[47] This has not, however, deterred CIDA from mounting its first major programme ($60 million over the period 1994-1999) with a regional focus, the purpose of which is to strengthen private sector manpower training institutions on a Maghreb-wide basis, and to foster linkages between those institutions and counterparts in Canada.[48] This initiative will undoubtedly pose many new challenges to CIDA, and it is still far too early to assess its prospects for success.

If Canada's involvement with the Maghreb countries on a regional basis is of fairly recent vintage, so too is its engagement in multilateral endeavours there. This came in the summer of 1991 with the announcement that Canada would participate in the UN mission (MINURSO) to establish a ceasefire and conduct a referendum in the Western Sahara, in order to finally settle the political fate of the former Spanish colony and bring to an end fifteen years of low intensity guerilla war which had pitted the Moroccan army against the POLISARIO guerilla movement, supported by Algeria and occasionally by Libya. The Canadian government agreed to provide a force commander and a contingent of 740 troops to the peacekeeping element of MINURSO, but in announcing this publicly it made no reference to Canada's interests in the Maghreb,

nor to its relations with the countries of the region; the reason for Canada's participation was said to be "Canada's long standing commitment to international peacekeeping."[49] In the event, MINURSO accom-

grants fleeing either that or poverty."[52]

This is a situation which should be of concern to Canada not solely, or even chiefly, because of its interests in the Maghreb, but because of the implications of the situation for Western Europe. Canada has made heavy investments in European security throughout the twentieth century and the Canadian government's most recent foreign policy statement makes the point again that "European stability continues to be a major priority. Although threats to it are in flux, too much binds the people on the two sides of the Atlantic for our commitment to waver."[53]

But it is, of course, fairly clear that Canada's important but relatively limited presence and influence in the Mediterranean region is insufficient to permit it to act effectively on a unilateral basis to help counter or attenuate the political and socio-economic forces now threatening the stability of the Maghreb, and indirectly that of Western Europe. Competing priorities and the finite limits of Canada's diplomatic, financial and military resources would suggest that this is one area in which the Canadian government should supplement bilateralism with multilateralism in its approach to the Maghreb countries. In this instance a policy of active cooperation with the European Union, whose member states continue to exercise the most weighty external influence in the Maghreb,[54] would seem to offer the best prospects for successfully pursuing Canadian objectives. The European Union's recently announced "Mediterranean strategy" might provide a suitable vehicle for such cooperation, involving as it does targeted initiatives in the fields of aid, trade, investment, and debt relief.[55] As has been suggested by one European scholar, for Europe "a policy of constructive assistance rather than belated deterrence is the most cost-effective means of safeguarding the stability of both sides of the Mediterranean."[56] For Canada this need not involve the commitment of large additional financial or diplomatic resources to the Maghreb, but rather the redirection of existing resources into a European-led multilateral effort to deal with problems such as mass youth unemployment and unfulfilled socio-economic expectations which lie at the heart of much of the political instability now threatening the Maghreb countries in the guise of radical political Islam.

Conclusion

11. CIDA, Annual Report 1990-1991 (Ottawa, 1992), p. 29.
12. DEA, "Canada-US Relations: Options for the Future" in International Perspectives, Special issue, 1972, pp. 17, 22.
13. See L.A. Delvoie, "Growth in Economic Relations of Canada and the Arab World" in International Perspectives, November/December 1976, pp. 29-30.
14. DEA, External Affairs, Vol. XXIII, No. 11 (Ottawa, 1971), p. 441.
15. CIDA, Annual Review 1971-75 (Ottawa, 1976), pp. 28-29.
16. See CIDA, Annual Review 1981-82 (Ottawa, 1983), p. 18 and Annual Report 1985-86 (Ottawa, 1986), p. 26.
17. These figures were provided to the author by the African and Middle Eastern Bureau of the Department of Foreign Affairs and International Trade (DFAIT) in December 1995.
18. For example, in 1982 Bombardier of Montreal secured a contract to supply 22 locomotives to Tunisian Railways, at a cost of $26 million and with financing provided by CIDA and by the Export Development Corporation (EDC). See DEA, Communiqués No. 143/82 (Ottawa, 1982), 1.
19. See for example DEA, Communiqués Nos. 10/82 and 18/82 (Ottawa, 1982) and No. 66/84 (Ottawa, 1984).
20. The eighth meeting of the commission took place in Tunis in 1982 and the tenth in Ottawa in 1994. See DFAIT, Communiqués, No 227/94 (Ottawa, 1994). This falling off in Canadian government interest in Tunisia may also be in part explicable in terms of the change of government which occurred in Ottawa. Several ministers in the Trudeau government had displayed a special interest in the Maghreb and in Tunisia, most notably Jean-Luc Pepin, Charles Lapointe and Pierre De Bané. No similar interest was evident among any of the ministers in the Mulroney government.
21. J.L. Granatstein and Robert Bothwell, Pirouette: Pierre Trudeau and Canadian Foreign Policy (Toronto: University of Toronto Press, 1990), p. 130.
22. This is reflected for example in a 1971 communiqué which refers to Tunisia and Canada "standing together" in the Agence de Coopération culturelle et technique (ACCT). DEA, External Affairs, Vol. XXIII, No. 11 (Ottawa, 1971), p. 440.
23. See CIDA, Annual Review 1974-75 (Ottawa, 1976), p. 28.
24. See for example DEA, Communiqués No. 54/83 (Ottawa, 1983), No. 87/89 (Ottawa, 1989), No. 122/90 (Ottawa, 1990) and No. 64/91 (Ottawa, 1991).
25. See DEA, Communiqués No. 6/75 and 126/75 (Ottawa, 1975) and No. 86/87 (Ottawa, 1987).
26. These figures were provided to the author in December 1995 by the African and Middle Eastern Bureau of DFAIT. The numbers for Tunisia and Algeria are but a small fraction of those for Morocco.

FROM ANTAGONISM TO PARTNERSHIP

EGYPT: 1930–1997

Canada and Egypt have had diplomatic relations for over 50 years. During the first two decades the relationship had little bilateral content and was largely a byproduct of the Arab-Israeli conflict, of the Cold War and of the UN's efforts to promote international peace and security. In all three of these contexts, Canada and Egypt were more often

The Beginnings

Official contacts between Canada and Egypt were anything but numerous before the second half of the twentieth century. What might be called the first semi-official contact occurred in October 1884 when a contingent of 386 Canadian river boatmen and militia officers landed in

and continued secure existence of the state of Israel. In that, it clearly reflected the sentiments of a majority of Canadians who had been deeply moved by the Holocaust; it also reflected the existence in Canada of a well-organized and politically influential Jewish community.

eventually led to the Anglo-French-Israeli invasion of Egypt, Canadian government concerns and policy had relatively little to do with Egypt or with the military situation on the ground in the Middle East. Other matters likely to have a more direct impact on Canadian interests were the primary preoccupations of the Canadian government.[16] Chief among these was a strong determination to try to avoid irreparable damage being done to the NATO alliance as a result of the split which the invasion had precipitated between the United States on the one hand, and the United Kingdom and France on the other. As St. Laurent expressed: "NATO is vital for our security and its smooth functioning, free of any even subconscious reservations on the part of its members, is essential for its continued success."[17] In much the same vein, the Canadian government was deeply concerned that Britain's "unilateral actions" against Egypt posed a direct threat to the future of the Commonwealth as a multiracial institution, by alienating those members who were still in the process of freeing themselves from colonial rule.[18] Canada also wanted to prevent serious damage being done to the UN's role and reputation as an actor in promoting international peace and security, and to avoid creating any lasting divisions between Western countries and the countries of Asia and Africa within the UN. Finally, the Canadian government was deeply preoccupied by the Cold War dimensions of the Suez crisis. If allowed to unfold unconstrained, the

dian government was conscious of the need to keep open the channels of communication with London and Paris if it were to be able to serve as a useful intermediary between them and Washington, and if it wanted to play a role in helping to defuse the crisis in a manner that would allow the United Kingdom and France to save face. The government was also conscious of the fact that Canadian public opinion was deeply split on the question of the Anglo-French military action at Suez (and was to remain split through the general election campaign of 1957).[21] For these reasons, Canadian government spokesmen were often inclined to temper their criticism of the United Kingdom and France in ways that could only be judged as thoroughly uncongenial by Egypt. Thus in a speech to the House of Commons, Lester Pearson remarked: "I do not for one minute criticize the motives of the governments of the United Kingdom and France in intervening in Egypt at this time. I may have thought their intervention was not wise, but I do not criticize their purposes."[22] In short, Canadian policy was not particularly directed at righting a wrong done to Egypt, but was a policy which in Pearson's words "would bring us together again within the Western Alliance and which would bring about peace in the area on terms which everybody could accept."[23]

The effect of the somewhat mixed messages which Ottawa was sending to Cairo in its policy statements became evident in the controversy which came to surround Canada's principal initiative to help resolve the Suez crisis, the proposal to create and deploy a UN Emergency Force (UNEF) in the Middle East. Having made the proposal in an effort to find a solution acceptable to all of the parties to the conflict, the Canadian government considered that it had an obligation to contribute troops to the newly created UNEF once its proposal had been accepted. For President Nasser of Egypt, the deployment of UNEF offered a welcome solution to a political problem: securing the early withdrawal of British and French forces from Egypt, something which he could not achieve militarily. But the question of Canadian military participation in the force was another matter. Nasser considered that Canada was too closely identified and aligned with the United Kingdom to be viewed as an appropriate participant in a neutral UN force, one of whose purposes was precisely to secure the withdrawal of British troops from Egyptian soil. These sentiments were reinforced when it became known that the contingent Canada was proposing to send to Egypt was a battalion of

the Queen's Own Rifles, a unit which, in appearance at least, would be virtually indistinguishable from a British unit, given that both armies wore essentially the same uniforms. Nasser, therefore, refused to accept Canadian participation in UNEF, using as a pretext the strong resemblance between the two forces. He argued that it would expose Canadian troops to danger from an Egyptian populace still intensely angry

The Arab-Israeli Wars of 1967 and 1973

In the weeks preceding the Six Day War of June 1967, President Nasser mobilized his forces and deployed them into the Sinai Desert. At a certain point in this process, he called upon UN Secretary General U Thant to withdraw UNEF from its positions along the Egyptian-Israeli border. With only a minimum of consultation and discussion, U Thant acceded to Nasser's request and ordered the withdrawal of UNEF. These events were to precipitate yet another round of contention in relations between Canada and Egypt.

The Canadian government had maintained from the start that the deployment of UNEF required the consent of the government of Egypt (Israel refused to have it deployed on its side of the lines) and did not involve any infringement of Egyptian sovereignty. Lester Pearson had made these points in a statement to the UN General Assembly in November 1956, but had also gone on to say that "the control of this Force is in the hands of the United Nations and must remain there", and that "the Force is to remain in the area until its task is completed, and that would surely be for the determination of the United Nations."[28] There was thus a certain ambivalence in the Canadian position as to the respective rights of the UN and of Egypt regarding the maintenance of UNEF on Egyptian-controlled territory. There was no such ambivalence in the Egyptian position. As Nasser put it in 1967 "UNEF entered Egypt with our approval and therefore cannot continue to stay without our approval."[29]

In May 1967, both Prime Minister Pearson and his secretary of state for external affairs, Paul Martin, contended that Egypt did not have the right to demand the withdrawal of UNEF, and sought in vain to have U Thant refer the matter to either the UN Security Council or the UN General Assembly rather than accede to Nasser's request. Their actions and the Canadian position "deeply provoked" the Egyptian government.[30] And, as Tom Keating, a noted Canadian scholar, has remarked:

Without having been specifically invited to participate, the Canadian government informed the UN Secretary General of its willingness to contribute a contingent to UNEF II. The Egyptian government, however, was distinctly cool to the idea of Canadian participation, and it took a personal phone call from the UN Secretary General to President Anwar Sadat to finally overcome Egyptian reservations. Even then, Egypt accepted Canadian participation "only on condition that Poland also be included, clearly implying that Canada was pro-Israeli and had to be balanced by a more pro-Arab Warsaw Pact government."[39] The Cana

Four general phenomena of the 1970s had a more or less direct bearing on the bilateral relationship. First was the ushering in of a period of détente in East-West relations, characterized by the launch of the CSCE and the MBFR negotiations, and the conclusion of the Helsinki accords in 1975. Second was the progressive withdrawal of the UN from any signi f cant role in peacemaking in the Middle East and its

Nasser's socialist principles in economic management, Sadat opened

centration" for Canadian aid disbursements.[55] CIDA concentrated its efforts in capital investment and training in the energy, agriculture and transportation sectors; by 1985-86 it had 14 different projects underway in Egypt, having already completed large rural electri f cation, drainage, and irrigation projects in the Nile Delta.[56] By 1994, the cumulative total of Canadian aid disbursements to Egypt nearly reached the $400 million mark, making Egypt one of the major recipients of Canadian aid in the Africa-Middle East region.

In the late 1970s Canadian corporations began to show much greater interest in the Egyptian market, as the Egyptian government's program of economic liberalization started to show results. The annual value of Canadian exports rose from $6.5 million in 1975 to $128 million in 1980 and to $191 million in 1985; Egyptian exports to Canada rose from less than $1 million in 1975 to over $30 million in 1985. In pursuing new opportunities in the Egyptian market, Canadian companies were greatly assisted by the decision of the Canadian government's EDC to once again offer credits for exports to Egypt. EDC re-entered the Egyptian market in 1980, after an absence of nearly 20 years, with a loan of $13.6 million for the sale of diesel locomotives to the Egyptian national railways organization.[57] By 1985, EDC had signed loan agreements worth $393 million for the export of Canadian equipment to Egypt, including harvesters, water pumps, aircraft, and aircraft engines.[58] The Canadian government also took the lead in launching a long-term process aimed at exporting Canadian nuclear energy technology to Egypt. In May 1982, the two governments signed a bilateral agreement relating "to the use, development and application of nuclear energy for peaceful purposes"; the agreement covered the supply of information, technology, nuclear materials, equipment, and training.[59] Shortly after the conclusion of this agreement, the crown corporation Atomic Energy Canada Limited (AECL) embarked on a long and arduous marketing effort to sell a CANDU nuclear reactor to Egypt, an effort that resulted in some minor contracts, but not in the sale of an actual reactor.[60]

If the foundations of an aid and trade relationship had been well established by the early 1980s, the remaining years of the decade were to see a certain broadening of the relationship. Contacts at the political level and exchanges of ministerial visits became more frequent,[61] and Allan MacEachen, who had once again become secretary of state for

external affairs, was prompted to give a detailed and highly upbeat assessment of the relationship to the Senate Foreign Affairs Committee.[62] In 1984 the two governments concluded a bilateral convention for the avoidance of double taxation and the prevention of fiscal evasion, in order to facilitate the strengthening of economic ties.[63] Three years later, there was the signature of a bilateral civil air agreement, including the exchange of landing rights in Montreal and Cairo, in order to enhance the level of tourism between the two countries.[64] These governmental initiatives were supplemented by the work of the Export Development Corporation in supporting the often successful efforts of Canadian companies to broaden their penetration of the Egyptian market to include sectors such as electricity and communications.[65]

At the same time there was a rapprochement between the governments of Canada and Egypt on regional security issues in the Middle East. In 1985, Egypt (and Israel) took the initiative to invite Canada to

C /Span /MCID 2087 BDC 10/TT1 1 Tf0 Tw 6.413 0 0 6.413 291.8578 52349.2522

by the Canadian government as "an expression of the excellent relationship which exists between Canada and Egypt."[70] Later, in recognition of Egypt's leading role in the resolution of the Gulf crisis, and of the financial losses it had suffered as a result of the war, the Canadian government provided Egypt with a subsidy of $26 million, and $13 million in debt relief.[71]

The Contemporary Relationship

In 1993 the CIDA conducted an extensive review of Canada's development assistance program in Egypt, in order to take account of new CIDA policy directions and of the Egyptian government's program of economic reform and structural adjustment. The review confirmed Egypt's status as a priority recipient of Canadian aid by virtue of its economic and social needs, its role as an influential force for regional and international peace and security, and its potential as a market for Canadian exports and investments. But after extensive consultations with the Egyptian government, and with the latter's full agreement, CIDA decided that its program should be reoriented into new areas of activity. Whereas in the 1980s CIDA had concentrated on infrastructure development in the agricultural and energy sectors, it would henceforth concentrate on providing support to economic and social reform in order to facilitate Egypt's transition to a market economy, and on promoting environmental protection and the sustainable management of natural resources, especially soil and water. By the end of 1996, CIDA was supporting some 20 projects in these two broad areas, many of which involved the education and training of young Egyptians, and several of which were being implemented in close cooperation with Egyptian nongovernmental organizations.[72]

In the mid-1990s, the commercial relationship between Canada and Egypt became

50. DEA, Statements, No. 76/1 (Ottawa, 1976), p. 2.
51. Ibid., p. 3.
52. Ibid., p. 4.
53. DEA, Statements, No. 76/15 (Ottawa, 1976), p. 4.
54. Canadian International Development Agency (CIDA), Annual Review 1976-77 (Ottawa, 1977), p. 46.
55. CIDA, Annual Report 1979-80 (Ottawa, 1980), pp. 13-14.
56. CIDA, Annual Report 1985-86 (Ottawa, 1986), p. 16.
57. Export Development Corporation (EDC), Annual Report 1980 (Ottawa, 1981), p. 50.
58. ECC, Annual Report 1984 (Ottawa, 1985), pp. 40 and 48.
59. Government of Canada, Canada Treaty Series 1982, No. 6 (Ottawa: Queen's Printer, 1991), pp. 2-4. One Canadian expert on Middle Eastern affairs described the government's decision to conclude this agreement with Egypt as "a major change of policy." See Stein, "Canadian Policy in the Middle East," p. 393. At the very least, it did reflect a new level of trust in the relationship, given the stringency of Canadian policy on the export of nuclear materials and equipment.
60. Atomic Energy of Canada Limited (AECL) Annual Report 1982-83 (Ottawa, 1983), p. 8; Annual Report 1988-89 (Ottawa, 1989), p. 12; and Annual Report 1995-96 (Ottawa, 1996), p. 7.
61. See, for example, DEA, Communiqués No. 158/82 (Ottawa, 1982), No. 134/83 (Ottawa, 1983), No. 134/84 (Ottawa, 1984) and No. 64/86 (Ottawa, 1986).
62. DEA, Statements and Speeches, No. 83/2 (Ottawa, 1982), p. 2.
63. DEA, Communiqués, No. 134/84 (Ottawa, 1984).
64. DEA, Communiqués, No. 65/87 (Ottawa, 1987).
65. See, for example, DEA, Communiqués No. 29/90 (Ottawa, 1990) which announced the granting of an EDC credit of $22.4 million for the sale of underground cables to Egypt.
66. Ismael, Canada and the Middle East, p. 32.
67. Andersen, Seibert and Wagner, Politics and Change in the Middle East, p. 292.
68. See DEA, Communiqués, No. 301/89 (Ottawa, 1989), p. 1.
69. DEA, Communiqués, No. 268/90 (Ottawa, 1990), p. 1.
70. DEA, Communiqués, No. 25/91 (Ottawa, 1991), p. 1.
71. DEA, Annual Report 1990-91 (Ottawa, 1992), p. 45.
72. Canadian Embassy, Cairo, Canada-Egypt Development Cooperation Programme (December 1996), pp. 1-5.
73. Canadian Embassy, Cairo, Canadian Success Stories in Egypt (February 1997), pp.

1-6.

74.

and likely to continue its steady growth, the relationship does not seem destined to know any spectacular developments or breakthroughs in the near future.

The Foundations

The existence of a shared civilization and of a common cultural heritage are not in and of themselves guarantors of close or friendly relationship between nation states – a point eloquently demonstrated by two World Wars in the twentieth century. However, in the absence of any major clashes of interests or policies, they do constitute an important basis for understanding between states, for mutual appreciation and for the development of solid bilateral relationships. This is all the more true when, as in the case of Canada and Italy, they are buttressed by social ties and contacts resulting from immigration and the presence of significant Italian communities in Canada.

While the existence of a shared "civilizational space" may not always be a leading consideration in the process of foreign policy development, it does constitute a sub-text which occasionally finds overt expression. Thus as early as 1927, Prime Minister Mackenzie King wrote

> of Canada as a European nation...had been deeply rooted in Canadian self-perception and political practice from the country's initial settlement and the defining decision of the 1770s not to follow the United States into independence. The vast majority of those living in the northern half of North America had always felt the trans-Atlantic ties of birth, family, national origin, politico-cultural inspiration, commercial intercourse, and even, it has been argued, psychological dependence."[3]

Professor Nossal goes on to argue that Atlanticism has been a declining force in Canadian thinking and policy in recent decades. While this is undoubtedly true, other scholars, quoting polling data, have noted recently that while "new regions might have risen in importance in the eyes of the public during the last 15 years, it is hard to conclude that Europe has sharply declined as a priority of Canadian foreign policy."[4]

Yet another enduring feature of Canadian foreign policy has also served to underpin the Canada-Italy relationship. Over several decades, successive Canadian governments have sought to find "counter-weights" to the dominant presence of the United States in Canada's international relations. Most often these efforts have pointed in the direction of Western Europe, because of the strong historical and cultural linkages and because of perceived mutual interests. The case was very clearly and succinctly put in the early 1970s by Mitchell Sharp, who was then Secretary of State for External Affairs: "The maintenance of an adequate measure of economic and political independence in the face of American power and influence is a problem we share with the nations of Western Europe. In dealing with this problem, there is at once a community of interest and an opportunity to work together. Canada seeks...to create a healthy balance of relations within the North Atlantic community."[5] This particular thrust in Canadian foreign policy found expression not only in Canada's relations with NATO and the European Community, but also in the development of its bilateral relations with the major countries of Western Europe, including Italy.

Immigration, Community and Culture

One of the mainstays of the bilateral relationship between Canada and Italy has been Italian immigration, and the existence of a large Italian

community concentrated in Canada's major cities. In the history of Canada, Italian immigration is certainly not a new or recent phenomenon; it is in fact almost as old as Confederation. Between 1876 and 1904, some 26,000 Italians migrated to Canada; the number was to increase to more than 170,000 between 1905 and 1940. The great surge in Italian immigration occurred, however, in the twenty-five years following the end of the Second World War; between 1946 and 1970, some 390,000 Italians moved to Canada, making Italy Canada's second largest source of immigrants after the United Kingdom during the period.[6]

The end of the war, in fact, saw a strong mutuality of interests emerge between Canada and Italy on the question of immigration. On the one hand, war-torn Italy's depressed economy was recovering only slowly and unemployment rates were very high; the Italian government sought to remedy the situation by encouraging both temporary and permanent emigration. On the other hand, Canada was suffering from labour shortages in agriculture, mining and the railways, and the Canadian government was being pressed by employers in these sectors to become more active in the recruitment of immigrants. The result was a period of close cooperation between agencies of the two governments in promoting and facilitating Italian immigration to Canada.[7]

The surge of Italian immigration which occurred after the war was not a uniformly positive phenomenon for either the immigrants themselves or for Canadian society. When it came to welcoming immigrants, many Canadians made no secret of their preference for Anglo-Saxons and other Northern Europeans, who were regarded as more likely than Southern Europeans to adapt well to Canada's climate and to fit into Canada's democratic society. Like many other immigrants from Continental Europe and Asia, Italians were often viewed with suspicion and resentment by native-born Canadians and suffered from various forms of discrimination.[8] The prejudices encountered by Italians in Canada may well have been reinforced by the fact that immigrants from Sicily and Calabria in the 1940s and 1950s brought with them organized crime from their country of origin. Many of the so-called Mafia families which settled in Montreal, Toronto, Hamilton and Vancouver became active in gambling, prostitution, loan sharking, narcotics trafficking and extortion; some of the families maintained close ties with counterparts in Italy and the United States, thus adding an international dimension to

the growth and development of organized crime in Canada.[9]

As economic conditions in Italy improved, there was a notable and progressive decline in the number of Italian immigrants making their way to Canada. Whereas in the 1950s the yearly average was 22,933, it declined to 14,484 in the 1960s and to 3,714 in the 1970s. Italian immigration slowed still further in the 1980s and the annual average for the decade 1985-1994 fell to 785. By the early 1980s, however, the Italians had already become the fourth largest ethnic group of immigrants in Canada, after the British, French and Germans, and constituted sizeable communities in Toronto (over 320,000) and Montreal (over 170,000).[10]

The size of the Italian community in Canada, and the movement of

da and Italy were not only old friends, but were also "family".[14]

The social links which existed between the two countries also made Italy fertile terrain for the Canadian government's programme of international cultural relations. Already evident in embryonic form in an exchange of notes on cultural cooperation concluded in 1954, Canadian cultural diplomacy in Italy achieved a certain prominence with the

Under the NATO aegis, the two countries cooperated in a variety of defence and security tasks. Thus in the 1970s they concluded an agreement for the training of some 50 Italian air force pilots in Canada.[23] In 1999, a squadron of Canadian air force aircraft was stationed in Aviano in Italy to undertake NATO mandated air strikes against Yugoslavia as part of the effort to forestall a humanitarian disaster in Kosovo. Beyond the NATO ambit, Canada and Italy emerged as members of a small group of "like-minded" countries in their support for and participation in UN peacekeeping operations. This gave rise to much informal consultation, coordination and cooperation in devising the mandates and operational configurations of individual UN missions.[24]

Trade and Investment

One of the first representatives of the Italian government to visit Canada was Marco Doria, who toured the country in 1906. On his return to Italy, he wrote rather presciently that: "We must not only look upon Canada as a hospitable land which will welcome a large part of our emigrants, while respecting their language and culture, but also as a market to be captured, as a place from which to acquire the natural resources that we need."[25] It was not, however, until after the Second World War that the Canadian government began to regard Italy as a potentially promising trading partner. This new commercial interest was reflected in the approach which Canada adopted to the conclusion of a peace treaty with Italy,[26] and in the fact that the first formal agreement concluded with Italy after the establishment of diplomatic relations in 1947 was a commercial *modus vivendi*. The latter saw Canada and Italy extend to each other a treatment virtually equivalent to Most Favoured Nation status in their future commercial exchanges.[27]

In the ensuing decades both the Canadian private sector and the Canadian government paid steadily increasing attention to the Italian market. Thus in the 1970s, the Canadian government's EDC significantly increased the value of the insurance coverage and guarantees it offered to Canadian companies selling in Italy, from $16.6 million in 1970 to $228.3 million in 1980, more than for any other country in the European Community.[28] In the 1980s, the Departments of External Affairs and

Regional Industrial Expansion mounted a large number of ministerial

Conclusion

The type of bilateral relationship which Canada has with Italy is one which encompasses the interest and interests of individuals, collectivities, corporations and governments. It is deeply rooted and broadly based. It has been nurtured and expanded through the sustained diplomatic efforts of the Canadian government over several decades. These have resulted in the multiplication of the number and types of contacts, exchanges and agreements between the two countries. Although not devoid of problems, the relationship between Canada and Italy can certainly be described as close, substantial and productive, with the potential for further incremental growth. As such, the relationship directly serves the interests of Canada and Canadians, and contributes indirectly to sustaining the position and influence of Canada in multilateral fora such as the G-7, the OECD and NATO.

Notes

1. Quoted in Roberto Perrin and Franc Sturino, *Arrangiarsi: The Italian Immigration Experience in Canada* (Montreal: Guernica Editions, 1989), p. 52.
2. Department of Foreign Affairs and International Trade (DFAIT), *Statements* No. 97/26 (Ottawa, 1997), p. 1.
3. Kim Nossal, "A European Nation? The life and times of Atlanticism in Canada," in *Making a Difference? Canada's Foreign Policy in a Changing World Order*, eds. J. English and N. Hillmer (Toronto: Lester Publishing, 1992), p. 81.
4. Paul Buteux, Michel Fortmann and Pierre Martin, "Canada and the Expansion of NATO." in *Will NATO Go East?* ed. David Haglund (Kingston: Queen's Centre for International Relations, 1996), p.160.
5. Department of External Affairs (DEA), *Statements and Speeches*, No. 70/24 (Ottawa, 1970), p. 2.
6. The figures for the period 1876 to 1970 are drawn from Clifford J. Jansen, *Fact Book on Italians in Canada* (Toronto: York University, 1987), pp. 71-73. See also Anthony Richmond, *Post-War Immigrants in Canada* (Toronto: University of Toronto Press, 1967), p. 5.
7. Franca Iacovetta, "Canadian Immigration Policy toward Italy after World War Two," in *Canada e Italia: Prospettive di Co-operazione*, ed. Fabrizio Ghilardi (Pisu: Edizioni ETS, 1994), pp. 192-194.

8. Ibid., p. 192. See also J.L. Granatstein et al., *Twentieth Century Canada* (Toronto: McGraw-Hill, 1983), pp. 232-264.
9. See William Macadam and James Dubro, "Organized Crime," in *The Canadian Encyclopedia* (Edmonton: Hurtig Publishers, 1985), pp. 1335-1336.
10. Clifford J. Jansen, *Fact Book on Italians in Canada*, pp. 2-6 and 72-73. The figures for 1985-94 are derived from Statistics Canada, *Annual Demographic Statistics 1994* (Ottawa, 1995), p. 175.
11. Government of Canada, *Canada Treaty Series 1979*, No. 2 (Ottawa: Queen's Printer, 1979) and *Canada Treaty Series 1980*, No. 31 (Ottawa: Queen's Printer, 1984). See also DEA, *Communiques*, No. 106/77 (Ottawa, 1977).
12. Government of Canada, *Canada Treaty Series 1985*, No. 17 (Ottawa: Queen's Printer, 1988). Although signed in 1981, this treaty only came into force in 1985.
13. DEA, *Communiques*, No. 47/76 (Ottawa, 1976) and No. 98/80 (Ottawa, 1980).
14. DFAIT, *Statements*, No. 97/26 (Ottawa, 1997).
15. Government of Canada, *Canada Treaty Series 1974*, No. 19 (Ottawa: Queen's Printer, 1976).
16. Government of Canada, *Canada Treaty Series 1985*, No. 18 (Ottawa: Queen's Printer, 1989).
17. F.H. Soward, *Canada in World Affairs: The Pre-War Years* (Toronto: Oxford University Press, 1941), pp. 23-30.
18. John Holmes, *The Shaping of Peace: Canada and the search for world order 1943-1957*, Vol. II (Toronto: University of Toronto Press, 1982), p. 111.
19. Quoted in James Eayrs, *In Defence of Canada: Growing Up Allied* (Toronto: University of Toronto Press, 1980), p. 115.
20. Ibid., p. 115.
21. Ibid., p. 116.
22. See for example, John Munro and Alex Inglis (eds.), *Mike: The Memoirs of the Right Honourable Lester B. Pearson*, Vol. II (Toronto: University of Toronto Press, 1973), pp. 64 and 91.
23. Government of Canada, *Canada Treaty Series 1971*, No. 34 (Ottawa: Queen's Printer, 1974).
24. Andrew Cooper, *Canadian Foreign Policy: Old Habits and New Directions* (Scarborough: Prentice-Hall, 1997), p. 177.
25. Quoted in Roberto Perrin and Franc Sturino, *Arrangiarsi*, p. 111.
26. See R.A. Mackay (ed.), *Canadian Foreign Policy 1945-1954: Selected Speeches and Documents* (Toronto: McClelland and Stewart, 1971), p. 27.
27. Government of Canada, *Canada Treaty Series 1948*, No. 9 (Ottawa: Queen's Printer, 1949).

28. Export Development Corporation, *Annual Report 1970* (Ottawa, 1971), p. 22; and *Annual Report 1980* (Ottawa, 1981), p. 62.
29. DEA, *Annual Report 1985-86* (Ottawa, 1986), p. 33; *Annual Report 1987-88* (Ottawa, 1988), p. 41; and *Annual Report 1988-89* (Ottawa, 1989), p. 42.
30. DFAIT, *News Release*, No. 128/98 (Ottawa, 1998), pp. 1-3.
31. For trade figures, see Statistics Canada, *Canadian International Merchandise Trade: December 1999* (Ottawa, 2000), pp. 24 and 36. For investment figures, see

A ROLLER COASTER RIDE

INDIA: 1947–2007

of the Indo-Canadian relationship of the fifties and sixties is gone forever and is not likely to return."[2] That does not mean, however, that a more productive and substantive relationship than that which prevailed during the last quarter of the twentieth century is not achievable, especially if expectations on both sides are firmly grounded in pragmatism and mutual interest.

The Halcyon Days

The Indo-Canadian relationship of the late 1940s and early 1950s was shaped by a number of shared interests, concerns, and perspectives. Both countries were intent on forging new places for themselves in the

role of India as perhaps the leading neutral in the modern world. In an international community which seemed in danger of division into two warring camps, India because of its size and the quality of its leadership appeared the natural leader of a possible middle group."[5] But Canada also took a direct interest in India both as a potential bulwark against Soviet expansionism in Asia, and as a country bedevilled by socio-economic problems and regional conflicts which could be exploited by the Soviet Union.[6] These factors go a long way toward explaining the sustained efforts which Canadian leaders made to foster dialogue and close cooperation between the two countries.

The birth of the Colombo Plan in 1950 was to lay the foundation of one of the most important and enduring elements of the Indo-Canadian relationship. Newly independent India was facing enormous socio-economic challenges, manifested particularly in the fields of energy, transportation, agriculture, irrigation, health, education, and poverty alleviation. It was to help meet these challenges in India and South Asia more broadly that Canada and the other industrialized countries of the Commonwealth devised the Colombo Plan. This was to become Canada's first major venture into the field of economic development assistance. A relationship characterized at first by mutual empathy and shared political interests began progressively to take on concrete expression in the form of locomotives and hospitals, hydro and nuclear power stations, irrigation and agricultural development schemes, as well as a steady flow of experts, teachers and students in both directions. India became and was to remain the largest single beneficiary of Canadian development assistance over a period of more than four decades ($2.7 billion from 1950 to 1993).[7]

By the mid-1950s the Indo-Canadian relationship had evolved into a real partnership between a leading actor in affairs in Asia and the Global South, and a significant member of the Western community of nations, from which both derived advantage. In the words of one Canadian scholar:

> Both powers were internationalist, enjoyed clear stature within the Commonwealth and the UN, and dealt with each other as if they respected that stature. Each accepted the other as sympathetic, powerful in its own right, and a prime conduit to larger interests. As long as these conditions held, they formed a sound basis for an effective relationship.[8]

ened in the late 1960s as Prime Minister Indira Ghandi progressively abandoned even the pretence of nonalignment in the Cold War arena by espousing ever closer relations with the Soviet Union. This policy culminated in the signing, in August 1971, of a Treaty of Peace, Friendship and Cooperation between India and the Soviet Union. This treaty proved to be no mere formality, bringing in its wake a greatly intensified bilateral trading relationship (the so-called rouble-rupee arrangement) and the flow of large quantities of Soviet military equipment to India. Like most of its Western allies, Canada saw this development as detrimental to both its security and economic interests,[14] and as a setback in the ongoing Cold War confrontation with the Soviet Union.

The signature of the Indo-Soviet treaty was rapidly followed (in December 1971) by the third Indo-Pakistani war, which resulted in the dismemberment of Pakistan and the creation of Bangladesh. On the strength of its military victory in that war and of its new relationship with the Soviet Union, India was able to dictate the terms of peace to Pakistan, in the form of the Simla Agreement of 1972. One of the provisions of the Simla Agreement stipulated that, henceforth, India and Pakistan would resolve all their differences, including the Kashmir dispute, on a bilateral basis. The net result of this was to effectively bring to an end any UN role in attempts to find a solution to the dispute. By the same token it marked the end of Canada's modest mediatory and peacekeeping endeavours in the Kashmir dispute, all of which had been conducted under UN auspices.[15] Thus, one more Canadian link to India and the problems of the South Asian region was broken.

The impact of all of these events on the bilateral relationship was relatively minor when compared to the effects of the Indian nuclear explosion in May 1974. Seen as a betrayal of solemn undertakings repeatedly made to the Government of Canada by the Government of India that its nuclear program was for exclusively peaceful purposes and did not involve plans to explode a nuclear device, the Indian action provoked a reaction of outrage in Canada, not only in government circles but also among the general public.[16] It was viewed not only as a breach of the agreements governing Canada's nuclear assistance to India, but also as flying in the face of the Canadian government's well-known policy of seeking to prevent the proliferation of nuclear weapons. As one former Canadian High Commissioner to India put it: "The explosion of a nu-

clear device in 1974 touched one of the main nerves in the Canadian psyche. It has been and remains a matter of national conviction that we do not intend to be contributors in any way to nuclear warfare."[17] An-

the country has done; and of how much it has to do to catch up with the rest of the world."[36] Finally, India was profoundly affected by the collapse of the Soviet Union in 1991. This meant not only the end of India's principal security partnership, but also of one of its most important and most advantageous trading relationships. As a result, India turned increasingly to the West in search of new markets and new sources of foreign investment.[37]

While eschewing journalistic hyperbole of the kind "India is an economic miracle waiting to happen,"[38] it was undoubtedly true that the Indian economy had scored some impressive gains. Exports were up by 19 per cent, 18 per cent and 27 per cent in the years 1992, 1993, and 1994 respectively.[39] GNP growth rates hit the five per cent mark in the early 1990s and surged to seven per cent in 1995.[40] "Government approvals of foreign direct investment went up from US$4.5 billion in 1994 to US$10 billion in 1995, and the actual inflow of foreign equity doubled to almost US$2 billion."[41] India was in a period of fairly rapid economic expansion, and the Indian economy was attracting increasing attention from abroad.

At least one Indian scholar-journalist suggested that the transformation taking place in India was even more profound: "in the post-Cold War world, where per capita income and trade surpluses, rather than the size of nuclear arsenals, have become the denominator of national stature, India is reshaping its future, politically, economically, and even ideologically."[42] At least part of this assertion was open to question given that India had shown no sign of shifting resources from military expenditures to socio-economic development. On the contrary, India continued its expensive programs to develop and produce short- and medium-range missiles capable of delivering nuclear weapons, and maintained its drive to develop an indigenous defence industry "leading to higher research and development and procurement costs."[43] Indeed, India was one of only two major countries in the world (the other being China) whose defence expenditures/budgets increased significantly, from US$7.5 billion in 1994 to US$8.4 billion in 1996, an increase of 12 per cent.[44] Thus it seemed that India was not in the process of abandoning its aspirations to become a dominant regional power in favour of economic development,[45] but was rather seeking to pursue both objectives simultaneously.

sultations went into the publication in June 1995 of a well-researched and detailed document entitled *Focus India: Building a Canada-India Trade and Economic Strategy*. The stated purposes of this document were threefold: "to create a higher profile for India in Canada; to raise the awareness and interest of the Canadian private sector in this vast emerging market; and to coordinate government programs and activities in order to become a catalyst for increased private sector involvement in India."[51]

While outlining a program of activities to be undertaken by the Canadian government, *Focus India* clearly placed the emphasis on the role of the Canadian private sector in exploiting the opportunities presented by the new India in the fields of trade, investment, and joint ventures. Replete with sectoral analyses of key areas in which there appeared to be a particularly good "fit" between Indian requirements and Canadian capabilities (e.g., telecommunications, power generation, and environmental protection), the document also offered detailed advice on market conditions, sources of financing, and the availability of trade promotion support. Although *Focus India* was eloquent in explaining the size and potential of the Indian market, it also included a note of caution in stressing that it "is not a market for the timid or uninitiated",[52] and that in spite of India's economic reforms "bureaucratic bottlenecks, conflicting or vague policies and guidelines, infrastructure problems, the importance of connections and cultural differences make India a difficult market to penetrate."[53]

The positive reception accorded the publication of *Focus India* by the Canadian business community laid the groundwork for the Canadian government's ambitious endeavours to create a new and reinvigorated relationship with India. In January 1996 India was the focal point of a so-called "Team Canada" mission to Asia. Led by Prime Minister Chrétien, the mission consisted of semdnɛ5700600e a of semdnɛ 374.3369 205(

ments were signed in New Delhi and Mumbai, worth approximately $3.4 billion, and the mission was judged a resounding success by the Canadian government.[54]

In the wake of the Team Canada mission, there was a noticeable increase in the number of bilateral exchanges and initiatives. A delegation of the Confederation of Indian Industry visited Canada in June 1996, and an official visit by the Indian Minister of External Affairs, Kumar Gujral, took place in the September of that year. At the same time, the Canadian government announced its intention to strengthen its commercial staffs in New Delhi and Bombay, and to open new consular and commercial offices in Bangalore, Madras and Chandigarh.[55] In early 1997, it was the turn of Canadian Foreign Minister Lloyd Axworthy to visit India at the head of a delegation of parliamentarians and business people. Following his talks with Minister Gujral in New Delhi, it was announced that a Joint Ministerial Committee would be formed to facilitate consultations between the two governments on a wide range of political and economic issues. In a speech in Calcutta, Axworthy set the tone for a new phase in the relationship when he said that India "is emerging as one of the major world players of the twenty-first century. Canada recognizes this, and we want to give India the priority it deserves in our foreign relations."[56] He went on to sketch out the prospects for a broadly-based cooperative relationship encompassing economics, security, culture, education and development assistance.

Downturns and Upswings

This vision of a renewed and vital Canada-India relationship was, however, to turn to dust in May 1998 when the Indian government announced that it had conducted a series of nuclear weapons tests. Given the centrality of nuclear non-proliferation in Canada's security and arms control policy, the reaction of the Canadian government to this news was predictable and swift. Foreign Minister Axworthy declared that "thirty years of successful management of the nuclear proliferation threat has been undermined" and that the tests "constitute a clear and fundamental threat to the international security regime and, thus, to Canada's security."[57] The Canadian government's immediate policy

response to the tests was a combination of condemnations, sanctions and exhortations. It included:

- Strong criticism of the actions of the Indian government.
- The discontinuation of Canadian non-humanitarian aid to India.
- Support for the deferment of development projects in India funded by the International Financial Institutions.
- The temporary withdrawal of the Canadian High Commissioner from New Delhi.
- The postponement or cancellation of a variety of government-to-government contacts.
- A call to the Indian government to adhere to the nuclear Non Proliferation Treaty (NPT) and to the Comprehensive Test Ban Treaty (CTBT). The Canadian government subsequently joined its G-8 partners in condemning both the Indian and Pakistani nuclear weapons tests, in underlining their deleterious consequences for international peace and security and for socio-economic development in South Asia, and in calling on India and Pakistan to adhere without conditions to the NPT and the CTBT.[58]

The Indian government, for its part, emphatically rejected the positions adopted and the appeals made by Canada and the other G-8 countries. Speaking in November 1998, the Indian High Commissioner to Canada succinctly summarized his country's position:

> The fact is every state has a right to make its own assessment of the threat to its security and then to take such measures as it deems appropriate for countering such threats. The only constraints in taking such measures are that these should not violate international law or any bilateral or multilateral treaty obligations. In deciding to weaponise its nuclear capability, India has done no more than it was entitled to do.
>
> India values highly its relations with countries with whom it has had traditionally friendly ties, but national security is of paramount importance. India should not find itself compelled to choose between measures which it considers essential for its security and friendship with countries which it considers desirable and mutually beneficial."[59]

Indeed, not only did the Indian government reject any notion of renouncing nuclear weapons, but the writings of its nuclear strategists suggested that the country was intent on developing a broadly-based

to Mumbai by the Canadian frigate HMCS *Winnipeg*. During a visit to Ottawa by the India Minister of Power, Suresh Prabhu, the Canadian Export Development Corporation signed an agreement extending a $115 million line of credit to India's Power Finance Corporation to finance the supply of goods and services by Canadian exporters.[63] And in an exercise reminiscent of the Focus India project of 1995, Pierre Pettigrew announced in early 2002 the launch of a new South Asia Trade Action Plan, aimed at enhancing the Canadian business community's awareness of the trade, investment and joint venture opportunities offered by the region.[64] In short, the roller coaster was once more on an ascending course.

Challenges and Limitations

In seeking to enhance Canada's economic relationship with India, the Canadian government has identified a number of mutual interests and complementarities. For these to be translated into actual contracts, projects and realizations much work remains to be done to educate the public and private sectors of both countries as to the economic and technological capabilities of the other. The trade promotion programmes of the Canadian government, the presence in Canada of an Indo-Canadian community of over 500,000 and the activities of the Shastri Indo-Canadian Institute have all contributed to fostering mutual knowledge and understanding. But there is still a long way to go if the potential of the economic relationship is to be realized. For Canadians, in particular, it will be necessary to see beyond the images which tend to dominate most Western media reports on India: an impoverished and largely illiterate population living in squalor, a country constantly beset by sectarian violence and natural disasters, a regional or sub-regional actor locked into a seemingly endless conflict with neighbouring Pakistan. If more Canadians are to take an interest in doing business in India, they will have to come to see that there is far more to India than this. If they are to be effective in doing business there, they will also have to realize that this is not how Indian elites see themselves or their country. Quite the contrary. For example, in assessing the country's role in international affairs in 2001, a recent Indian government publication stated that

"India consolidated its position as a global power, bulwark of peace, stability, international understanding, security and balance not only in Asia, but on a much wider scale in the world."[65] While Canadians do not necessarily have to share such assessments, they need to be aware of them and to understand them if they are to establish fruitful dialogues with Indian counterparts.

All of this may take time and imaginative effort, but the prospects for a broader and deeper economic relationship are on the whole encouraging, since both countries have clearly identified their interests

proliferation became one of Canada's primary security concerns and came to occupy pride of place on its arms control agenda. The Canadian government consistently advocated the strengthening, indefinite extension and universalization of the nuclear Non-Proliferation Treaty (NPT). It also became a strong proponent of a Comprehensive Test Ban Treaty (CTBT) and worked hard to achieve it. India, for its part, has consistently refused to adhere to the NPT for a variety of political and security reasons and has now become a declared nuclear weapons state. The gulf that exists between the positions of the two countries on this fundamental issue of security policy can be, and has been, sidestepped in the pursuit of economic and commercial interests, but it could well prove to be unbridgeable in the realms of political and security relations.

Conclusion

Conditions seem favourable to the launch of a more dynamic and more substantive relationship between Canada and India. The new relationship will, in all likelihood, be primarily economic in character, focusing on trade, investment, joint ventures, and development assistance; it will be underpinned by people-to-people contacts involving the Indian community in Canada, the continued flow of Indian immigrants to Canada and a relatively modest program of cultural and academic exchanges. For this new economic relationship to take root, however, it will be essential that the Canadian government persist in its efforts to raise the Canadian profile in India and to sustain the interest of the Canadian business community; it will also be essential that the Indian government maintain its commitment to economic reform and liberalization in a climate of relative political stability.

A new economic relationship between Canada and India seems possible largely because it would be firmly grounded in mutual interest. Eschewing nostalgia and wishful thinking, it is difficult to identify any similar convergence of interests which could form the basis of a substantially enhanced and enduring political or security relationship. Indeed, it seems more likely that the newly emerging bilateral relationship will be essentially unidimensional. This does not, however, detract from the

merits of the Canadian government actively pursuing it. Having a solid and growing economic relationship with an India projected to become the world's fourth largest economy in the next few years would be an enormous asset for Canada in the twenty-first century.

Notes

1. Department of Foreign Affairs and International Trade (DFAIT), *Statements* 96/4 (Ottawa, 1996), p. 2.
2. K. Subrahmanyam, "Emerging International Trends after the Cold War: Scope for Indo-Canadian Interaction," in *The India-Canada Relationship*, ed. J.S. Grewal and H. Johnston (New Delhi: Sage Publications, 1994), p. 78.
3. See John Holmes, *The Shaping of Peace: Canada and the Search for World Order 1943-1957*, Vol. II (Toronto: University of Toronto Press, 1982), pp. 160-72.
4. Tom Keating, *Canada and World Order* (Toronto: University of Toronto Press, 1993), p. 20.
5. Donald C. Masters, *Canada in World Affairs 1953-1955* (Toronto: Oxford University Press, 1959), p. 120.
6. See S.D. Gupta, *India-Canada Relations* (Jaipur: Jaipur Publishing House, 1990), p. 33; and R.A. Mackay (ed.), *Canadian Foreign Policy 1945-1954: Selected Documents and Speeches* (Toronto: McClelland & Stewart, 1970), pp.357-58.
7. Figures derived from computer print-outs provided to the author by the South Asia division of the Canadian International Development Agency (CIDA) in 1995.
8. W.M. Dobell, "Canadian Relations with South Asia," in *From Mackenzie King to Pierre Trudeau: Forty Years of Canadian Diplomacy 1945-1985*, ed. Paul Painchaud (Québec: Laval University Press, 1989), p. 355.
9. Ibid., p. 355.
10. A.G. Rubinoff, "Comparing American and Canadian Perceptions and Policies towards South Asia," in *The India-Canada Relationship*, eds. J.S. Grewal and H. Johnston, p. 55.
11. Gupta, *India-Canada Relations*, pp. 58-59.
12. Dobell, "Canadian Relations with South Asia," p. 359.
13. Ibid., p. 359. Matters were not helped when the Indian interpretation of Canada's role in the Indochina Commissions made its way onto the domestic political scene in Canada via the reporting of Canadian journalists, and caused the Canadian government considerable embarrassment.
14. See Gupta, *India-Canada Relations*, p. 75. The full extent of India's alignment with the Soviet Union became evident in 1979 when India stood out as one of a mere

handful of non-Communist countries which failed to condemn the Soviet invasion of Afghanistan. See J. Lévesque, *L'URSS en Afghanistan* (Brussels: Editions Complexe, 1990), pp. 271-76.

15. See L.A. Delvoie, *Hesitant Engagement: Canada and South Asian Security*, Martello Papers 11 (Kingston: Queen's Centre for International Relations, 1995), pp. 18-22.
16. Ibid., pp. 30-33. See also Michael Tucker, *Canadian Foreign Policy: Contemporary Issues and Themes* (Toronto: McGraw-Hill, 1980), pp. 203-14.
17. J.G. Hadwen, "Some of the Realities of the Indo-Canadian Relationship," in *The Indo-Canadian Relationship*, ed. Grewal and Johnston, p. 38.
18. Escott Reid, *Envoy to Nehru* (Toronto: Oxford University Press, 1981), p. 261.
19. See, for example, Savita Pande, "Issues in Canadian Nuclear Policy," *Strategic Analysis* 19, 5 (New Delhi: Institute for Defence Studies and Analysis, 1996), pp. 755-58.
20. A.E. Blanchette (ed.), *Canadian Foreign Policy 1966-76: Selected Speeches and Documents* (Toronto: Gage Publishing, 1980), p. 28.
21. Ibid., p. 29.
22. Dobell, "Canadian Relations with South Asia," p. 364.
23. Canadian International Development Agency, *Annual Report 1975-76* (Ottawa: CIDA, 1976), p. 128; and *Annual Report 1978-79* (Ottawa: CIDA, 1979), p. 41.
24.

33. See, for example, Gérard Hervouet, “Présence Canadienne en Asie Orientale,” in

Player, ed. F.O. Hampson, M. Hart and M. Rudner (Don Mills: Oxford University Press, 1999), pp. 233-252.

59. Rejanikanta Verma, "Canada-India Relations: Building on Experience," in *Canada-India Relations After the Nuclear Tests in 1998*, eds. Ashok Kapur et al. (Waterloo: University of Waterloo, 2000), p. 3.
60. Jaswant Singh (ed.), *Nuclear India* (New Delhi: Institute of Defence Studies and Analyses, 1998) p. 315. See also Raju Thomas and Amit Gupta (eds.) *India's Nuclear Security* (Boulder, CO: Lynne Reinner, 2000), pp. 77-82.
61. Statistics Canada, *Canadian International Merchandise Trade* (Ottawa, Various years).
62. DFAIT, *News Release* 35/01 (Ottawa, 2001), p. 1.
63. DFAIT, *News Release*, 77/01 (Ottawa, 2001), p. 1.
64. DFAIT, *Statements*, 2002/2 (Ottawa, 2002), pp. 1-5.
65. Government of India, *India 2002: A Reference Annual* (New Delhi: Ministry of Information, 2002), p. 657.
66. See for example DFAIT, *Statements* 96/1 (Ottawa, 1996), pp. 2-3 and DFAIT, *News Release* 35/01 (Ottawa, 2001), p. 1.
67. Holdsworth, "Canadian-Indian Partnership in the 1990's," p. 69.

PERTURBED ENGAGEMENT

INDONESIA: 1949–2010

With a population of some 230 million, Indonesia is the world's fourth most populous country after China, India and the United States. With vast pools of natural resources and human talent it is of signi f cant economic interest. Both during and after the Cold War, Indonesia has been a notable actor in the political and security affairs of the Southeast Asian region, and its continued national unity is essential to regional stability. Since the terrorist attacks on New York and Washington in September 2001, Indonesia has attracted ever more international attention as the world's largest Muslim country and as the scene of some spectacular terrorist actions. Indonesia is thus a country of some real importance with which Canada has slowly but surely developed a productive and constructive relationship over a period of nearly sixty years. The process has certainly not been devoid of pitfalls and downturns, but the outcomes in today's world are ones which the Canadian government can view with some degree of satisfaction.

The Early Years

Canada's f rst substantive involvement in Indonesian affairs occurred in 1949. The Indonesian struggle for independence against Dutch colonial

rule had by then been going on for four years. It was a struggle characterized by bouts of military confrontation interrupted by periodic and precarious truces. The United Nations Security Council had been seized of the question for some time but had been unable to resolve it. Various plans had been put forward but none had been met with approval by the parties to the conflict or by the membership of the Council. The deadlock was finally broken by General Andrew McNaughton, then serving as head of the Canadian delegation to the United Nations and as president of the Security Council. McNaughton introduced a resolution which mapped out a peace plan acceptable to the parties and to most of the members of the Council. Despite a Soviet veto, the plan was accepted and implemented and led to peace and independence in Indonesia in December 1949.[1] The importance of the role played by General McNaughton on this occasion was very publicly recognized in 2004 when the Indonesian government conferred on him, posthumously, the nation's highest civilian award.

Although Canada was among the first countries to recognize the newly independent Republic of Indonesia, it was not until 1954 that the Canadian government decided to establish an embassy in Djakarta. This decision was based not on any particular interest in the geo-politics of Indonesia or of the Southeast Asian region. Rather, the new embassy was viewed principally as a vehicle for the promotion of trade, as the official history of the Department of External Affairs makes clear.[2] In the event, any hopes which the Canadian government may have harboured for a commercial breakthrough in Indonesia proved vain, and the commercial section of the embassy was closed down in 1960 for lack of activity. It was only to re-open in 1969.

It was also in 1954 that Indonesia first became eligible for aid under the Colombo Plan of which Canada had been a founding member. This marked the start of a modest Canadian aid programme for Indonesia focussed primarily on agricultural development and on the provision of food aid. In both real and comparative terms, the emphasis here has to be on the word "modest". Throughout the decade of the 1950s the total value of Canadian aid to Indonesia amounted to only $2.3 million, as compared to $143 million for India and $100 million for Pakistan. Indeed at this time the Indonesia programme suffered even by comparison with the Sri Lanka programme, which was marginally larger at

The New Order

This phase in the relationship came to an abrupt end as a result of dramatic political events in Indonesia. In 1965 President Soekarno was overthrown in the midst of much bloodshed and his regime was eventually replaced by that of General Suharto at the head of what came to be known as the "New Order" government. The new government promptly brought the confrontation with Malaysia to an end and embarked on a

by other Canadian financial institutions.

In the case of Indonesia, the policy of bilateralism translated itself in

expand Canada's engagement with Indonesia in the realms of aid, trade and investment. Indeed, it added a new dimension to the relationship with a modest initiative in the security domain. In the late 1980s, CIDA joined forces with the Indonesian Foreign Ministry in sponsoring the creation and operations of what came to be known as the South China Sea Informal Working Group. Consisting of scholars, consultants and experts drawn from a variety of disciplines, the Working Group met annually to try to devise practical approaches to the international disputes surrounding the islands in the South China Sea, especially the Spratly Islands. The Group deliberately avoided tackling issues of legal jurisdiction and focussed on the development of confidence-building measures and other forms of cooperation. For Canada, the sponsorship and funding of the exercise represented an opportunity to pursue two policy objectives. On the one hand, it had a general interest in the avoidance of tensions and hostilities in Southeast Asia. On the other, it was able

rect assistance to the Indonesian government. However, aid projects already underway would be allowed to continue, particularly in the fields of human resource development, environmental protection and water resource development.[17]

The reaction of the Mulroney government to what came to be known as the "Dili massacre" was certainly more vigorous than anything attempted by the Trudeau government in the face of similar events in Indonesia and East Timor. The reasons for this may be twofold. First, the issue of human rights appears to have acquired a higher priority in Canadian foreign policy, particularly at a time when Canada was among the countries leading the charge to end apartheid in South Africa. Second, in a post Cold War world, Indonesia was no longer viewed by Canada and its allies as being of strategic importance in curtailing the spread of Soviet power and influence in Southeast Asia. That said, it must also be recognized that the measures taken by the Canadian government against Indonesia were not particularly draconian. As Professor Andrew Cooper has very aptly remarked: "What the Canadian government was not willing to do was completely cut off diplomatic discourse and/or commercial relations with Indonesia; the risks attached to either approach were judged to be too high."[18] Indeed, only three months after the Dili massacre the Indonesian foreign minister, Ali Alatas, paid an official visit to Ottawa at the invitation of Barbara McDougall. And there was no discernible diminution in the Canadian government's trade and investment promotion activities in Indonesia.

The Chrétien government which came to power in 1993 was determined to pursue an export-led strategy to get Canada out of the economic recession in which it then found itself. Among the numerous initiatives which it launched to this end were a series of so-called "Team Canada" missions to Asia. These missions, led by the Prime Minister, included most of the provincial premiers, federal cabinet ministers and hundreds of business leaders. Whatever other results these missions may have had, they certainly had the effect of raising the profile of Asia as an area of economic opportunity in the Canadian business community and among the public at large. Prime Minister Chrétien decided to build on this enhanced interest by declaring that the year 1997 would be the year of Asia-Pacific for the Canadian government. From coast to coast the government marked the occasion by sponsoring conferences,

local pro-Indonesian militias which, with support from rogue elements of the Indonesian army, embarked on a campaign of looting, burning and killing which resulted in the death or displacement of thousands of East Timorese. In an effort to put a halt to the atrocities and to restore law and order, the international community launched a military

and plastics and rubber products. As for Canadian direct investment in Indonesia, it now stands at just over $2 billion, making Indonesia Canada's 19th most important foreign investment destination. While much of this investment is concentrated in the resources extraction and exploitation sector, it also extends to the manufacturing sector. Thus, in the summer of 2008, the Bata Shoe Company, which has had a presence in Indonesia for decades, opened up a new state-of-the-art factory in West Java, a factory which will employ 300 Indonesian workers.[26]

The Canadian government has also taken some modest, but not insignificant, steps to broaden the bilateral relationship beyond the spheres of aid, trade and investment. Thus, in late 2003 the Department of Foreign Affairs sponsored and organized a highly imaginative conference in Montreal entitled "Canada and Islam in Asia". Bringing together scholars, journalists and officials from Canada and from most of the Muslim countries of South and Southeast Asia, the conference's success was due in no small measure to the long-standing relationship between the Islamic University of Indonesia and the Centre for Islamic Studies at McGill University. More recently the Canadian embassy in Djakarta has become actively involved in promoting dialogue to advance the cause of human rights in Indonesia. Working closely with local governmental and non-governmental organizations, the embassy has sponsored and participated in a long series of conferences and seminars for lawyers, parliamentarians and government officials. Among the topics covered in these gatherings was the Rome Statute of the International Criminal Court, which the Indonesian government is preparing to ratify. In 2008 the Canadian embassy also joined forces with the Norwegian embassy in sponsoring a series of seven workshops on international human rights law for members of the Indonesian armed forces. These workshops, held across the country, yet again demonstrated the Canadian government's commitment to support the Indonesian government in the implementation of its National Plan of Action for Human Rights.[27] And they no doubt served to raise the Canadian profile in Indonesian government circles and to enhance Canada's position on the Indonesian scene.

Over the last ten years, Indonesia's international standing has risen, as its democratic and economic credentials have solidified. It is now being actively courted by countries as diverse as the United States, Ja-

pan, China and India. The results of its parliamentary and presidential elections held in the spring and summer of 2009 hold out the prospect of continued stability and reform. And it has weathered the economic crisis of 2008-09 remarkably well, garnering tributes from the World Bank for the government's economic management.[28] All in all, therefore, conditions look promising for the pursuit of Canadian interests and objectives in Indonesia in the years ahead.

Conclusion

Over a period of nearly sixty years the Canadian government has had to overcome numerous obstacles in its efforts to establish a constructive and productive relationship with Indonesia. Those efforts have paid off in terms of the direct economic benefits derived by Canada in the realms of trade and investment. They have also served to further Canada's broad foreign and security policy objectives related to three Indonesian realities. First, as the largest and most populous country in Southeast Asia, Indonesia plays a highly influential role in promoting regional stability and cooperation, most notably through its involvement in the Association of Southeast Asian Nations (ASEAN), and its security arm the ASEAN Regional Forum. Second, as the world's most populous Muslim country, Indonesia has been an important and distinctly moderate force in combating Islamist extremism and terrorism, internationally and within its own borders. Third, as a highly complex and poor country riven with ethno-religious divisions, Indonesia's future as a relatively stable and united entity cannot be taken for granted, and its violent break-up would send shock waves around both its region and the world. Thus, whatever the .5(poEMC 9d,)]TJET1 1 Tund BT/d th/Span <</MCID 6>

vens and Sons, 1960) pp. 203-205 and 262-263.

2.

RETHINKING THE RELATIONSHIP

TURKEY: 1949–2011

The need to diversify Canada's international economic relations has

of the American market for Canadian exports, the Canadian government began the process of initiating free trade negotiations with India and the

led the Turkish government to turn its attention to the nascent NATO and to the binding security commitments embodied in Article 5 of its founding Treaty.[3]

Securing admission to NATO eventually became the single most important objective of Turkish foreign policy. Not only would membership in the alliance go a long way towards allaying Turkey's immediate security concerns, it would also represent a significant step in Turkey's long term endeavour to become more closely associated with Europe and the West.[4] The United States saw considerable merit in Turkish membership for a variety of strategic reasons related to both the Soviet Union and the Middle East. Other allies were far more dubious, not to say recalcitrant, in their reaction to the Turkish candidacy. Among these were the United Kingdom, Holland, Belgium, Norway, Denmark and Canada.

sis of a political, economic and social community of nations given the socio-economic gulf which existed between Turkey and other NATO members. Finally, there was the largely unspoken objection that Turkey did not really belong in the Alliance because it was a Muslim, rather than Christian, country. To quote the elegant phrase of John Holmes "In the often noble concept of the civilization of the North Atlantic there was a trace of the old idea of Christendom, and the Turks hardly qualified for that."[7]

The strength of the Canadian objections to Turkish membership in NATO is perhaps best captured in the uncharacteristically vigorous prose of Lester Pearson, who was then Secretary of State for External Affairs:

> I had opposed bringing in these two Eastern Mediterranean countries [Turkey and Greece] since I believed that this made a nonsense of the North Atlantic character of our association, diminished our credibility as the foundation for an Atlantic community and gave greater validity to the criticism that we were purely and simply a military alliance.[8]

The Canadian government maintained its opposition to Turkish membership for over a year, even though the United Kingdom switched sides on the issue fairly early on. At the NATO Council meeting of May 1951, Canada joined forces with Holland, Belgium and Norway in rejecting the Turkish candidacy and proposing a less comprehensive Mediterranean pact to provide security guarantees to Turkey. It was only in the run-up to the Council meeting of September 1951, when it was left isolated with Norway, that Canada finally agreed to support Turkey's admission to the Alliance. In short, Canada was one of the last holdouts in opposing Turkey's achievement of its highest priority foreign policy objective.

Some of Canada's reservations regarding Turkish membership proved to be well-founded in the years to come. The three military coups which occurred in Turkey between 1960 and 1980 made it somewhat difficult for NATO to portray itself as an alliance of democratic countries confronting a totalitarian Soviet bloc. When NATO decided to mount a propaganda campaign against General Jaruzelski's seizure of power in Poland in 1981, it was somewhat inhibited in its efforts by the fact that Turkey was then under military rule. And NATO's criticisms of

human rights abuses by the Soviet Union and its allies were not exactly strengthened by Turkey's well documented record of abuses against its Kurdish and Christian minorities.

Despite an unpromising start and these ongoing issues, Canada and Turkey developed a generally positive and constructive relationship within NATO. Under NATO's Mutual Aid Programme, Canada provided Turkey with military training and equipment worth hundreds of millions of dollars, which was greatly appreciated by the Turkish armed forces. But even this highly successful programme gave rise to the odd controversy. Thus, in the mid-1960s, Turkey proposed to transfer to Pa-

For most NATO members, including Canada, the Cyprus crisis was a matter of deep concern for three main reasons. First was the often unspoken worry that the erratic Greek Cypriot leader, Archbishop Makarios, might seek the help of the Soviet Union in his confrontation with the Turk-Cypriots and with Turkey. This would provide the Soviet Union with a rare opportunity to create mischief in NATO's backyard. Second was the fear that the conflict might imperil the security of the British Sovereign Base Areas on the island, which served not only as intelligence gathering posts but as staging facilities for British nuclear bombers and American U-2 reconnaissance aircraft. Their importance to NATO's deterrence posture had been re-confirmed in studies conducted by the Canadian Departments of National Defence and External Affairs in 1960.[11] Third, and perhaps of greatest importance for Canada, was the threat that a war between Greece and Turkey would pose to the coherence and viability of NATO, which was the cornerstone of Canada's defence and security policy.

This last concern was repeatedly expressed by senior members of the Canadian government0580055004 5A Dn 1a speceh t the eMansonwHouc ti
Londn in h960?, Pam eMinisern Lesern Par sn ipt ai thes woay.TJETEMC /Span AMCID 5

gotiations which eventually led to the creation and deployment of the UN Force in Cyprus (UNFICYP), and to the dispatch of a Canadian contingent to Cyprus. The Canadian government derived a lot of credit and satisfaction from the outcome of these negotiations. In his memoirs, Paul Martin wrote "the launching of the United Nations force in Cyprus may be regarded as one of Canada's more successful ventures in diplomacy."[14]

This element of satisfaction was, however, relatively short-lived. The deployment of UNFICYP had originally been envisaged as a short-term measure to allow the parties to resolve their differences in an essentially peaceful atmosphere (its first mandate was only six months in duration). Despite the good offices of a long succession of UN mediators, the parties never did manage to reach a durable solution and UNFICYP became a permanent feature of the Cyprus landscape. Canada's occasional involvement in diplomatic efforts to resolve the crisis and its ongoing commitment to troops to UNFICYP did little to foster the development of constructive relations with Turkey. As the dispute dragged on, successive Canadian governments displayed a degree of exasperation with the positions of both Turkey and Greece. This was particularly true when the Turkish invasion of Cyprus in 1974 made it necessary for Canada to double the size of its UNFICYP contingent.[15] When, after nearly 30 years of participation in the Force, the Canadian government announced its intention to withdraw its contingent, the Secretary of State for External Affairs, Barbara McDougall, was fairly blunt in her criticism of both Turkey and Greece. In her words, peacekeeping had become an end in itself and a substitute for "political leadership, honourable compromise and negotiation."[16]

Despite these occasional hiccups Canada had, by the end of the 1990s, developed a reasonably amicable relationship with Turkey. But it was a relationship largely centered on common membership in NATO and on mutual interest in the Cyprus issue; it had little bilateral substance. That deficit would only begin to be filled with the remarkable transformation which Turkey experienced in the first decade of the twenty-first century.

While many of these reforms are still works in progress, and while many were primarily motivated by Turkey's desire to gain access to membership of the European Union, their net effect was transformational: Turkey stopped being the object of a steady stream of adverse reports by human rights organizations and of repeated bail-out operations by the International Monetary Fund. It became a country which enjoyed far more widespread respect in the world, as evidenced by the fact that it was invited to join the G-20 group of leading world economies.

The Canadian Response

The Canadian private sector was far faster off the mark than the Canadian government in recognizing these new Turkish realities. A number of major Canadian companies became active in the Turkish market as both exporters and investors. These included Bombardier, Research in Motion, SNC Lavallin and Eldorado Gold. Two of Canada's leading pension funds decided to commit some $230 million to the creation of a partnership focussed exclusively on investment opportunities in Turkey. The Canadian Turkish Business Council took the initiative to organize seminars and conferences to familiarize Canadian companies with priority development areas in Turkey such as energy, mining, communications technology, agriculture and agri-food. And Export Development Canada began to attach much greater importance to Turkey than it had in the past. The results of all of this activity show up in the statistics. Between 1999 and 2009 the value of Canadian direct investment in Turkey increased more than twenty-fold, from $78 million to $1.78 billion. From 2006 to 2008 the value of Canadian exports to Turkey more than doubled from $520 million to $1.2 billion.[18] This all adds up to a far meatier and far more promising bilateral economic relationship.

The Canadian government's relations with the new Turkish government got off to what can only be described as a distinctly rocky start. Over the strong protests of the Turkish government, the Canadian House of Commons chose to commemorate the deaths of hundreds of thousands of Armenians in 1915 by adopting a so-called "Armenian geno-

to the "Armenian genocide" in a statement issued in April 2006. Both events were greeted with intense dismay in Ankara where successive Turkish governments have steadfastly denied that the events of 1915 constituted genocide, and have insisted that it is up to historians not foreign politicians to interpret those events. The Turkish Foreign Ministry made clear that it considered that Canadian politicians had fallen prey to the pressures of an intensely hostile Armenian-Canadian community, and that the result could only be a "stagnation in bilateral relations".[19] And this is in effect what occurred, with the temporary withdrawal of the Turkish Ambassador in Ottawa and the absence of any high-level contacts between the two governments for a period of three years.

The ice was finally broken in inter-governmental relations in May 2008 with the visit to Ankara of the Canadian deputy minister of Foreign Affairs, Leonard Edwards, for wide-ranging political consultations. The pace of contacts began to pick up thereafter. The Minister of Foreign Affairs, Lawrence Cannon, met several times with his Turkish counterpart on the margins of international conferences and Defence Minister Peter MacKay paid an official visit to Turkey in October 2009, the first bilateral ministerial visit to that country since 2003. The year 2009 also saw the signature of a Double Taxation Agreement and of an Air Transport Agreement, which set the scene for the inauguration of direct flights between Toronto and Istanbul. There was also a marked increase in the exchange of parliamentary delegations between the two countries.

In 2010 Turkey began to emerge on the radar of the Canadian Minister of International Trade, Peter Van Loan. In October he gave his first speech to the Canadian Turkish Business Council in Toronto. In that speech he announced that the Canadian government had just launched exploratory talks with the government of Turkey with a view to concluding a free trade agreement between the two countries. He also announced that he would be leading a trade mission to Ankara and Istanbul from December 6 to 8, 2010.[20] And at the time of his actual visit to Turkey, the Minister inaugurated a new Canadian consulate in Istanbul. On this occasion, Minister Van Loan remarked:

> Canada and Turkey have long-standing diplomatic relations. The opening of the new consulate in Turkey's largest city underlines Canada's priority of expanding bilateral ties with Turkey… The establishment

> of a Canadian consulate in Istanbul will support Canadian companies eager to expand into Turkey's dynamic market. With one of the fastest economic growth rates in the world… Turkey presents great potential for Canadian companies and investors.[21]

With this statement, Minister Van Loan appeared to recognize, albeit somewhat belatedly, that Turkey had emerged as a potentially important economic partner for Canada. Whether the potential identified will be realized will depend, of course, on whether the Minister's mission to Turkey is followed up with the necessary hard slogging on the ground by both the Canadian government and the Canadian private sector.

Conclusion

DIPLOMACY AT THE COAL-FACE

PAKISTAN: 1947–1998

In this chapter I shall endeavour to provide one of many possible answers to the questions: what do heads of mission do and how do they do it? Basing the bulk of the chapter on my experience as Canadian High Commissioner to Pakistan from 1991 to 1994, I shall outline the context 11 392 0 0 11 aerience as Canadian Hiy dtook place,neIn this chap29N: 1947(by

multi-racial Commonwealth, whose establishment was viewed in its time as a major Canadian foreign policy priority. Like India, Pakistan was also seen as a prototype of a wave of the near future in post-colo-

of the heavy handed tactics used by the Pakistani army in repressing a separatist movement in East Bengal, soon to become the state of Bangladesh. Canada has also on various occasions expressed its disappointment that its very large investment in aid to Pakistan has not been parallelled by the development of a more substantive trading relationship. But in all these instances, the Pakistani government accepted the Canadian criticism with relatively good grace, and neither the criticism nor the realities involved had any enduring negative impact on the bilateral relationship.

The only serious downturn in the relationship occurred in the mid-1970s over the question of bilateral nuclear cooperation.[2] In the aftermath of the Indian nuclear explosion of May 1974 the Canadian government conducted a prolonged and extensive review of its nuclear export policies and made them far more restrictive than they had been before. Several months of difficult negotiations with the Pakistani government had revealed a willingness on the part of Pakistan to accept the most stringent of safeguards on the Canadian supplied KANUPP

(INF, CFE, START) resulted in a reordering of Western arms control priorities, and pride of place being given to the issue of nuclear weapons proliferation; Pakistan and India came to stand out on the Western arms control agenda as two large and mutually hostile countries with unconstrained nuclear weapons capabilities. The triumphal march of democracy from Managua to Moscow and from Prague to Phnom Penh inspired many Western governments to once again believe that the

proliferation, human rights and good governance were supplemented by sharp decreases in bilateral development assistance as part of the federal government's efforts to reduce its budgetary deficit and to redirect funding to the countries of Central and Eastern Europe. Thus, in early 1991, the indicative planning figure for CIDA disbursements to Pakistan over the next five years was reduced from $300 million to $190 million. By 1993 it had been reduced still further to $140 million. Given that the bilateral aid programme had for decades been the cornerstone of Canada-Pakistan relations, it was evident that a cut of nearly 55 per cent in that programme signalled a period of change and transition in the relationship in the early 1990s.

The Mandate

Like most newly appointed Canadian heads of mission, I was provided with a letter of instructions from the Secretary of State for External Affairs setting out the parameters and objectives of my mission as High Commissioner to Pakistan.[3] When well crafted, these letters can be invaluable to the new appointee. They give him a set of considered official views on Canadian government priorities in his country of accreditation, outline a number of expectations, and leave him enough leeway to take the initiative and to act in pursuit of government objectives in

- A. To support Canada's interest in encouraging moderation in Pakistan's foreign and domestic policies.
- B. To encourage regional nuclear non-proliferation, reduced defence expenditures, and the signing of the NPT by Pakistan.
- C. To promote trade and investment opportunities for Canada in Pakistan.
- D. To direct Canada's development assistance programmes into those sectors in which CIDA had determined it could have the greatest positive influence.

The main body of the letter of instructions dwelt in somewhat more detail on the tasks and activities I was to undertake in pursuit of these and other goals. These can be summarized in point form as follows:

- To monitor and assess political developments in Pakistan and Afghanistan, with particular reference to the threat of a military clash between Pakistan and India over Kashmir, tensions in the Punjab, growing lawlessness across Pakistan, and the prospects for a settlement to the civil war in Afghanistan.
- To be sensitive to the potential for a dialogue on nuclear non-proliferation and arms reduction, given the commitments by the new governments in both India and Pakistan to improving consultations on security matters.
- To report regularly on economic developments, especially those likely to have an impact on Canadian commercial activities and interests.
- To report regularly on patterns of government expenditure, especially military expenditures, as they relate to Canada's development assistance programme.
- To manage the implementation of Canada's development assistance programme for Pakistan, with annual allocations of approximately $45 million.
- To manage the immigration programme with its family reunification, refugee and business immigration components, and to further efforts to contain immigration fraud and misrepresentation.
- To manage the consular programme, with its concomitant workload increases due to the deteriorating law and order situation.
- To maintain an adequate level of communication with the media,

in the absence of funding for any other public affairs activities.

- To supervise the programmes and activities of the DND, RCMP and CSIS officers assigned to the mission.
- To ensure the effective and efficient use and management of mission resources, including a staff of 175 and an annual operating budget of $1.6 million.

By 1992 the Canadian programme represented less than two per cent of the aid received by Pakistan from the Western consortium, and Canada had slipped from the major to the minor leagues within the Western donor community, behind the Netherlands. Nor had this growing gap been filled by any upsurge in Canadian trade or investment. On the political front, the Canadian government had displayed little direct interest in Pakistan; more than 20 years had elapsed since the last visit of a Canadian prime minister and more than five since the last visit of a Canadian secretary of state for external affairs. Canada had played no significant role in the major peace and security issues which had pre-occupied or were pre-occupying Pakistan, whether it was the war in Afghanistan or the insurgency in Kashmir, which was once again exacerbating relations with India. On the other hand, several other countries had begun to make their presence felt on the Pakistani scene in the 1980s, most notably Japan, Germany, France and South Korea. Within a matter of a few years these countries had come to surpass Canada (and the United Kingdom) in importance as economic partners for Pakistan.

In the absence of any indication that the Canadian government was prepared to devote more resources or give higher priority to the relationship with Pakistan, I concluded that the only way of countering the effects of Canada's declining position and retaining as much influence as possible in the pursuit of Canadian political, security and commercial objectives, was to devote much of my time and energies to a "politique de presence" aimed at raising the Canadian profile among Pakistani élites. In order to try to convince those elites that Canada was still an interested player in Pakistani affairs, my watchwords would have to be: presence, visibility and coverage. In pursuit of this, I would have to rely on my own efforts and on the support of my staff, since there were no high profile Canadian visitors on the horizon, and the High Commission's budget for public affairs and public diplomacy had recently been cut to virtually nothing, and hence there would be no visiting scholars, no film festivals and no art exhibitions to showcase Canada.

The first part of the program involved securing enhanced media coverage for what Canada was doing in Pakistan. Every new agreement signed, every new project launched, no matter how minor, became the object of a High Commission press release. In order to avoid having these press releases end up in the wastebaskets of busy editors, they

not require extensive use of the financial resources I had for representational entertaining, I decided to channel most of these resources into a few large, profile raising receptions rather than into smaller luncheons and dinners destined to develop and exploit contacts. These receptions were particularly valuable in highlighting the Canadian presence and interest in Pakistan's two major commercial and financial centres, Karachi and Lahore, where, unlike other G-7 and Western countries, we had only a minimal official presence. Our honorary consul and one-man trade office in Karachi did great work for Canada, but could not compete with the full blown diplomatic and consular establishments maintained by most of our major competitors. Among the guests at these receptions were always a good number of journalists. These latter unfailingly attended in the knowledge that there would be free food and drink, that there would be photo-opportunities and that they could rely on being able to conduct an interview with me either during or after the reception. The coverage achieved was usually well worth the effort.

In my efforts to sustain and raise the Canadian profile, I was greatly aided by my wife. Not long after our arrival in Pakistan she became president of one of the most active and best known charitable organizations in Islamabad. At the head of a group of five hundred women, half Pakistani - half expatriate, she mounted a long series of imaginative and highly successful fundraising activities, several of which were held on the grounds of the Canadian High Commission. These not only highlighted the caring side of the Canadian presence in Pakistan within Islamabad society, but also attracted considerable positive media attention. My wife was interviewed by the press not only on her charitable work, but was also asked to comment on the role of women in modern societies, and was eventually featured on the cover of a national women's magazine. In short, she got for Canada the kind of coverage that money couldn't buy.

While it is impossible to measure with precision the effect of all of

Politics and Security

The foreign policy questions of primary interest to Canada in Pakistan and in South Asia generally were directly inter-related: regional stability, the proliferation of nuclear weapons, the confrontational relationship between Pakistan and India, and the long-standing Kashmir dispute. On these and on related issues, my officers and I reported regularly to Ottawa and made periodic demarches to the Foreign Ministry, whether on our own initiative or on instructions. The demarches on regional security counselled moderation, compromise and the pursuit of peace

and energy of already hard pressed senior officials and military officers, who would have had to visit Pakistan at fairly regular intervals. Under the circumstances, I fell back on my own devices and undertook a series of informal conversations with Pakistani ministers on security issues. These were ministers whom I had got to know reasonably well, who often had no responsibilities for foreign policy, but who were politically influential and carried more weight in the government than did the Foreign Minister.

In these conversations with Pakistani ministers, I usually put heavy emphasis on the significant mutual advantages which Pakistan and India could derive from a resolution of their differences, particularly the economic advantages in the form of decreased military expenditures and of the establishment of a normal bilateral trading relationship between the two countries. I also outlined the merits of the building block approach to conflict resolution which had demonstrated its merits in helping to end the Cold War between East and West - political dialogue, exchanges of people and ideas, confidence and security building measures, conventional and nuclear arms control agreements etc. I also drew heavily on lessons learned from the Middle East peace process, which had made remarkable progress and which had brought to the negotiating table countries such as Israel and Syria whose mutual antipathies were certainly no less strong than those which existed between Pakistan and India.

In general, I found that my interlocutors were prepared to discuss these points pragmatically and dispassionately, and were open to arguments and evidence drawn from outside the immediate confines of South Asia. But I almost invariably ran up against counter-arguments which had little to do with the foreign and security policy issues themselves and everything to do with domestic political realities. In their essentials they ran as follows: a coalition government dependent on the support of small parties for its majority in parliament could not afford to make concessions on either the Kashmir or the nuclear weapons questions, since public opinion would not tolerate it and the government would be immediately brought down; furthermore, any political leader who were to do so would put his life in danger, especially in the absence of evidence of Indian willingness to make similar or larger concessions.[6]

My rejoinders, to the effect that there was indeed a need for courageous political leadership and that in every process of accommodation some-

losing face and incurring the wrath of the Islamists, the Cabinet decided simply not to implement it, and to continue issuing identity cards in the normal way. A small victory for preventive diplomacy.

Given regional and domestic political realities, there was little that we or other outsiders could do to effectively address the central governance issue which struck any observer of the Pakistani scene: the enormous imbalance which existed in the budgets allocated to the defense sector and to the social sector. While ndFpn ly rep g(t Te)6Span /MCID 6106

Pakistan. The "Golden Crescent" of Pakistan, Afghanistan and Iran was beginning to rival the "Golden Triangle" of Southeast Asia as a source of illegal narcotics on the market in Canada. In trying to combat this trade, we adopted two approaches vis-à-vis the Pakistani authorities. On the one hand, we progressively expanded cooperation between the RCMP and the Pakistan Narcotics Control Board (PNCB). This resulted not only in the exchange of intelligence through liaison channels, but also in cooperative operations which resulted in numerous arrests and the seizure of signi f cant quantities of narcotics in Canada. On the other hand, we sought to exert gentle but constant pressure on the Pakistani authorities to reform their anti-narcotics legislation and to enforce it more widely and more effectively. Whether bilaterally, or together with other representatives of the so-called "Dublin Group" of Western countries, I met on numerous occasions with the Minister of Narcotics Control or the Minister of the Interior to drive home our concerns.

of Pakistanis entering Canada with forged documents or simply without any documents at all. By the end of the year it became apparent that the number of identified Pakistani illegals had risen to over 4,500, and that they in fact exceeded the number of those who had immigrated legally.

It did not take us long to identify the source of the problem. It turned out that members of the Pakistani government, as a form of political patronage, had secured jobs for particularly venal individuals in the middle management of both the Federal Investigation Agency (FIA) and Pakistan International Airways (PIA). In exchange for certain considerations, these officials were prepared to have a blind eye turned to the forged documents or lack of documents of passengers boarding PIA flights to North America. Our response to this situation was two-pronged. First, we obtained from Ottawa the services of a resident Immigration Control Officer who made random checks of passengers boarding flights for North America both in Lahore and Karachi, and who worked in tandem with counterparts at the American embassy to secure the maximum coverage possible. Second, I made a series of representations to Pakistani ministers and senior officials in the course of which I made it clear that, if remedial action were not taken, it would be open to the Canadian government either to oblige PIA to post a multi-million dollar performance bond or indeed to cancel PIA's landing rights in Canada altogether. I also stress[illegible]

frastructure projects at a time, it was now dispersed over two dozen smaller projects related to capacity building and human resources development. Overseeing this transition from a hardware to a software approach took up much of my time in order to ensure that it took place in a manner consistent with Canadian foreign and aid policy priorities, and at the same time met genuine Pakistani needs. While the CIDA staff of the High Commission handled the day-to-day management of existing projects, I was often heavily involved in the identification, selection and launching of new projects. I was also often required to intervene at senior levels in the Pakistani government when projects ran into bureaucratic roadblocks.

While I am convinced that most of our CIDA projects were of direct benefit to Pakistan, they also occasionally produced unexpected spinoff dividends for Canada. Let me illustrate this point with an example. CIDA was the first foreign aid agency to offer assistance to the Pakistani

the issue. On the other hand, he did promise his complete support on the fsheries and oceans question, and when the time came, he delivered.

Some of the new directions in which we were taking the CIDA programme also produced genuine partnerships between Pakistani and Canadian institutions, from which both benefitted greatly. I am thinking in particular of the linkages established between the Lahore University of Management Sciences and the Faculty of Business Administration of McGill University, or between the Aga Khan University of Karachi and

Soviet invasion of 1979 and had not resumed them due to the political instability and the absence of any effective government control which continued to characterize the situation in Afghanistan. Not only did I

the UN Secretary General made valiant attempts to formulate and sell settlement plans, but these never led anywhere because they did not enjoy the full and active backing of the major powers, and because of the obduracy of the leaders of the Afghan factions. The regional powers were no more successful, largely because their special ties to one or other of the Afghan factions made them less than impartial intermediaries. For a country like Canada, which had never been more than a marginal player in Afghan affairs, there was little to be done on the politico-security front. The best we could hope to do was to help attenuate the suffering engendered by the conflict through the provision of humanitarian and reconstruction assistance, and it was on that that we concentrated our efforts.

Between 1991 and 1994, CIDA allocated from 20 to 24 million dollars each year for aid to Afghanistan and to the Afghan refugees in Pakistan. This did not, however, represent a normal or stable programme commitment, due to the ever-changing situations prevailing in Afghanistan and in the refugee camps. Each year it was necessary for the High Commission in Islamabad to formulate policy recommendations to CIDA headquarters on the level and allocation of budgets. This in turn meant assessing not only the changing needs of the Afghans, but also the effectiveness and relevance of the actions being undertaken by the various international agencies through which most of the Canadian funds would be channelled. For me personally, this involved maintaining contacts with the heads of the offices of numerous international governmental and non-governmental organizations (e.g. UNHCR, UNICEF, ICRC, OSGAP, UNOCHA, MSF etc.), each of whom was expert at pleading the special merits of his or her programme. It sometimes also proved difficult to prod CIDA to accept the merits of non-traditional forms of aid. Thus it took time and effort on my part and on the part of the Canadian Forces Attaché to get CIDA to overcome its ingrained reluctance to be involved in anything having a military favour and to provide funds to the UN organization carrying out mine clearing operations and training in Afghanistan.[10]

In addition to the CIDA funds channelled through international agencies, we also had a Canada Fund for Afghanistan of $1 million a year which was administered by the mission under my direction. This Fund permitted us to intervene directly in assisting many of those whose lives

4. When I presented my credentials to the President of Pakistan, he spoke in the fondest terms of the Canadian engineers and technicians who had arrived in his home province to build the Warsak Dam in the 1950s; they were, he said, the first foreigners he had ever met and they had made an indelible impression on him.
5. See L.A. Delvoie, *Hesitant Engagement*, pp. 37-44.
6. One Pakistani minister made this case to me in particularly stark terms. While Pakistanis disagreed among themselves about virtually everything, he said, there was an undeniable national consensus on one point: if India had nuclear weapons, Pakistan should have them also. In his words, even totally illiterate peasants who could not name five foreign countries subscribed wholeheartedly to this consensus. The leader who unilaterally gave up Pakistan's nuclear weapons option would be dead within a matter of days! In a country in which one president and two prime ministers had met violent ends in a 40-year period, this claim did not strike me as particularly exaggerated.
7. Suggesting to the authorities of another country that they should accept international monitoring of their elections is a delicate matter for it tacitly calls into question their competence or integrity, or both. I can well recall the sense of wounded national pride evident when I first broached this topic with the then Chairman of Pakistan's electoral commission. When toward the end of our conversation he very reluctantly assured me that his commission would give its full cooperation to the Commonwealth observers, he asked me only half in jest whether Pakistanis would be invited to monitor Canada's next general election.
8. Ever the prudent diplomats, my American and British colleagues and I wanted to be sure that we were not going to be unwitting spectators at some elaborate piece of theatre. Shortly before the bonfire was lit, our drug liaison officers approached it more or less discretely with their testing kits to make sure that what we were about to see burned was indeed heroin and hashish. It was, although no one could vouch for the precise quantities.
9. As one noted American scholar put it very succinctly "Nowhere were hopes for peace and order at the end of the Cold War mocked more cruelly than in Afghanistan." See Barnett Rubin, *The Search for Peace in Afghanistan: From Buffer State to Failed State* (New Haven: Yale University Press, 1995), p. 6.
10. Readers will note that this is the only reference to military affairs in this chapter. This is largely out of deference to the level of security classification at which most military information is pegged. The same holds true of information dealing with security intelligence and terrorism.
11. Some readers may be surprised by the large size of the High Commission staff. In Pakistan, as in many countries in the Global South, the staff includes many low-paid employees whose services would be secured on a contract basis in industrialized countries, e.g. guards, gardeners, cleaners, repair and maintenance workers.

About the Author

Louis A. Delvoie was educated at Loyola College, the University of Toronto, McGill University and the National Defence College of Canada. He joined the Canadian Foreign Service in 1965. Between 1965 and 1980 he worked in Lebanon, Egypt, Algeria, Belgium and Yugoslavia, as well as in Ottawa. He subsequently served abroad as Ambassador to Algeria, Deputy High Commissioner to the United Kingdom and High Commissioner to Pakistan. In Ottawa, he was Director General of the Bureau of International Security and Arms Control in the Department of External Affairs and Assistant Deputy Minister for Policy in the Department of National Defence. He retired from the Foreign Service in 1995.

From 1995 to 2002, he was an adjunct professor of international relations at Queen's University and at Royal Military College. He is now a Fellow in the Centre for International and Defence Policy at Queen's University and a lecturer for Later Life Learning in Kingston and Belleville. He is a frequent media commentator on Middle Eastern and South Asian affairs. His numerous articles on international relations have appeared in publications in Canada, Britain, Germany, India and Pakistan.

He has been married to his wife Frances for over 40 years and they have one daughter and two granddaughters.