DEBATE

INDIA-CANADA RELATIONS: PRESENT REALITY & FUTURE DIRECTIONS

The Canada-India relationship has indeed taken a positive turn since Prime Minister Narendra Modi’s visit to Canada in 2015. It was the first by an Indian Prime Minister in about four decades.

While India and Canada are members of the Commonwealth of Nations, robust democracies, multicultural societies and have had very close cooperative ties, a sort of bitterness had entered the relationship in the aftermath of India’s nuclear test in 1974. Canada played a prominent role in promoting nuclear export control rules against India. A Working relationship continued but the mistrust level was high - until recently. However, today the two countries have embarked upon a new path of bilateral cooperation in the civil nuclear sector.

During Prime Minister Narendra Modi’s visit to Canada in April 2015, both sides agreed to elevate their bilateral relations to a strategic partnership. However, the strategic content remains wafer thin. The ties essentially rest on 3Es - economy, energy and education.

The just concluded visit of Canadian Prime Minister Justin Trudeau to India (18-24 February 2018) was expected to further boost bilateral relationship. The visit does not seem to have produced the desired results.

The two countries need to take a long-term view for safeguarding their mutual interests. What should each side do?

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The Indian Foreign Affairs Journal had invited seven experts in the field to comment on the above, and offer their views. While the first five papers discuss the overall relationship - specially in the context of the just concluded visit of Prime Minister Justin Trudeau, the last two discuss two specific areas, viz; the Environment and Nuclear matters. Their views are as in following pages.

(The views expressed by the authors are their own, and do not reflect the views of the Indian Foreign Affairs Journal, or that of the Association of Indian Diplomats)
India-Canada Relations: a Roller-Coaster Ride

Prem K. Budhwar

A Historical Backdrop

The foundation of the special relationship between India and Canada was laid immediately after India’s independence and cemented during Prime Minister Nehru’s visit to Canada in October 1949. This warmth and closeness in relations saw several positive outcomes, including Canadian development assistance to India and, significantly also, cooperation in the field of nuclear technology with Canada agreeing to supply to India in 1954 CIRUS (Canadian-Indian Reactor, US), a research reactor at the Bhadra Atomic Research Centre (BARC) in Trombay near Bombay (now Mumbai). In 1954, at the Geneva Conference on Indo-China when the International Control Commission was set up for this region, India was made the Chairman of the Commission, with Canada (representing the Western block) and Poland (representing the Socialist block) as members.

But from the mid-50s the clouds of the Cold War started casting their shadow on these relations and the relations resembled a Roller-Coaster ride! Like most Western countries, Canada perceived India as increasingly getting closer to the former Soviet Union, conveniently overlooking the fact that the US and its allies were fast building up Pakistan, India’s arch rival, in their wider scheme of the containment of Communism in which Pakistan pretended to be an active participant when its real target all along was India. This syndrome extended even to the functioning of the ICC where Canada often, and unjustifiably, viewed India as a biased Chairman. Indo-China was viewed as a hardship posting so that the turn-over of Canadian diplomats was frequent. Consequently, over the next two decades a substantial number of Canadian diplomats in their Foreign Ministry and with a background of having served in Indo-China, continued to carry the burden of unhappy, at times even bitter, feelings towards India.

A New Low

The year 1974 marked a new low in India-Canada relations, with India’s

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Peaceful Nuclear Explosion (PNE) in May of that year. Canada was livid with rage, with its then Prime Minister Pierre Trudeau (father of the current Prime Minister, Justin Trudeau) calling it an act of “betrayal”. All cooperation in the nuclear field was suspended by Canada and, generally speaking, India-Canada relations went into deep-freeze. The 1980s did no better with India being rocked by Sikh militancy and the demand for the so-called “Khalistan” by a few hard-core elements. With Canada providing shelter to some such elements - and if not encouraging them, certainly not restraining them in their anti-Indian activities - bilateral relations only got murkier. The blowing up of the Air-India flight “Kanishka” from Montreal in 1985 with the loss of 329 innocent lives - clearly an act of terrorism - was a further set back to India-Canada relations. Canadian investigations into this ghastly and tragic incident were tardy and painfully slow, taking Canada 25 years to concede failure on the part of its police and security forces to prevent the bombing. Most of the victims were Indo-Canadians and not white Canadians. This even led and encouraged some to accuse Canada of racial prejudice behind its indifferent attitude towards the long drawn out investigations.

Things Look Up

Things started changing for the better only from the early 1990s. Major economic reforms in India were initiated from 1991, thereby opening up the Indian economy to foreign participation and cooperation in a big way through various liberalisation measures. Given India’s size and potential, this understandably attracted considerable international attention. Canada was no exception, with its increasing emphasis on spreading out economically and commercially, notably in Asia that was fast emerging as the Continent with immense possibilities for the future.

The general election in Canada in 1993 brought the Liberals back to power under the leadership of Jean Chretien who took over as the new Prime Minister. The Canadian Ministry of Foreign Affairs and Trade was entrusted with the task of preparing a special report on “Focus India”. Clearly realisation had dawned upon Canada that its relations with India had been allowed to languish for much too long, and the time to rectify them was now.

In January 1996, the famous “Team India” came to visit India. It was led by Prime Minister Jean Chretien, and consisting of the Premiers of eight out of the ten Canadian provinces, nearly three hundred CEOs of large and medium Canadian enterprises, and a sizeable media contingent - all together two full large aircraft. By all accounts, the visit was both smooth and very
successful. Besides the large number of agreements and MOUs, there was a high degree of genuine bonhomie throughout. As the visiting Canadian Prime Minister Jean Chretien said on more than one occasion: “Canada was back in India and was here to stay.” The happy days of the special relationship between India and Canada seemed to have dawned again.

Yet Another Low

Unfortunately, this smooth and happy flow of developments received a jolt again when in May 1998 India carried out a series of underground nuclear tests, Pokhran II, and formally declared itself to be a nuclear weapons State. Along with some other countries, Canada was livid with rage, sanctions were slapped, invitations for some senior Minister level visits from India to Canada were unceremoniously withdrawn, and the then Canadian Foreign Minister Lloyd Axworthy even spoke publicly of “punishing” India.

However, unlike post 1974, this time the bilateral relations between the two countries did not remain frozen for too long. Canada soon realised that India was too big and important a country and an emerging market to be ignored for long. Thus, normalcy in relations got gradually restored. But the real upswing in bilateral relations was to be re-witnessed in the period post 2006 when the Conservative Party was back in power in Canada under the leadership of Prime Minister Stephen Harper. During the next nine years, with Stephen Harper as the Prime Minister, countless senior Minister level visits were exchanged; the Canadian Prime Minister visited India twice; there were agreements galore; trade, economic cooperation and close bonding in other vital fields like energy, education, defence, science and technology to name a few, went ahead most satisfactorily. The relationship was upgraded to the level of a “Strategic-Partnership.”

In recognition of the growing importance of these relations, Prime Minister Modi paid a highly successful official visit to Canada within the first year of assuming office. It was during this visit that the long standing irritant in India-Canada relations was finally removed when Canada relented, and agreed to supply uranium to India. A commercial agreement to this effect was signed during the visit, with the first consignment reaching India in December 2015.

The Justine Trudeau Government

The Canadian internal political scene was to undergo a major change in October 2015 when, following general elections, the Liberal Party led by Justin Trudeau
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swept the polls, winning handsomely. The charismatic young Justin Trudeau took over as Prime Minister. Indicative of India’s keenness to keep up the momentum forward in its relations with Canada, Prime Minister Modi was amongst the first few world leaders to greet the new Canadian Prime Minister. Over the next two years, with the Liberals in office, India-Canada relations continued to grow. Bi-lateral trade in 2017 touched US$ 6.5 billion. Canada was no longer only an aid giver and India no longer only a receiver. Both countries now enjoy a mutually beneficial partnership, with the emphasis now being on mutual investments. Almost a hundred Indian companies have invested in Canada while Canadian Corporate giants like Bombardier, Magna, McCain, and Linamar have for years been “Making in India”. Recent Canadian entrants in the Indian market include Magelian Aerospace and Survival Systems. Indicative of the close bonding in the field of education, there are today over four hundred MoUs between Indian and Canadian institutes. India now ranks second as the source country for international students in Canada, with the overall figure at a staggering 124,000.

The Liberal Party came to power in Canada under the leadership of Justin Trudeau in October 2015 against the backdrop of positive trends in India-Canada relations. There was no reason to believe that this trend would not continue. Except for a brief hiccup in 1998 and for a short while thereafter, close cooperation and further expansion of bilateral ties was not an issue in the domestic politics of Canada. Be it the Liberals or the Conservatives in office, there appeared to be no major difference on this point. This positive trend has continued post 2015 under Prime Minister Justin Trudeau. Several high ranking Minister level visits have been exchanged. The Prime Ministers of the two countries met thrice on the side lines of various international meets, and these encounters have been cordial and friendly without exception.

A visit to India by Justin Trudeau took place in the second half of February 2018 - and that too for a whole week. However, by the end of it, things seemed to have gone wrong, perhaps even hopelessly wrong. Some sections of the media, both Indian and Canadian, even went to the extent of describing it a disaster. The Conservative Opposition in Canada had a field day in running down Justin Trudeau, both inside and outside the Parliament. For a possible explanation, a quick peep into the past would be helpful.

Country of Immigrants

Canada is very much a country of immigrants, and this phenomenon continues to grow. People of Indian origin in Canada today number well over a million,
and many amongst them have, over the years, contributed handsomely towards the growth and development of Canada, making it what it is today. This aspect makes India happy and the Indian Diaspora in Canada does India proud. Now, a sizeable portion of this Diaspora - roughly one fourth, according to most estimates - are Sikhs from the Punjab in India.

The Sikh Community and the Minority ‘Khalistan’ Overhang

The Sikh community in Canada has come a long way from the sad episode of Komagata Maru of 1914, and is today playing an increasingly important role in Canada in general, including in the domestic political scene. The presence of this community on the Canadian political stage became particularly visible following the 1993 general election that brought the Liberals back to power, when three members of the Canadian House of Commons were of Indian origin (including a turbaned Sikh) for the first time in the history of the Canadian Parliament. This trend more or less continued with the outcome of the 2015 general election, outdoing the past with as many as nineteen Sikhs in Parliament, and a record six in Justin Trudeau’s federal Cabinet, including the Defence Minister - even leading Justin Trudeau to jokingly say that he had more Sikhs in his Cabinet than Prime Minister Modi.

While a vast majority of Sikhs in Canada are supportive of close relations with India, and continue their close links with India in a positive way including frequent visits to their ancestral homes and larger family and circle of friends in India, a small fringe element in this community has been unfortunately following a different agenda. Going back to the early 1980s when Sikh militancy hit India and the demand for a so-called “Khalistan” was made, this irritant has been clouding India’s relations with Canada. This vocal though small minority, the free run allowed it in Canada, the failure or refusal of the Canadian authorities to take any appreciable action against such elements operating from the Canadian soil, and the authorities advancing the plea of Canada’s liberal laws allowing the freedom of such actions - a plea that has never impressed or convinced India - all this has been piling up over the last few decades as factors constantly injecting a jarring note in India-Canada relations.

In between, there have been brief periods when Canada appeared to be curbing and restraining such anti-India activities on its soil. But post the 2015 general election outcome, when the victorious Liberal Party was clearly significantly a beneficiary of the Sikh vote in a large number of constituencies (or Ridings, as they are called in Canada), it became a case of vote bank politics in Canada.
Prime Minister Justin Trudeau getting increasingly close to the Sikh extremists was beginning to get noticed a little too often for comfort. Indulging in vote bank politics is an accepted aspect of democracies the world over. But if this begins to tread on the toes of a friendly foreign country and hurt its feelings, then professions of friendship and cooperation with the aggrieved country begin to sound hollow.

Sadly, India’s expressions of disapproval did not receive the attention they merited. On the contrary, Justin Trudeau’s Liberal Party continued on its path of over friendliness towards hard line Sikh elements in Canada. A further demonstration of this ‘could not care less’ attitude towards India’s sensitivities came when, in April 2017, the Liberal Party controlled Legislative Assembly of the Ontario Province, one of Canada’s largest and most important, passed a resolution declaring the 1984 anti-Sikh riots in India (in the aftermath of the assassination of Prime Minister Indira Gandhi by one of her Sikh body guards), an act of “genocide”. A few months down the line, some gurudwaras in Canada issued orders banning the entry of Indian officials. Clearly, Canadian authorities were not creating the right backdrop for their Prime Minister’s official visit to India that was in the pipeline for some time.

The 2018 Justine Trudeau Visit

The Unusual Format

When this week-long visit finally did take place in the second half of February 2018, the format of the programme was rather odd, to say the least. The host Prime Minister was in the thick of electioneering in the crucial North Eastern States of India. Perhaps both sides should take the blame for preparing such an unusual schedule in which the visiting Prime Minister is made to first travel around the country (Agra, Ahmadabad, Mumbai, and Amritsar) before being formally and ceremonially received in the national Capital, and the official talks with the host Prime Minister getting pushed to almost the eve of his departure. No wonder, both the Indian and Canadian media almost made fun of Prime Minister Justin Trudeau as well as his wife and three children (including a toddler), travelling around India enjoying photo opportunities with film stars and the social elite, trying his hand at the “charka” or the spinning wheel in Gujarat, and rolling out “chapattis” in the Golden Temple in Amritsar. The media was naturally unsparing in its criticism, dubbing the visit a family holiday and a sight-seeing trip. The question that began to be posed, at least in certain quarters, was: where was the substance of the visit?
The Jaspal Atwal Affair

As if all this was not enough, a controversial figure like Jaspal Atwal appeared at the Reception hosted for his Prime Minister in Mumbai by the Canadian High Commissioner. Atwal was seen hobnobbing with one of the Canadian Ministers accompanying Trudeau, besides being all smiles with the visiting Prime Minister’s spouse, Sophie Trudeau. The media, both Indian and Canadian, was not going to let go of this opportunity, and the Reception (and the visit) hit the headlines for all the wrong reasons. The Indian Home Ministry clarified that though Atwal had been removed from its black list in 2017, he was still on its ‘to be closely kept under watch’ list. As it subsequently emerged, Atwal had also been invited to a dinner hosted by the Canadian High Commissioner in New Delhi; but in view of the intense controversy generated by Atwal’s presence in Mumbai, the invitation to him for the dinner in New Delhi was hastily withdrawn by the Canadian side.

A formal visit at such a high level is meant to generate nothing but positive vibes. Unfortunately, quite the opposite happened. The issue of the negative and disruptive role continuing to be played by Sikh extremists operating in and from Canada was taken up by the Indian side during the formal talks with the visiting Canadian Prime Minister. Earlier, the Chief Minister of Punjab, Amarinder Singh, is reported to have handed over a list of nine Sikh extremists in Canada to Justin Trudeau when the two met in Amritsar.

The controversy, however, refused to die away. To make matters worse, in a media briefing, Canada’s National Security Adviser, Daniel Jean, reportedly suggested that Atwal’s presence was arranged by “factions within the Indian Government who want to prevent Prime Minister Modi getting too cosy with a foreign government they believe is not committed to a united India.” Justin Trudeau’s response on his return home and when questioned in his own Parliament whether he agreed with this allegation, was: “When one of our top diplomats and security officials say something to Canadians, it is because they know it to be true.”

As expected, this remark only made matters worse, leading to an immediate Indian rebuttal by the official Spokesman of the Ministry of External Affairs who said: “Let me categorically state that the Government of India, including the security agencies, had nothing to do with the presence of Jaspal Atwal at the event hosted by the Canadian High Commissioner in Mumbai or the invitation issued to him for the Canadian High Commissioner’s reception in New Delhi. Any suggestion to the contrary is baseless and unacceptable.” This was indeed a strong official rebuttal by the Indian side, and a sad ending.
to an official visit that had been preceded by high hopes.

In any case, it was a bizarre allegation to make by the Canadians. They were suggesting that, by implication, their High Commissioner himself had been compromised by the concerned Indian agencies to the extent of his being made to extend the two invitations to Atwal in the first place. One can only conclude that it was an unintended compliment to the efficiency of the Indian security agencies indeed, and an equally unintended admission of Canadian failure.

Some Positive Outcomes

In the midst of all this dust and din, a few positive outcomes of Prime Minister Justin Trudeau’s trip deserve at least passing mention. Finally, when the two sides held extensive official talks covering not just security and terrorism but also trade, economic, nuclear and defence cooperation, as many as six agreements were signed on areas as diverse as information technology, science, Intellectual Property Rights, sports, education, and economic cooperation. A separate framework document on cooperation between the two countries in “Countering Terrorism and Violent Extremism” was signed to allay India’s genuine concerns in this regard. Canada also reiterated its commitment to the unity and integrity of India.

Conclusion

In the aftermath of this visit - jinxed according to some - two scenarios are possible. Pessimistically speaking, Prime Minister Justin Trudeau might vent his anger and frustration over how things went, and a negative fallout may result, as indeed happened after India’s Pokhran I of 1974 when his father, Pierre Trudeau, was in office. But history need not repeat itself. For one thing, the India of today is not what it was in the 1970s. As one of the fastest growing major economies today in the world, Canada can no longer afford to spurn India or ignore it. Canada’s vital economic interests would not let Prime Minister Trudeau do so. Canadian big business is too heavily involved in India by way of growing trade, investment, and joint productions. These powerful lobbies, urged on by the huge Indian helpful Diaspora will and should, hopefully, act as a brake on the adoption of any such negative approach towards India.

Taking an optimistic view, the net outcome could be positive. Given this jolt, if one may put it that way, hopefully Prime Minister Justin Trudeau and his Liberal Party will do some serious introspection, and show better sensitivity
towards India’s interests and feelings in the future. It has taken years of hard work on both sides to elevate India-Canada relations to where they are today. These should not be frittered away for reasons of narrow gains on the domestic Canadian political scene. According to some Canadian reports and surveys, Prime Minister Justin Trudeau’s popularity has already taken a hit. A mature politician should, in his own interest and that of his Party, seriously think in terms of a course correction rather than get vindictive. India wishes Canada well, and values its growing relations and cooperation with Canada highly. But as is often said, it takes two to tango. As a friend of Canada, I would be more inclined towards this latter view.

The future will tell.

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India-Canada Relations - Post-Trudeau Visit: the Road Ahead

Rajiv Bhatia*

Prime Minister Justin Trudeau’s week-long visit to India (Feb 18-24) generated more than usual media coverage in both countries. The fact that it was a mixture of positive and negative publicity compelled citizens and experts alike to pay greater attention to the manner in which the visit unfolded and its immediate outcomes. All those who believe that a stronger India-Canada relationship is in mutual interest need to delve deeper and comprehend the forces and factors that drive this relationship today. It is very important to draw correct lessons from the visit if there is a shared intention to deepen the bonds of friendship and cooperation in the future.

A Multi-Dimensional Relationship

What is it that attracts and holds Canada and India together, two nations so different and geographically so distant from each other? On the one hand, there is Canada, area-wise the second largest country in the world, with a population of 36 million, which is a rich and developed G7 economy. India, on the other hand, is the second largest country population-wise, with a population of 1.3 billion – an emerging economy growing at one of the fastest rates in the world. Nominal GDPs of Canada and India are US$ 1.76 trillion and US$ 2.65 trillion respectively.

The answer to the above question, undoubtedly, lies in a unique blend of history, commonality of values as liberal democracies, the Commonwealth connection, their economic complementarity, the Diaspora factor and the growing perception of shared interests, which resulted in the setting up of a ‘Strategic Partnership’ between the two countries.¹

The visit of PM Trudeau could not achieve the optimal result because a single issue, the Canadian government’s perceived support for the separatist Khalistani cause, weighed heavily and adversely on the tour from the beginning till the end – and even after his return home. This vexed question needs to be addressed more candidly and realistically by the authorities, keeping in view

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the larger, long-term interests of the two nations. At the same time, both sides should be very clear that the India-Canada friendship is not a one-issue affair; it is a truly multi-dimensional relationship. For it to grow stronger, careful and sensitive nurturing is required. A creative and forward-looking vision that transcends narrow partisan considerations is essential for this purpose.

**Converging Worldview**

Situated in different hemispheres, Ottawa and New Delhi look at the world differently.

Canada views itself as “an essential country” in “the life of the planet”.\(^2\) Guided by the political philosophy of the Liberal Party, it promotes a rules-based, liberalism-guided world order, laying much stress on conflict prevention and peace, economic growth and prosperity, protection of human rights, gender equality and women empowerment. ‘Canada is back’, claims the Trudeau government as often as it can.

In terms of its foreign policy priorities, the U.S. ranks at the top. Much of the Canadian government’s attention since early 2017 has been fixed on negotiating changes demanded by Washington in the North American Free Trade Agreement (NAFTA). Relations with Europe are another priority, especially with Germany, France and the UK. The goal of concluding the Comprehensive Economic and Trade Agreement (CETA) was achieved in 2014.

High priority is also accorded to ties with China. Trudeau visited China twice (September 2016 and December 2017) in the past two and half years. Talking about cooperation with China, a senior Canadian diplomat stated that Canadians wanted “more, more and more”.\(^3\) Referring implicitly to India too, Chrystia Freeland, Canada’s foreign minister, spoke of “the rapid emergence of the global South and Asia – most prominently, China – and the need to integrate these countries into the world’s economic and political system in a way that is additive…”\(^4\)

India, on the other hand, is located in a dangerous neighbourhood where it faces the world’s worst menace of cross-border terrorism and nuclear danger from two directions – the west and the north. The geopolitical environment is turning negative, with China’s steady rise, overbearing behaviour, and determined forays into South Asia through bold strategic moves and predatory economics. New Delhi, therefore, has to concentrate on managing its ties with the major powers – the U.S., China, Russia and a few EU member countries – as well as the states located in its immediate and extended neighbourhood. Canada, thus, does not figure among its priorities.
Nevertheless, the global situation is in a flux. Both power and action have largely shifted from Europe to Asia, from the Atlantic to the Pacific. The ‘Indo-Pacific’ stretching from the western Pacific to India’s shores, if not beyond, has emerged as the most important, complex and active theatre of international power play. This is not lost on Canada, a country with a very long Pacific coastline.

Ottawa, as the capital of a middle power, is conscious of the value of multi-polarity. It should, therefore, be sympathetic to the Indian view that peace and prosperity in Asia would depend on an effective balance of power rather than a Sino-centric Asia. This may explain several recent developments.

First, despite some reservations, Canada joined the Trans-Pacific Partnership (TPP) which is a reality, although it now stands without the U.S. Second, as a member of the Asia-Pacific Economic Cooperation (APEC), Canada takes considerable interest in Asian economic affairs. It wants to secure a bigger slice of business opportunities in Asia. Third, it has been forging close cooperation with the Association of South East Asian Nations (ASEAN) that figures high on India’s priorities too as part of the latter’s Act East Policy. Fourth, Canada is keenly interested to join the East Asia Summit (EAS). It managed to persuade the Philippines to invite PM Trudeau as the Chair’s special guest at the last EAS summit, held in Manila in November 2017. India is supportive of this ambition. Finally, Canada, like India, is a strong supporter of “freedom of navigation and over-flight throughout the Indo-Pacific”, and it has expressed itself forthrightly on China’s unacceptable activities in the South China Sea.

It is a combination of the tendencies listed above, which should provide ballast to deepening the broad convergence in the worldviews of India and Canada. This shared identity of perceptions should be the foundation stone on which a new edifice of relations may be built.

**Economic Pillar**

The economic pillar of the bilateral relationship needs to be strengthened in mutual interest. A capital-and-technology-rich nation, Canada can surely have a much bigger profile of mutually beneficial exchanges with the fast growing and liberalising economy of India than the achievement so far of US$ 6 billion as bilateral trade in 2016 and US$ 2.9 billion as cumulative two-way Direct Foreign Investment. Canadian firms should explore opportunities more actively in infrastructure, urban development, energy, education, and health sectors. Indian companies can exploit the largely untapped potential of the expanding
ICT business in Toronto and other Canadian cities. A top Indian business leader spelt out a promising future in five Es: economy, energy, education, entertainment industry linkages, and empowerment of women.

This author watched with interest PM Trudeau’s engaging interaction at a business forum in Delhi on 22 February 2018, which was attended by over 1,000 representatives of corporates from different parts of India and Canada. It was a serious and purposeful affair, born out of a careful calculation by India Inc and Canada Inc regarding excellent possibilities of expanding and diversifying economic links.

In this context, an important concern of the Canadian side deserves positive consideration. Canadian pension funds have begun investing sizeable resources in India’s equity markets. At present, the investments are estimated to be in the range of US$ 12-14 billion. The Canadian argument is that much bigger flow of investible surplus would occur, once the Bilateral Investment Protection and Promotion Agreement (BIPPA) is in place. The draft agreement has been on the negotiation table for several years. The two governments agreed, at discussions during the Trudeau visit, to intensify negotiations. They should strive hard to find a middle ground and resolve their differences in order to send out a signal to investors that the authorities fully support a bigger flow of investment into India.

The Khalistani Knot

While differences between the two governments on the Khalistan issue played out in the open before, during and after the visit, very little notice was taken of the fact that an important document named ‘Framework for Cooperation between India and Canada on Countering Terrorism and Violent Extremism’ was successfully negotiated and made public. This contains a broad agreement on the most sensitive facet of the relationship. Its implementation should be accorded high priority.

However, it should be noted that it is a political question, not just a police matter. Innovative measures may, therefore, be required to help Canada so that it begins to respect India’s sensitivities more scrupulously. The need for Canadian politicians, especially of the ruling party, to cultivate the Indian Diaspora, including the Sikhs, does not pose a problem. What is problematic is the public involvement of those in power with the miniscule elements that work against the unity, sovereignty and territorial integrity of India. In brief, anti-India activities on the Canadian soil have to be brought to a stop.
For this purpose, especially to prepare public opinion and to strengthen mutual understanding and resolve, two specific steps could be considered. Perhaps an informal dialogue between the two ruling parties – outside the glare of the media - and also a visit to Canada by Home Minister and the Chief Minister of Punjab to interact with the Diaspora and the Canadians at large could be useful. This could lead to Canada being convinced that the Khalistan movement ended in India a long time back and India has moved on. Hence, encouraging and supporting pro-Khalistan activities in Canada will achieve little other than preventing the Canada-India friendship from reaching its optimal level.

Other Issues

Amidst the controversies surrounding the Canadian PM’s visit, insufficient attention was paid to its positive outcomes. These included joint initiatives ranging from women’s empowerment to sustainable development, space, research on global development challenges and peacekeeping collaboration.

Tourism and education are two important sectors where huge potential exists. The more Indian tourists visit Canada and the more Indian students enter Canadian universities, the stronger momentum will develop that shall enrich the people-to-people relations. Promotional measures should be undertaken actively for this twin purpose.

The decision by the two governments to launch the ‘Canada-India Dialogue on Innovation, Growth and Prosperity’ bears long-term value. It is the fruit of the collaboration between Canada’s Centre for International Governance Innovation and India’s Gateway House. This dialogue between two prestigious think tanks will convene domain experts, government officials, and business leaders to promote economic growth and innovation in today’s digital economy. A sustained and inclusive policy dialogue is envisaged covering the following issues:

- The digital economy, innovation, the governance of new technologies, and productivity;
- India-Canada cooperation to enable skill development, capacity building, and cooperation on Indian smart cities;
- Promoting India-Canada trade and investment opportunities and potential;
- Sectoral and global ‘commons’ issues: energy cooperation, space cooperation, peacekeeping, the Blue Economy, etc. and
- Global governance: cooperation in multilateral fora such as the reform of Bretton Woods institutions etc.
Conclusion

As Chair of G7, Canada is set to play a significant role this year in various global fora, including the G20. It has been taking greater interest in Asian affairs, showing a clear inclination to expand and deepen its cooperation with the two major Asian powers – China and India. Ottawa is amply aware of India’s growing importance in geo-economic as well as geopolitical terms.

For the Indian side, it may be useful to keep in mind that Justin Trudeau is only 46 years old. He has a long political career ahead of him. Doing business with him and holding his extended hand of friendship warmly is in our interest. The way forward is to strengthen, not weaken, the strategic partnership linking Canada and India.

And as to the Canadian leadership, it would do well by showing its traditional prudence and, as this author stressed elsewhere, by demonstrating “greater sensitivity to India’s core concerns than what Mr. Trudeau could muster” during his visit.8

Notes:

1 Please also see https://www.opencanada.org/features/what-expect-trudeaus-first-official-trip-india/
6 http://www.mea.gov.in/bilateral-documents.htm?dtl/29513/Framework_for_Cooperation_between_India_and_Canada_on_Countering_Terrorism_and_Violent_Extremism

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Case for a Fresh Start with Canada
Vishnu Prakash*

No one could have imagined that Canada’s colourful, popular, and telegenic Prime Minister Justin Trudeau, on his first state visit to India from 17 to 24 February 2018, would encounter such searing criticism at the hands of analysts and the international media.

The media was unanimous in its opinion. The visit was a disaster. The leading story in the Canadian daily, The Globe and Mail was: “Trudeau’s love of the spotlight turns against him in disastrous India trip”. The Toronto Sun carried an editorial, “Trudeau must not duck Canada’s Sikh extremism.” The Washington Post’s comment was scathing: “Trudeau’s India trip is a total disaster - and he has only himself to blame.” In an editorial comment, the Toronto Star noted that “Justin Trudeau’s very bad trip to India may carry a steep cost”. BBC was critical of ‘Justin Trudeau’s Bhangra dance and outfit choice’. The Indian media was equally harsh: “Why Trudeau’s disaster trip may trigger a reset in India-Canada ties,” was the lead story in the Times of India.

What led to such a media uproar? Are the observers justified in dubbing the visit a damp squib? How much of a shadow has the Khalistani issue cast on the ties? How important is the bilateral relationship? And, what should both sides be doing now? These questions need to be addressed.

India-Canada Relations in Perspective

At the very outset, it must be underscored that India-Canada relations are very important to both sides. A lot of political and diplomatic capital has been invested, over the decades, in building them painstakingly. There have been ups and downs in India’s engagement with Canada; but that can be said for any two friendly nations. As fellow democracies, we enjoy numerous commonalities including multiculturalism, complementary economies, the rule of law, the English language, and Diasporic ties. The Indian Diaspora - affluent, well-educated, politically active, and a part of the mainstream - is 1.4 million strong, and comprises 3.6 percent of the Canadian population. The vibrant Sikh community of some half a million has particularly carved out a niche for itself. Four (of 31) cabinet ministers and at least 17 federal parliamentarians are Sikhs. Concentrated in the Toronto and Vancouver regions, they are in a

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position to tilt or impact the electoral outcome in 18 to 20 federal constituencies. As a consequence, they are actively courted by all Canadian political parties. Historically, the community has been inclined towards the Liberal Party.

Canada has been, and remains, a land of opportunity for the Diaspora, many of whom landed on its shores with barely a few dollars and have now become multi-billionaire tycoons. Canada is one of the few OECD nations which has kept its doors open, and admits over 300,000 immigrants annually. Indians constitute the second highest number. Indian students gravitate to Canada given its educational strengths and ample employment opportunities. 2017 saw a 60 percent increase in the inflow of Indian students (to 125,000) which is a record of sorts.

Economic, Energy, and Educational (3Es) cooperation underpin India-Canada bilateral ties. Canadian pension funds and conglomerates like Brookfield Asset Management and Fairfax Financial Holding, have taken a shine to the rapidly unfolding Indian growth story. In the last 3 to 4 years, they have invested around CAD 15 billion in Indian infrastructure, real estate, power, distressed assets, financial institutions, stock market, modern logistics facilities, and e-commerce. To spur the business engagement, both sides have been negotiating a Bilateral Investment Promotion and Protection Agreement (BIPPA) and a Comprehensive Economic Partnership Agreement (CEPA). However, for a variety of reasons which are outside the purview of this paper, they are not likely to fructify anytime soon.

Ottawa has also emerged as a significant factor in New Delhi’s quest for energy security with the conclusion of a bilateral civil nuclear cooperation agreement in 2010 and commencement of concentrated uranium ore imports in 2015. Canada has huge hydrocarbon reserves and, in time, can become a supplier to India. The agreement also put to rest a long-lasting irritant stemming from Canadian sanctions after India’s Pokhran test in 1974. Similarly, Canada has been playing an active and constructive role in supporting India’s efforts to gain membership of the NSG (Nuclear Suppliers Group).

Naturally, Prime Minister Modi was one of the first world leaders to make a congratulatory phone call to Justin Trudeau in October 2015, when an enthusiastic invitation was reiterated for him to pay an early official visit to India along with the members of his family. After Modi’s landmark visit to Canada in April 2015 - which had given the bilateral ties a qualitative thrust - there was an expectation, at least on the Indian side, that the momentum would be sustained under Prime Minister Trudeau’s regime. However, Trudeau could only find time to visit India in the third year of his four-year term - after touring China twice, in September 2016 and December 2017.
Prime Minister Trudeau’s second visit to China did not go well, with David Mulroney, former Canadian ambassador to China remarking, ‘China’s honeymoon period with Justin Trudeau is at an end, and he’ll be viewed more like other foreign leaders’. The setback was a result of Trudeau’s efforts to introduce ‘progressive’ ideas such as human rights, rule of law, clean growth, and gender equality - in the ongoing exploratory talks on a bilateral FTA. The Chinese made it evident that they were not amused.

Before the Visit

In the period preceding Prime Minister Trudeau’s visit, it gradually became obvious that the ruling Liberal Party and its leaders were not averse to molly-coddling the separatist Khalistani elements, supposedly to lock-in the Sikh vote. The Khalistanis were a demoralised lot during the ten-year Conservative rule led by Prime Minister Stephen Harper who had said openly during Prime Minister Modi’s visit that Canada was committed to respecting the unity and integrity of India.

Under Prime Minister Trudeau’s watch, the emboldened radicals stepped up their anti-India activities from Canadian soil. His personal appearance at the Toronto nagar kirtan on 30 April 2017, where Khalistani flags and pictures of slain terrorists were on conspicuous display, came as a shock to India. Mr. Ujjal Dosanjh, former premier of British Columbia and federal minister, noted: ‘Now that simply reaffirms in many people’s minds that Mr. Trudeau’s government may have Khalistanis in it, or sympathisers…. The real issue is that politicians of all major political parties in this country have played footsie with the Khalistanis for a long time.’

Earlier, on 6 April 2017, the Ontario Provincial Parliament adopted a resolution piloted by the ruling Liberal Party’s MPP (Member of Provincial Parliament) Ms. Harinder Malhi, terming the 1984 anti-Sikh riots as ‘genocide’. Such motions had failed in the past. She was promptly rewarded with a cabinet berth. The Indian foreign office dubbed it as a misguided motion based on a limited understanding of India, its constitution, society, ethos, rule of law and its judicial process.

On 31 December 2017, the self-proclaimed radical Sikh leaders went a step further by imposing an unprecedented ban on the entry of Indian officials in Toronto gurudwaras (temples). This was followed in other Canadian cities, but also criticised by a number of prominent Sikhs in Canada. It remains to be seen how long such a ban can or will be enforced, as it goes against all tenets of the benevolent and inclusive Sikh faith.
The devout Sikhs have established many gurudwaras, particularly in the Greater Toronto and Vancouver regions. Over time, the hardliners have managed to wrest control of a number of them, along with the sizeable offerings that they receive annually from the devotees. This has given them financial muscle and influence, which they use with impunity.

Some gurudwaras display pictures of terrorists, presented as ’martyrs’. Processions and events are regularly organised wherein fiery speeches are delivered, objectionable tableaux displayed, and even children are made to brandish unsheathed swords. Clearly, an attempt is afoot to radicalise the Sikh (Canadian) youth, while the state looks the other way. Gurudwara funds are being misused, with some finding their way into wrong hands in India. This issue has been regularly taken up, over the years, with the Canadian side at all levels. They, however remain in denial, and continue disingenuously to take shelter under the so-called idea of ‘freedom of speech’.

This was also conveyed to Prime Minister Trudeau directly by the Chief Minister of Punjab, Captain Amarinder Singh, when they met in Amritsar on 21 February 2018. He also handed over a list of nine Category ‘A’ Canada-based radicals to the Canadian Prime Minister. “Really happy to receive categorical assurance from Canadian PM Justin Trudeau that his country does not support any separatist movement. His words are a big relief to all of us here in India, and we look forward to his government’s support in tackling fringe separatist elements,” Singh tweeted after the meeting.

It goes without saying that an overwhelming majority of the Sikh community does not endorse the outlook or activities of these elements. Recent government of India initiatives to review the visa blacklists and reach out to the reformed and moderate Sikhs has helped. Reportedly names of nearly 300 Sikh NRIs and their families have since been removed from the list. Many of them have since visited India and seen through the separatist propaganda.

Other Issues

A member of the ‘Coffee Club’ which has been trying to scuttle UN reforms, Canada has also been ambivalent on the issue of cross-border terrorism being perpetrated by Pakistan. On 30 September 2016, Stéphane Dion, Canada’s Foreign Minister till January last year, sought to equate India and Pakistan in his tweet, ‘Canada calls on India and Pakistan to address growing regional tensions through return to peaceful dialogue’. Pakistan is another lead member of the ‘Coffee Club’.
The Visit

Thus, by the time Prime Minister Trudeau landed in New Delhi on 17th February, along with the charming members of his family as well as an impressive official and business delegation, Indian enthusiasm had waned a bit. Renowned for her approach of Atithi devo Bhava (a guest is like God), India rolled out a red-carpet welcome for the esteemed visitor and went by the book in extending all courtesies. Understandably, no need was felt to go the extra mile. For inexplicable reasons, sections of the media and analysts, especially Canadian, appear to have been led into believing that Prime Minister Modi would receive Trudeau on arrival. Since he did not, they were quick to perceive a snub where none existed.

Prime Minister Trudeau then proceeded on a four-city five-day tour of Agra, Ahmedabad, Mumbai, and Amritsar which gave him a wonderful exposure to India’s breath-taking diversity, rich cultural heritage, economic strengths, developmental aspirations, challenges, and concerns. His visit to Amritsar was of significance as he witnessed first-hand the vibrancy of Punjab and the Punjabis. However, this multi-city tour too drew flak in Canada for the perceived lack of content and the absence of any high-level engagement. It transpires that the itinerary was drawn-up by the Canadian side, against Indian MEA’s advice that official engagements be held in the earlier part of the visit. As such, it appears to have been crafted more with the Diasporic, particularly Sikh, constituency in mind back home.

The Atwal Affair

Barely had things begun to fall in place when a photograph of one Jaspal Atwal with Mrs. Sophie Trudeau at the reception hosted by the Canadian High Commissioner (HC) in honour of his Prime Minister in Mumbai on 20 February, emerged. A former member of the International Sikh Youth Federation (ISYF), Atwal was sentenced to a 20-year prison term for a murder attempt on then Punjab Minister Malkiat Singh Sidhu in Vancouver in 1986. His picture was red-flagged by none other than the CBC (Canadian Broadcast Corporation), the national public broadcaster, to the Canadian PMO which promptly uninvited Atwal to the next reception. The invite had been issued by the Canadian High Commission at the behest of the Liberal MP from Vancouver, Randeep Sarai, who apologised and assumed full responsibility.
Befitting State Honours

The visiting dignitary was received with befitting state honours at Rashtrapati Bhawan on the morning of 23rd February. Later, the two Prime Ministers held friendly, substantive, forward-looking, and frank discussions on a wide range of subjects covering bilateral and regional aspects, which are succinctly reflected in the Joint Statement. Addressing a joint press meeting, Prime Minister Modi underlined that, ‘There should be no space for those who misuse religion for political motives and promote separatism. We will not tolerate those who challenge the unity and integrity of our countries’. The Canadian Prime Minister also reiterated his belief in ‘one united India’.

Significantly, a ‘Framework for Cooperation between India and Canada on Countering Terrorism and Violent Extremism’ was also agreed to, for the first time committing both sides to cooperating in neutralising the threats emanating from various terrorist groups ‘such as Al Qaida, ISIS, the Haqqani Network, LeT, JeM, Babbar Khalsa International, and the International Sikh Youth Federation’. The said Framework resulted from the discussions between the Indian and Canadian NSAs on 14th February, in preparation for the big visit.

The Negative Fallout

Thus, the visit should have ended on a high note; but that was not to be. Even while Prime Minister Trudeau was in India, rumours began circulating of an anonymous “senior security source” from Canada alleging that Indian spy agencies were behind engineering the Atwal fiasco. Within a couple of days of Prime Minister Trudeau’s return, the Canadian media broke the news that the source was none other than Daniel Jean, the Canadian NSA. This kicked up a storm in the Canadian Parliament, with the opposition accusing the government of using a civil servant for partisan political ends.

As if this was not bad enough, the Canadian Prime Minister stated on the floor of the house that, ‘When one of our top diplomats and security officials says something to Canadians, it is because they know it to be true’. India’s response was as swift: ‘The Government of India, including security agencies, had nothing to do with presence of Jaspal Atwal at the event hosted by the Canadian High Commissioner in Mumbai… Any suggestion to the contrary is baseless and unacceptable’. The outlandish charge by the Canadian NSA in essence implies that Indian agencies were now capable of using Harry Potteresque black magic to cast a spell on their targets. The last word in the matter has yet to be heard; but one doesn’t have to be a rocket scientist to deduce that all this does
not augur well for the relationship, at least in the short term.

**Conclusion**

That said, and notwithstanding their chequered history, India-Canada ties are way bigger than individuals, and much too important to be allowed to slip into disrepair. They have encountered speed bumps in the past but have always managed to bounce-back, as bilateral convergences far outweigh divergences. Both sides need to start afresh, build on synergies, and address the irritants.

**Notes:**

The course of India-Canada relations never did run smooth. Ever since they were established, bilateral relations have been buffeted by inimical winds. If at one time it was the nuclear issue, at another time it was Khalistan. In the early days it was the CIDA funds. Later, the return of those funds by India became a cause for rancour. If nothing else, even the innocuous Shastri Institute became a subject of debate, when Canada sat over its share of funding. This is regrettable considering how much the two countries share - from democratic ideals, to multicultural societies, to membership of the Commonwealth and, most of all to a large Indian Diaspora which, at roughly one million, forms three percent of Canada’s population.

The latest visit of Prime Minister Justin Trudeau proves the point. Here was a six day long visit which could have given a quantum leap to India-Canada relations and put them on a firm footing. Yet, it managed to do just the opposite. To be fair to the young Canadian Prime Minister, he seemed to be sincere in his efforts to generate goodwill in India. His voyage of discovery across four Indian states, dressed in Indian attire (although of dubious taste), and his respectful Indian greetings and salutations did not deserve to be pilloried. At worst, he could be faulted for trying too hard. He was unlike his father, Pierre Trudeau, who had no love lost for India and who is said to have labelled India ‘the perpetual sick man’ of Asia. And, till Jaspal Atwal made his appearance, the Trudeaus got favourable press and wide coverage, especially in the electronic media. The young, handsome Prime Minister, with his beautiful wife and three utterly charming children, made a heart warming sight.

In this, he was certainly not the first. Stephen Harper, on his state visit to India in 2012, was accompanied by his wife, as are many foreign leaders today. As for visits to Amritsar and Gujarat, no senior politician can ignore the domestic audience - and that too in an election year. Of the Canadians of Indian origin, almost fifty one percent are from Punjab. For a visiting Prime Minister from Canada, this makes a visit to the Golden

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Temple mandatory. The reception and adulation they receive there is legendary. Seeing this, Prime Minister Jean Chretien is said to have remarked wistfully that he wished he had run for election from Amritsar! This time around, Chief Minister Amarinder Singh gave the Canadian delegation a talking to on the resurgence of pro Khalistan elements in Canada, and their efforts to stoke problems in Punjab.

Due to the lax attitude of Canadian security agencies and the Liberal Party, the Khalistan issue, which had all but died, seems to have reared its head again over the last three years. Demonstrations have been held in front of Indian diplomatic missions in Canada, and Indian diplomats have been barred from visiting major Gurudwaras. That is why India was so riled at the presence of Atwal at official events hosted by the Canadian side. Here was a man who had served twenty years in a Canadian prison for the attempted assassination, in 1986, of a visiting Indian minister, Malkait Singh Sidhu. It created the impression that Canada continued to be insensitive to India’s security concerns. However, it would not be fair to hold Prime Minister Trudeau responsible for the Atwal fiasco. His senior officials and accompanying Members of Parliament should have known better. The Canadian NSA’s bizarre statement that rogue elements in the Indian establishment were responsible for sabotaging the visit, made things worse. Prime Minister Trudeau’s tacit endorsement of that line did not help. An apology by the Member of Parliament responsible for getting Atwal invited, cleared the air somewhat; but the damage was done. The other question that arises is how Atwal got a visa to come to India. It turns out that, as a gesture of goodwill, some of the ‘reformed’ Canadian Khalistanis were removed from the black list. But surely, to extend this favour to a once convicted criminal is an act of misplaced generosity.

Be that as it may, in all this hoopla, the fact that one billion dollars worth of trade agreements were signed, got lost. Also lost were some positive takeaways that were reflected in the Joint Statement - like the decision of both sides to ‘intensify’ negotiations on CEPA and BIPA, and the determination to expand cooperation in civil nuclear energy (Prime Minister Trudeau affirmed Canada’s support for India’s entry into the Nuclear Suppliers Group). In addition, the two sides decided to institute strategic dialogue at the NSA and Foreign Minister level. These are pious intentions because, as it stands, the strategic element in the bilateral relationship is rather minimal. Canada has not shown much interest in India’s strategic concerns pertaining to China, or Pakistan, or maritime security in the Indian Ocean Rim. The
one attempt they made was to suggest that they could play mediator in the Indo-Pak dispute. India’s response was ‘thanks, but no thanks’. However, there are other areas where cooperation can be fruitful - education, clean energy, climate change, and trade in agricultural commodities to name a few. But for any meaningful headway to be made, Canada has to ensure that positive developments do not get high-jacked by the Khalistan issue.

For much of the 1980s and 1990s, the dark shadow of Khalistan hovered menacingly over India’s relations with Canada. For Indian diplomats serving in Canada, this was a harrowing time. The magnitude of ignorance about India among Canadians in general and the establishment in particular, was astounding. Communications were not so good, and news travelled slowly. Rumours and speculation abounded, providing pro-Khalistani elements fertile soil to sow seeds of discord and fear. Indian protests and warnings about the dangers inherent in this situation, even for Canada, seemed to fall on deaf years. The Canadian government flippantly dismissed it as India’s problem. Even after the Air India Kanishka crash (as a result of a terrorist bomb) killing all 329 people on board, this issue was not given serious attention. In fact, the then Canadian Prime Minister called the Indian Prime Minister to condole the Indian tragedy. Prime Minister Rajiv Gandhi reminded him that it was a Canadian tragedy as well since most of the passengers were Canadian citizens though of Indian origin. For years, the annual memorial event to commemorate that gruesome terrorist act was attended only by families of the victims and Indian diplomats. Much later, Canadian politicians began to register their presence. Twenty five years later, in a biting indictment of Canada’s security agencies, former Supreme Court justice, John Major, in a massive five volume report, said,

A cascading series of errors contributed to the failure of Canada’s police and security agencies to prevent the atrocity. ... The level of error, incompetence and inattention which took place before the flight was sadly mirrored in many ways for many years, in how authorities, governments and institutions dealt with the aftermath of the murder of so many innocents.¹

Ironically, soon after the bombing, the Canadian media had reported details of an alleged plot; but it took the police fifteen years to charge anyone for the attack. The only person successfully convicted was Inderjit Singh Reyat, who pleaded guilty of manslaughter after admitting to making the bombs. He was released in 2008 on bail. The families of the victims had spent twenty one years trying to convince the Federal Government to
hold an inquiry into the attack. Judge Major’s scathing indictment and his recommendation that the families of victims be compensated may have provided some sort of partial closure. But the grievance that those who had bank rolled the bombing were acquitted left perpetual scars. As Canadian journalist, Kim Bolan, wrote in her book *Loss of Faith*, the Air India bombers got away with murder.

Wounds heal slowly; but firm action by successive governments ensured that, by the turn of the century, pro-Khalistan sleeper cells were either decimated or driven underground. By 2002-03, this issue had all but died, and the security cover given to senior Indian diplomats was withdrawn.

However, true to track record, a new roadblock in bilateral relations cropped up. This was the nuclear issue. Canada had been in the forefront of global criticism of India after the 1998 nuclear test. Its representative at the IAEA never missed an opportunity to berate India. India’s economic success, powered by Information technology and economic reforms, coupled with the opening up of the huge Indian market, helped to soften the Canadian stand. The signing of the India-Canada civil nuclear cooperation agreement was a highly significant development. With this, it was hoped that the final hurdle in India’s relations with Canada had been crossed. It was also hoped that, with irritants out of the way, bilateral trade would take off in a big way. These hopes have been sadly belied.

Trade is still at a meagre eight billion dollars. The oft quoted excuse that geography is a disincentive does not hold as Canada’s trade with China is robust and growing. What is then holding us back? Is it our formidable red tape? Is it our ingenious trade practices? Is it our twenty four plus one ‘single windows’? India, too, must do some genuine soul searching if it is serious about advancing our bilateral relations. Canada is an important member of the G-7 as also of the Nuclear Suppliers Group. It could be a useful partner for India given the many points of convergence, given that it is home to a large Indian Diaspora, and given that it has generally been welcoming of Indian immigrants - professionals, businessmen, and students alike. It needs better understanding on both sides to realise this potential.

Moving forward, Prime Minister Trudeau must act on the statements he made in India against extremism, and in support of India’s territorial integrity. To prove his sincerity he must walk the talk. Pro-Khalistan extremists are a fringe element which does not represent the majority of the Sikh community in Canada. They have no stake in India or in Khalistan, for that matter. If
Prime Minister Trudeau is true to his word, he can caution his Ministers and senior officials not to participate in events organised by these elements, and ensure that his party does not accept funding from extremist organisations or individuals. This might cost him a few votes, but it will gain him the trust and confidence of India, and go a long way in steadying the course of India-Canada relations.

Notes:

India-Canada Relations: Convergences Outweigh Mutual Differences

Abdul Nafey and Pooja Gopal*

Convergences between India and Canada outweigh their mutual differences. The two are best known in international affairs as champions of UN-based multilateralism, peacekeeping, North-South cooperation, and a rule-based international order. The convergence has gained greater salience with the current drift in the global economy towards protectionism, rise of nativism, and climate change. Prime Ministers Narendra Modi of India and Justin Trudeau of Canada together reiterated their support for economic globalisation and Paris climate commitments as recently as January 2018 at the World Economic Forum meeting in Davos. Besides, the two parliamentary democracies are engaged in a unique experiment of building plural democracies, and managing federations with strong regional pulls and sectional pressures.

The over US$2 trillion Indian economy is expected to become the third-largest consumer market by 2025. A member of the wealthy G-7, Canada eyes trade and investment opportunities in India. With its steady GDP growth, India understands the importance of second tier economies.1 Visiting Canada in April 2015, Prime Minister Modi had described Canada as “a key partner in every area of India’s national development priority.”2 The relationship between the two countries was elevated to the level of a ‘strategic partnership’. Nearly everyone concurs about the economic complementarities between them in sectors such as energy, agriculture, nuclear energy, and innovation.

The noted Indian scientist, R. Chidambaram, had once remarked that India and Canada ‘share a common nuclear heritage.’ There is a strong future to build on the nuclear materials and technology complementarities that exist between the two countries.

Canada remains a major supplier of nuclear fuel to India; since the 2013 framework agreement ended the embargo on nuclear trade with India. Prime Minister Modi’s three-day visit in April 2015 cleared the decks for the purchase of uranium ore from the Cameco Corporation of Canada. Modi had then described the supply agreement as a “show of faith and trust between the

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two countries.” Canada supports India’s membership in the Nuclear Suppliers’ Group (NSG); and has voted for India’s accession to the MTCR, the Wassenaar Arrangement, and the Australia Group.

North American Shale revolution has changed the global geopolitics of oil. Canada’s third largest proven oil reserves at 17.5 billion barrels; and, a 71 tcf of proven natural gas reserves make it an energy superpower. The fourth largest exporter of crude is bullish on the Indian market. Canada can be a guaranteed source of oil and gas at affordable prices. Trade was modest at around US$8.3 billion last year. However, the data hides more than what it reveals. Quite a large number of Canadian exports flow through other countries. More than one thousand Canadian companies are working in India. And, Canada has an expanding network of trade offices in Ahmadabad, Chennai, Hyderabad, and Kolkata besides having consulates in Bengaluru, Chandigarh, Kolkata, and Mumbai. The spurt in trade in services is noteworthy; it touched US$2.1 billion last year. Investment is another bright spot. Canadian institutional investors have poured in an estimated US$13.5 billion in India. Sources of investment flow are difficult to pinpoint - total Canadian investment could in fact be around US$20 billion. Canada has its billion-dollar rich pension funds looking for investment and India has a huge appetite to develop its infrastructure. One simply needs to synergise the two.

While differences persist on several core issues, there is a better appreciation of each other’s perceptions. India and Canada have long overcome the ‘distrust’ brought in by the Pokhran nuclear test of 1974. The two sides have also come a long way away from the ‘mutual suspicion’ of the 1980s. The activities of Canada-based pro-Khalistan militants, particularly the downing of Air India’s Kanishka in 1985, caused lots of mutual acrimony in the 1990s.

If there is respect for differences, then there is also the desire to work on common issues. Prime Minister Stephen Harper (2006-15) came to India twice - in 2009 and again in 2014 - to ‘re-engage’ India. Prime Minister Manmohan Singh had a bilateral dialogue included during his visit to attend the Toronto G-20 summit in 2010. Prime Minister Narendra Modi visited Canada in 2015. These high-level exchanges are topped by the week-long visit (18-24 February 2018) of Prime Minister Justin Trudeau. As many as eleven of his cabinet colleagues visited India in the last two years. All this speaks a lot about the depth and expanse of the bilateral engagement.
The longest foreign trip by a Canadian Prime Minister and his itinerary, wherein he met civil society and the corporate world before meeting his Indian counterpart, must be seen in the larger context of the deepening of ties and the strong people-to-people connect. At 1.4 million, the Indian Diaspora in Canada is politically very active. Some 19 members of the House of Commons of the Canadian Parliament are of Indian origin; and four of them hold ministerial berths. India is the second major source of immigration; some 40,000 migrated last year. Around 124,000 Indians are studying in Canada – the second-largest group of foreign students. Tourism is on the rise: more than 210,000 Indians visited Canada in 2017. There are daily and non-stop flights to Canada.

However, much water has proverbially flown down all the rivers that define the two nations. Geostrategic scales have tipped. In the 1950s, India was grateful for Canadian aid and assistance. Today, everything about India is at a larger scale. India’s rise is influencing every bilateral relationship. It is engaging all the big powers. In the eyes of some Indian strategic thinkers, Canada today features low in the hierarchy of world powers. This hard truth is affecting every aspect of the bilateral relationship.

In November 2017, India unexpectedly imposed a high import tariff of 50 percent on yellow peas and 30 percent on chickpeas and lentils. India did it to protect its farm interests. But Pulse Canada cried protectionism. Canada also complains of arbitrariness in the imposition of fumigation norms. The matter was on the agenda of meeting between Prime Ministers Trudeau and Modi. The Joint Statement of 22 February 2018 promises to finalise “mutually acceptable technological protocols” before the end of the year to enable the export of Canadian pulses “free from pests of quarantine importance”.

Bilateral trade between India and Canada is not substantial; neither country figures in the list of top 15 export destinations. For years, the imports and exports were even; but in 2016-17, India ran up a trade deficit of US$2.1 billion – US$2 billion of exports vs. US$4.1 billion of imports. Deficit will not go away. Canadian export of peas, pulses, nuclear fuel, and potentially shale oil and gas, would only grow in future. A new trade dampener is also Prime Minister Trudeau’s idea of ‘comprehensive and progressive trade’. Writing social and environmental clauses in trade deals does not work for India.

Enhanced duties on pulses and the stalled progress on the Bilateral Investment Promotion and Protection Agreement (BIPPA) and the
Comprehensive Economic Partnership Agreement (CEPA) reflect the overall ‘unease of doing business’ between the two countries. BIPPA, under negotiations since 2004, remains inconclusive for want of agreement on the dispute settlement mechanism. Canada wants investment guarantees for its private funds; India refuses international settlement in case of dispute.

India has also linked BIPPA with CEPA for a more balanced outcome. Since Canada is not a large market for Indian products, India wants to have a stronger component of trade in services under CEPA. With US President Donald Trump restricting H1B visa regime, India wants an easier visa regime for its large IT workforce under CEPA. Thus, the two agreements remain on the backburner. The Joint Statement urged their early finalisation, but sets no firm timeline. With trade in merchandise vs. trade in services and linking trade with investment, the trade priorities of the two countries could go out of alignment in the future.

Domestic politics could trump foreign policy if perceived benefits outweigh international costs. This was all too obvious during the trip: Justin Trudeau was found addressing domestic constituencies for the Liberal Party’s electoral bid in 2019. Twenty-five ridings (electoral constituencies) in metropolitan Toronto and Vancouver report 20 percent of the population of South Asian origin. The Liberals had won 24 of these seats in 2015, albeit with narrow margins.

The nearly half-a-million strong Canadian - Sikh Diaspora is heavily concentrated in several of these ridings. Last time, Liberals won 19 parliamentary seats where the Sikhs/Punjabis predominate, wresting as many as 15 seats from rival Conservatives. All the 19 are swing seats.

It is true that Canadian-Sikhs are not a monolithic voting bloc; also, they cannot win on their own except in Brampton East and Surrey-Newton. In reality, all the 25 constituencies are a complex permutation and combination of Sikh, Punjabi, Indian, South Asian, and other ‘visible’ minority electorates.

Immigration is changing the urban demography of Canada. India is the second major source of immigration: roughly, two hundred thousand Indians landed in Canada between 2011 and 2017. The so-called ‘visible’ minorities constitute 22.3 percent of the national population - the highest since 1921. Majority (70 percent) of the ‘visible’ groups live in the three metropolitan areas of Toronto, Montreal, and Vancouver. Liberals did well last time, and sent as many as 46 ‘visible’ minority members to the House of Commons. When Justin Trudeau decided to visit Akshardham Temple, Golden Temple, Jama Masjid, and the
Sacred Heart Cathedral, he was in fact reaching out to the larger Indian Diaspora, and beyond to the broad spectrum of ‘visible’ minorities.

Jagmeet Singh, leader of the New Democratic Party (NDP), is the wild card for 2019. He is a more open and vocal supporter of the Khalistan cause. He could upset the Liberal’s applecart in his home turf of Brampton; this worries the Liberals.

The truth of the matter is that Khalistan is an intractable issue between India and Canada. The two countries hold diametrically opposite views on it: security vs. freedom. India regards the activities of pro-Khalistan elements as a threat to its security. Worst, it fears the revival of the Khalistan movement from foreign soil. Canadian officials downplay the Khalistan issue. They say that Khalistan is not an issue in the Canadian-Sikh community. Sikhs make 1.4 percent of the Canadian population - slightly less than 1.7 percent of their population in India. Vested interests want to keep the Khalistan issue alive; it helps build many a political career in Canada. Sections of the political class in Punjab also periodically raise the issue of Khalistan to gain political mileage. Often, the fine line between domestic politics and foreign relations gets blurred. The Punjab Chief Minister Amarinder Singh claims that there are ‘Khalistan sympathisers’ in the Trudeau cabinet. He had refused to meet the visiting Canadian Defence Minister Harjit Sajjan last year. Reportedly, the Punjab Chief Minister kept the 21 February 2018 meeting with Trudeau on hold literally till the last minute during his visit to Amritsar. Such embarrassments are eminently avoidable.

India’s security concerns cannot be brushed aside. Prime Minister Modi is understood to have taken up the issue with Prime Minister Trudeau when the leaders met at the G-20 summit in Hamburg in July, and again in Manila on the sidelines of the East Asia summit in November 2017. Canada has treated those charged for committing terrorist acts with kid gloves. The only person charged with bombing the Kanishka flight is now on parole. Jaspal Atwal, who had shot a visiting Punjab politician, was let off by a Canadian court on grounds of the arrest warrant being technically flawed.

Both in Canada and India, the media, does not help the matters. The media’s coverage of the Trudeau visit virtually threatened to make Khalistan the sole determinant of the bilateral relationship. The mindless ferocity with which the media from India and Canada played on the ‘snub’ story could have derailed any high level visit.

The best the two sides can do is to firewall the Khalistan issue, and build their relationship on convergences which are in abundance. Over the years,
Canada has shown increased awareness of India’s security concerns. As was expected, Prime Minister Trudeau made a statement during his trip to Amritsar saying that Canada stands for a united India, and that “his country did not support any separatist movement in India or elsewhere”. The Indian leadership also did not allow the visit to be marred by differences.

The outcomes of the week-long trip are six framework agreements besides the more notable Framework for Cooperation between India and Canada on Countering Terrorism and Violent Extremism. Canada and India have agreed to a whole range of imperatives to disrupt the recruitment and movement of terrorists and violent extremists, including their funding sources and operating space. The two sides have also agreed to address the threat posed by cross-border and state-sponsored terrorism; they have specifically named, among others, the LeT, JeM, Babbar Khalsa International, and the International Sikh Youth Federation. Significantly, the two countries also agreed to step up the NSA level Dialogue as well as the Joint Working Group on Counter-terrorism and its’ Experts’ Sub-Group.

On a number of regional issues - North Korea, Maldives, Afghanistan, etc. - the two sides hold common views. For instance, in a reference to Pakistan, the Joint Statement called for dismantling the infrastructure of support to terrorism “from across borders of Afghanistan”.

Of far-reaching geostrategic significance is their convergence on the freedom of navigation and over-flight “throughout the Indo-Pacific Region.” Canada showed an understanding of India’s position on China’s Belt and Road Initiative (BRI). Canada is an APEC member; it also has several free trade agreements with the Asia Pacific countries. The watered-down TPP-11 which, after the US withdrawal has since been rechristened as the Comprehensive and Progressive Agreement for Transpacific Partnership (CPTPP), is now a reality, and is likely to come into force later this year. As Canada’s footprints in the Indo-Pacific grow, it is becoming cognisant of security challenges in the Indo-Pacific. One could discover complementarities in India’s ‘Act East’ policy and Canada’s “Strong, Secure, Engaged” defence policy.

The six framework agreements signed during Prime Minister Trudeau’s sojourn in India offer several takeaways. India strongly desires continued uranium supply from Canada, and would want access to its state-of-the-art technologies relating to clean and renewable energy. The MOUs identify specifics for cooperation – ICT and electronics; IPR; science, technology and innovation; higher education; and sports. It has been agreed to expand
the Ministerial Energy Dialogue. A new Canada-India Track 1.5 Dialogue on Innovation, Growth and Prosperity would initialise convergences through collaborative research and the exchange of ideas and experiences among officials, experts, and the private sector. The launch of the Canada-India accelerator programme for women tech entrepreneurs has tremendous potential.

The business conclave in Mumbai saw corporate leaders from the two sides discover many things of mutual interest: (i) Artificial Intelligence, robotics, and innovation have become the mainstream science in Canada. The Maple Valley beckons Indian investors. Potential Indian investment could be US$ one billion; (ii) a Technology Corridor that could entwine Indian and Canadian knowledge workers was proposed. Kiran Mazumdar Shaw of Biocon proposed ‘technology diplomacy’ towards Canada; (iii) it appears that Canada’s Smart City Challenges project is inspired by the typical challenges that a city government in India faces – urban transport, local policing, utilities, and supply of essentials, etc. Canada’s Infrastructure Minister, Amarjeet Sohi, offered his country’s technology-based solutions to meet India’s smart city challenges.

In short, there are plenty of ‘niche opportunities’ and the two countries can go about building a new relationship based on them. India and Canada need to muster up the political will to get over the past, and walk into the future, hand-in-hand.

Notes:

1 “Controversies during Trudeau visit must not affect the broader bilateral relationship,” Hindustan Times, 25 February 2018
2 www.narendramodi.in/prime-minister-narendra-modis-visit-to-canada-day-1-7436
3 “Oil and Gas Industry: Canada’s Competitive Advantages”, at www.international.gc.ca/investors-investissuers/assets/pdf/.../Oil_and_Gas.pdf
4 Murad Hemmadi, “The troubles facing Justin Trudeau on his first state visit to India”, Maclean’s, 15 February 2018, at www.macleans.ca/politics/ottawa/the-trouble-facing-justin-trudeau-on-his-first-visit-to-india/
5 “India-Canada Joint Statement during State Visit of Prime Minister of Canada to India”, 23 February 2018, Ministry of External Affairs, Government of India, atwww.mea.gov.in
8 Martin Lukacs, “To challenge the Liberals, Jagmeet Singh will have to overthrow Canada’s neoliberal consensus”, Guardian, 19 February 2018. See also, Alan Freeman, “Meet the Sikh politician who might ‘out-Trudeau Justin Trudeau’”, Washington Post, 25 August 2017
9 The Hindu, 26 February 2018
10 Vikas Vasudeva, “Canada for an united India: Trudeau”, The Hindu, February 21, 2018

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India and Canada have held similar views on diverse issues relating to democracy, development, human rights, environment etc. Significantly, the presence of a large number of Indian Diaspora in Canada has often led to convergence between the two towards adoption of cooperative and congruent policies. Both have endorsed multiculturalism, are natural resource rich countries and have had similar patterns of colonial experiences.

Canada, a developed middle power and India, an emerging global player have held common views on the world platform on issues related to environmental protection, energy security and climate change. In the wake of widespread environmental concerns, the two have increasingly adopted mechanisms that give importance to the concerns of the indigenous people due to severe socio-economic implications of climate change on them. The anatomy of the substantive stands taken on climate change can be analysed through the disposition of the heads of government of both sides through periods of crest and trough. Understanding the fundamentals of the climate change agreements requires analysis of the provisions and terms of the key agreements.

The Context of Climate Change

The world is transforming due to consequences of increasing energy demands, shifting energy markets and the resultant climate change, a notion that was primarily discussed at the Rio Summit of 1992 and in due course became the basis for the Kyoto Protocol (1997) that was designed to assist countries in adapting, developing and deploying technologies that enhanced resilience to the adverse impacts. The Paris Agreement under the United Nations Framework Convention on Climate Change (UNFCCC) came into force in November 2016 when 55 countries contributing a similar percentage to total global emissions ratified the deal. An incredible achievement so far has been that 174 out of 197 parties to the Convention have ratified the agreement to keep global temperature
increase “well below” 2°C and to stretch to limit the rise to 1.5°C; to review progress every five years; to build annual corpus of $100bn as climate finance to be used by the developing countries for transition; and a minimum interlude of three years for countries that have ratified to be able to exit.¹

Unlike the divisive Kyoto Protocol, the Paris Agreement places uniform requirements on all parties in relation to GHG mitigation and adaptation to the adverse effects of climate change. It requires communication of Intended Nationally Determined Contributions (INDC) every five years and of domestic measures adopted to achieve them. Even though states have autonomy in deciding the form and stringency of their contributions, they are expected to ensure that successive national contributions represent a progression from the previous targets. These contributions are paired with an oversight system consisting of three components - a transparency system, which ensures countries are adhering to what they had initially agreed to, a global stock-taking process that periodically assesses degree of progress towards the long-term goals, and a calibration system to measure the parameters of acquiescence with the agreement.

The legal implications of the Paris Agreement are that it is a ‘treaty’ under the Vienna Convention on the Law of Treaties between States and International Organizations binding on India and Canada that have consented to be bound by means of ratification, acceptance, approval, or accession. Despite the binding nature, there are some provisions with greater legal force and authority than others which are softer obligations. The provision creates rights and obligations for parties, sets standards for state behaviour, evaluates compliance or non-compliance and spells out the consequences of non-compliance. To reach the set standards, technological and financial dissemination and enhanced capacity building framework are expected to be flowing from Canada as a developed country for supporting action by a developing and vulnerable country like India.

The recent outcome of the action agenda of CoP21 include various associations like the new International Solar Alliance (ISA) led by India and France, the geothermal alliance led by Iceland and a coalition to improve the energy efficiency of buildings, all intended towards massive deployment of alternate energy to bring prosperity, energy security and sustainable development to their peoples.² The efforts of all agreements revolve around the pivot that means putting the world on a serious carbon diet for reducing emissions of carbon dioxide and other greenhouse gases. India and Canada have been conformist at least in appearance to discussions on climate change regime but have exhibited peculiarities in adopting or ratifying these which will unfold as the two countries are discussed at length.
Considerations of Environment in Canadian Policy Making

The environmental debate in Canada has two relevant dimensions related to climate change. First, climate change is a shared responsibility that requires action from all the three tiers of government. Canadian provinces and territories have jurisdictional authorities over the fields of natural resources, energy, and many aspects of the environment. Each has its own legal framework, policies and measures in place to reduce greenhouse gas emissions. Canadian provinces desired a weighty role in international climate change negotiations, for any commitment by the Federal government would have implications for provincial governments whereas the Federal government maintained its exclusive responsibility for international negotiations. Ultimately, it did take steps to consult provinces concerning negotiating positions for talks as is evident in the Canadian Council of Ministers of the Environment, a federal-provincial-territorial intergovernmental forum, which has reiterated that climate change will be the prime motive of its working on a consultative basis. Second, evidences point to the fact that Canada’s North is experiencing significant changes in its climate and over the years these changes are having a negative impact on the lives of the aboriginal people living in these regions because of their close relationship with the environment, their reliance on the land and sea for subsistence purposes. Canada has recognised that aboriginal and northern communities face distinctive challenges, which means that any assessment of vulnerabilities to climate change has to include the impact on these communities.

Canada’s aim is a durable and inclusive global agreement with international partners to advance collective efforts affirming its continued commitment to developing an international climate change agreement that is fair, effective and includes meaningful and transparent commitments from all major emitters. This has not been witnessed in the stand it has taken on in the international fora. Canada since its abdication from the Kyoto Accord in 2012 has been a relative laggard on climate change policy. In past climate discussions, Canada’s approach has been to deal with the issue as a trade agreement forgetting that climate change is the most urgent issue that requires global give and take cooperation rather than purely profit or loss considerations.

Mr. Justin Trudeau, eager to improve Canada’s tarnished global reputation on the climate-change profile during his predecessor Stephen Harper’s regime, pressed developing countries such as India to sign on to the ambitious climate-change deal. Developing nations at the summit, especially island states who would be contending with rising sea levels and unpredictable
weather, wanted pledges of financial support for climate-related “loss and damage” in the agreement. Canada, backing the United States, sought to ensure that any loss-and-damage provisions should not magnify the prospects of nations from launching lawsuits against one another. The Canadian Environment Minister Catherine McKenna under the Trudeau government was appointed a facilitator at the Paris negotiations to ease out the disagreements about the final text of the deal and to balance out the climate-change obligations between the developing world and the developed nations. She kept a wrap on whether Canada would base its climate strategy on the ambitious goal of 1.5°C target or on the impact that a more ambitious goal would have on oil-sands production. Al Gore, the Former U.S. vice-president had opined that Canada’s oil-sands reserves were like open sewers and an alternative had to be found. There has been reluctance on part of the government to switch to the non-fossil fuel mode as it would imply much of Canada’s oil-sands reserves being “stranded” by the climate-change measures. However, Johnson Controls at the same meet insisted that Canada was well-positioned to act quickly and take a leadership role through the Pan-Canadian Framework on Clean Growth and Climate Change.5

The Trudeau government has cut out a proactive role for itself after nine years of climate neglect under the former government of Stephen Harper. International pressure has been mounting on Canada to update and strengthen its emissions reduction targets and corresponding policies. The Paris deal, a comprehensive climate agreement, represents a historic achievement in multilateral diplomacy, an approach heavily endorsed by Canada. The fact that countries reached a finely balanced agreement, despite the many hurdles between the parties, is a testament to the power of multilateral diplomacy. Though Canada has always had a strong political will to reduce GHG emission, it has not gone on the planned road.6 Canadian government would work with progressive country leaders to ensure mitigation outcomes are robust leading to realistic emissions reductions.

Climate Change Deliberations in India

India has a National Action Plan on Climate Change in place since 2008 for developing integrated combat strategies. The Indian pledge has been significant and includes energy efficient lights and appliances, afforestation drives, non-fossil fuel-based energy sources (hydropower, biomass and solar energy) and a rational energy mix. “Climate justice demands that, with the little carbon space we still have, developing countries should have enough room to grow”,

40 Aprajita Kashyap
reiterated PM Modi in 2015 at the beginning of the Paris summit. He made it amply clear that as a part of the climate change deal, India would not constrain its development. The Paris Agreement, which is an ambitious framework and if applied uniformly, would have implied restraints for developing countries. Therefore India is firm on the principle of common but differentiated responsibilities and respective capabilities. It emphasises that the temperature goal must be achieved in the context of giving leverage to sustainable development and poverty eradication. India continues to be wary by often considering the assistance by developed world as instruments of domestic intervention.

Furthermore, developed countries should lead in mitigation efforts and continue to provide enhanced support to developing countries which would allow ambitious actions. The terms of the Paris agreement and the implications for non-compliance have compelled India to be thoughtful and calculating about its energy, environment and development commitments. India’s insistence on thoughtful participation in the post-Paris negotiations emanates from the perception that India has limited historical responsibility for climate change, low per capita emissions, and high energy dependent poverty. It often puts across the point that in terms of volume, it may be the third largest emitter of greenhouse gases owing to possession of one of the largest populations in world but translated in per capita terms it is quite low on the scale. Even the units of Indian federation, by and large agree on the problem posed by climate change and modalities adopted to tackle the menace. The government has held a sympathetic view on the adjustment among the tribal populations that a mitigating act may require. The impact and cost of adjustment on the tribal population have always been duly factored into sustainability plans.

On an optimistic note, an active role would enable India to significantly enhance its competence towards implementation of international obligations while ensuring that other parties are keeping their promises and sharing the burden equitably. Admittedly, there will emerge a distinction between those who have ratified or are in the process of ratifying and those who have not. India ratified the treaty in 2016 and has taken up the task of active involvement. This may not give India quantifiable leverage in terms of how much it can extract in diplomatic terms for the ratification.

**India-Canada Cooperation on Environment and Energy**

Related to environment and precisely, climate change, there is significant
scope and wide-ranging potential for energy cooperation between governments after Jim Carr, the Minister of Natural Resources in the federal Cabinet of Justin Trudeau led a trade mission in 2016 for strengthening collaboration on clean energy and innovation. After his visit Carr affirmed that India and Canada have shared and studied complementary interests in oil and gas. For fortifying this complementarity, an expanded Energy Dialogue and action plan will enhance understanding of policies, programmes and regulatory practices in both countries to promote and facilitate greater two-way trade and investment in these sectors. Canada’s International Development Research Centre is investing in local solutions to problems in India concerned with climate-related migration.

It is apparent that India and Canada have agreed to act to combat climate change through innovation and deployment of low-carbon solutions in compliance with the provisions of the 2015 Paris Agreement. However, on closer scrutiny it appears that Canada, which has the potential to lead, has so far offered only symbolic support to existing solutions to mitigate climate change, whereas India with limitations due to its economic and technological capabilities has made concrete headway since ratifying the Paris Agreement. A clear reflection of this fact is that on the Climate Change Performance Index designed to enhance transparency in international climate politics, India ranks 20 while Canada ranks 55 and thus exhibits poor performance. To recover its grading, in the implementation phase of the Paris Agreement, Canada must translate its objectives into ambitious national policies and long-term decarbonisation plans. By taking a firm stand on climate change, Canada would win international respect and regain the trust related to sustainable development opportunities with India. This could later open markets in India even for the Canadian provinces whose economies rely on alternatives to fossil fuels, thus allowing for their economic diversification. New partnerships and new applications for renewable energy and clean technology where Canada has advantage of expertise and resources and India has the lead in the size of the market could bolster India-Canada relations.

The refusal of Canada, clearly towing the line of the US, to domestically incorporate the terms of the Paris agreement, has been resented by the developing world including India. Talks and deliberations on environmental issues and climate change may remain rhetorical if not translated into meaningful acts by the developed countries in order to become yardsticks for the developing world.
Notes:


3 Christopher Furgal and Jacinthe Seguin, Climate Change, Health, and Vulnerability in Canadian Northern Aboriginal Communities, Environmental Health Perspective; 114(12): December 2006.

4 In accordance with article 27 (1) of the Kyoto Protocol to the United Nations Framework Convention on Climate Change, the Government of Canada notified the Secretary-General of the United Nations that it had decided to withdraw from the Kyoto Protocol. The action became effective for Canada on 15 December 2012 in accordance with article 27 (2).

5 Mark Johnson, spokesman for Environment and Climate Change, Canada.


India-Canada Nuclear Relations: From a Troubled Past towards a Promising Future

Sitakanta Mishra

India-Canada relations in the atomic energy realm have a chequered history. After two decades of formative cooperation under the Colombo Plan (1950) and ‘Atoms for Peace’ (1953), both countries remained estranged for more than three decades. The Peaceful Nuclear Explosion (PNE) by India in 1974 foundered the relationship, setting in a malaise pushing India to “the periphery of Ottawa’s political and bureaucratic interest.” However, the know-how obtained from Canada has “remained the mainstay of the Indian nuclear power programme” till date despite the long disconnect. Post-1998, with the streamlining of India’s nuclear weapons status and the reorientation of New Delhi’s equation with Washington, India-Canada relationship started to drift towards becoming upbeat. The nuclear cooperation agreement signed in June 2010 - that came into force in September 2013 - offers both sides a platform and a new chemistry to also engage meaningfully on a range of other economic partnerships.

The resumption of civil nuclear cooperation by treating India as an exception even though it contravened Ottawa’s long-held non-proliferation stance vindicates how the world has moved away from the traditional NPT-centric approach to non-proliferation. More importantly, the Canadian government has reassessed its approach to India with the realisation that its post-Pokhran reactionary policy had failed to influence India’s nuclear weapons policy. The sanctions imposed on India were found to be more detrimental to Canada’s interests than India’s. Meanwhile, India’s emergence as an economic power seems to have motivated Canada to seek a piece of the economic pie, sidelining its old doctrinal posture. As “it was clear to Canada that bilateral economic cooperation could be possible only with a revision of the nuclear relationship”, Ottawa appears to follow today “the American strategy of compartmentalising the disagreement so that other facets of the bilateral relationship could be pursued.” Canada’s support to the Indo-US civil nuclear deal, the NSG waiver, the India-specific IAEA safeguards agreement, and its decision to supply seven million pounds of

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uranium during 2015-2020 are precursors of promising nuclear energy cooperation between the two countries.

The Troubled Past

In retrospect, India and Canada have had a long but rocky relationship on nuclear energy cooperation. Inspired by the ‘Atoms for Peace’ initiative, Canada, following the USA, agreed to provide nuclear technology assistance to India. Under the Colombo Plans for Cooperative Economic Development in Asia and the Pacific, Canada agreed to transfer nuclear technology to India. The Canada-India Reactor (CIR) agreement (later renamed CIRUS) with the participation of the USA was signed in April 1956. It facilitated the selling of the CANDU reactor to India. CIRUS was the first reactor that Canada exported, heralding its journey as a nuclear supplier.

As India could ill-afford nuclear technology at that time, the Canadian government generously offered US$9.5 million in foreign aid to the US$17 million CIRUS research reactor project. Around the mid-1960s, India-Canada nuclear cooperation marched with full steam. In 1963, Canada sold its first 100MW CANDU power reactor to India, and agreed to sell a second one in 1966. Meantime, indigenous nuclear research and infrastructure in India was hastened under the leadership of Jawaharlal Nehru and Homi Bhabha. Undeniably, India improved upon the PHWR technology imported from Canada, and “CANDU’s plutonium production came in handy for India’s strategic programme.”

In apprehension, the Canadian Prime Minister wrote a letter to the Indian Prime Minister Indira Gandhi in October 1971 to clarify the use of Canadian-supplied material, equipment and facilities in India, that is, at CIRUS, RAPP 1 or RAPPII, or fissile material from these reactors, [because] the development of a nuclear explosive device would inevitably call on our part for a reassessment of our nuclear co-operation arrangements with India.

In reply, Indira Gandhi assured that the Indo-Canadian nuclear co-operation had been dedicated to “the development and application of nuclear energy for peaceful purposes”, and also requested Canada not “to interpret these agreements in a particular way based on the development of a hypothetical contingency.”

Even then, Canada did not insist on any major safeguards since it did not want to “alienate” New Delhi or “lose its niche in the Indian market to a
competitor like France”. The only assurance, mentioned in a secret annex to the treaty, Canada did require from India that the supplied reactor and fissile material produced in it be used peacefully.

The 1974 Peaceful Nuclear Explosion (PNE) by India ruptured the bonhomie between the two countries. Canada accused India of diverting and misusing Canadian supplied technology. As a matter of fact, PNE was an acceptable activity during the 1960s and 1970s; USA alone had conducted 27 such tests during 1961 to 1973 under the ‘Operation Plowshare’ strategy. India aimed to experiment the uses of PNE for the “mining of copper, by crushing the ore underground … followed by in-situ leaching of the ore and the pumping of the mineral-rich liquid to the surface”. Furthermore, India maintains that the plutonium used in the PNE was produced in the CIRUS reactor, and was of non-Canadian origin, and therefore, there had been no breach of undertaking.

However, the Canadian government did not distinguish between nuclear weapons and nuclear explosives, and severed its dealings with India in the nuclear realm. Canada revised its non-proliferation policy to restrict nuclear trade to only the NPT-compliant countries. India’s relations with Canada went down on a slippery slope, along with trade curbs imposed by other powers. The only forum where India had a chance to keep in touch with Canada, especially in the field of nuclear safety, was in the CANDU Owners Group (COG); but prospects for any further cooperation were marred when India conducted its second round of nuclear tests in 1998, inviting the toughest sanctions from Ottawa.

The other aspect of the Indo-Canadian tumultuous past relates to their differences over nuclear non-proliferation and arms control regimes. In fact, Canada’s nuclear non-proliferation policy is viewed to have shaped in 1974 “as a direct reaction to India’s first nuclear test.” Post-1974, Ottawa tried to negotiate with India a new set of stringent and comprehensive safeguards for Rajasthan Atomic Power Stations (RAPS) 1 and 2. Subsequently, it revised its non-proliferation policy to confined nuclear trade with only NPT members, having accepted full-scope IAEA safeguards on all of current and future nuclear activities.

Further, its new non-proliferation norms would be applied to all items and equipment manufactured, reverse engineered, or exported directly or indirectly from Canada. Significantly, the NSG adopted Canada’s stipulations for all its future dealings. As a result, India could not be a partner in the global nuclear trade in subsequent decades. During 1976 to 2008, Canada strongly maintained that “no nuclear transfer deal would move forward without Indian acquiescence to NPT”.

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Even Canadian domestic debate over prospects of nuclear cooperation with India was sharply divided: opponents viewed any cooperation and supply of uranium as tantamount to the “erosion of safeguards” and proliferation, as this would free India’s own fissile material reserves for its weapons programme.\textsuperscript{15} The NPT remained fundamental to Canada’s nuclear policy, and it repeatedly urged India to be part of the regime. This became a cause of friction as India viewed the treaty as ‘discriminatory’ in its current form.

Similarly, on CTBT and nuclear disarmament, India pursued paths divergent from Canada. Canada ratified CTBT in 1996, and expected India to be its adherent. Contrarily, India conducted the second round of nuclear tests in 1998, but also reiterated voluntary moratorium on further tests. On nuclear disarmament, Canada supports a gradual step-by-step approach to reduce and eliminate nuclear weapons while India advocates a time-bound eventual elimination of nuclear weapons starting with a global agreement on “no-first-use” (NFU) of the same. In addition, other political compulsions did not allow both countries to go the extra mile for building a close partnership. The only forum available for dealing with nuclear matters in a limited way was the CANDU Owners Group (COG), specifically for cooperation in the area of nuclear safety.

**Nuclear Relationship: A Second Look**

The shift in global geopolitics at the end of Cold War, coupled with India’s emergence as a global power, facilitated an Indo-Canadian “expanded partnership”. India seems to have shifted from the periphery to centre stage in Canada’s foreign policy agenda - slowly from the 1990s, and more swiftly from 2001 onwards.\textsuperscript{16} Canada seems to have undertaken a pragmatic reassessment of its past approach towards India because the sanctions imposed on India in response to the Pokhran tests were found to be ineffective in influencing India’s nuclear weapons programme; rather, they were found to be detrimental even to Canada’s own economic interests. Furthermore, India’s phenomenal economic rise and growing global stature prompted Canada not to ignore a new global leader in the offing. After the US recognition of India as a “responsible state with advanced nuclear technology,” and its willingness to collaborate on nuclear energy projects, Canada expressed a desire to “develop a more coherent, and consistent, policy towards India,” and wished to “pursue the broadest political and economic relationship with India.”

Reversing its 34-year-old non-proliferation policy towards India, in August 2008 Canada supported the Indo-US civil nuclear agreement at the IAEA and
NSG meetings. In December 2009, India and Canada signed the civil nuclear cooperation agreement describing it as a testimony to the undeniable potential that Canada and India can offer each other and the world. Increased collaboration with India’s civilian nuclear energy market will allow Canadian companies to benefit from greater access to one of the world’s largest and fastest expanding economies.\(^{17}\)

This reflects Canada’s recognition of India’s non-proliferation credentials, thus marking “a historic change in Canadian thinking,” and creating an instance for other reluctant nuclear suppliers - like Japan and Australia - to subsequently fall in line.

More importantly, by endorsing India’s nuclear posture, Canada has diligently mended its political and diplomatic relations with India. The nuclear agreement, along with the Appropriate Arrangement co-signed by India’s Department of Atomic Energy (DAE) and Canadian Nuclear Safety Commission in 2013, facilitated Canadian firms to trade in controlled nuclear materials, equipment, and technology with India. As per the 2015 agreement, Canada has agreed to supply 7.1 million pounds of uranium under a long-term contract through 2020.\(^{18}\) This will open the door for Canada to have a major share of the approximately US$150 billion Indian nuclear market. Besides, Ottawa has agreed to collaborate with India on the design; construction and maintenance; the sharing of operating experience and decommissioning; the supply of uranium; the nuclear fuel cycle; and nuclear waste management. In pursuit of taking the nuclear laboratory to land, both countries plan to promote cooperation in the application of atomic energy in the fields of agriculture, healthcare, industry and environment, nuclear safety, and environmental protection.

Contrary to the assertions of critics, the nuclear agreement with India has strengthened Canada’s position on non-proliferation, and provides Canada a stronger footing at the international nuclear table.\(^{19}\) It allows Ottawa to include safeguard measures, stringent safety methods, and additional restrictions on transfers of technology as India has separated its civilian facilities from the strategic ones, thus accepting IAEA safeguards. Equally, it also places Canada on a moral high ground as this cooperation will promote clean energy for India’s rapid economic growth when it has no other easy energy options to meet its climate goals.

**Towards a Promising Future**

The renewed nuclear cooperation between India and Canada is symbolic of a
paradigm shift in global nuclear discourse. More importantly, it has restored the trust between them for larger economic and strategic collaborations. In the joint statement on Partnership for Security and Growth (23 February 2018), Prime Ministers Narendra Modi and Justin Trudeau have “agreed to expand the ongoing mutually-beneficial civil nuclear cooperation by developing collaboration in nuclear science and technology.”20 Both countries currently enthusiastically look forward to work together on areas of strategic importance - like Arctic research, combating terrorism/extremism, cyber security, outer space, naval interactions, and regional security issues including Myanmar, Afghanistan, the Korean peninsula, and the Indo-Pacific. All these point to a ‘special relationship’ in the offing between the two countries.

Ottawa, which was once grouped up in response to India’s nuclear actions to create the NSG, is now vouching for India’s credibility to be inside the cartel. Membership of India in the cartel would widen the horizon for Canada-India bilateral nuclear trade. While Canada will have a bigger piece of India’s economic pie, India can get benefits of Canada’s advanced reactor design, safety system, waste management system, etc. Specifically, the CANDU ACR reactors (CANDU-6 & 9) and the latest advancement in reactor technology can be beneficial for India’s ambitious nuclear energy expansion programme.

As the world’s largest uranium producer, Canada can meet a major portion of India’s domestic uranium demand. Besides, it can cater fuel to India’s small PHWRs (Pressurised Heavy Water Reactors) if exported to countries with small electricity grids - thereby creating a win-win situation in their new-found nuclear cooperation. Reportedly, Canadian firms could produce nuclear reactor components in India as per the discussions between the two sides at the fourth round of Joint Committee meeting under the India-Canada nuclear cooperation agreement held in Ottawa in 2016. Though not alarming now, in the coming three/four decades, India would face issues such as nuclear waste management, reactor upgradation, and decommissioning as formidable challenges. As Canada is way ahead of India in these respects, its experience could hold lessons for India.

Given India’s ambitious nuclear energy expansion plan, along with its ascending economic prowess and Canada’s positive gestures with regard to trading with India, the impression created is that an enthusiastic nuclear future is awaiting both. India’s nuclear weapons status and its opposition to NPT-led non-proliferation regime will continue to reverberate in Indo-Canadian interactions; however, by pragmatically isolating the contentious issues from the prospective areas of cooperation, both can ensure cooperative nuclear future as the bed-rock on which a multi-faceted strategic partnership can be nurtured.
Notes:


3 Touhey, op. cit. n. 1.


5 The USA provided the 18.9 tonnes of heavy water that the reactor required.


8 Sethi, op. cit. n. 2.


10 Ibid.

11 Touhey, op. cit. n. 1.


16 Touhey, op. cit. n. 8.

17 “Canada and India secure nuclear deal”, *World Nuclear News*, at http://www.world-nuclear-news.org/NU_Canada_and_India_secure_nuclear_deal_0112091.html

