

“A One Way Street”: The Limits of Canada’s Aid Relations with Pakistan, 1958–1972

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Canada’s substantial Colombo Plan aid program in South Asia ran into increasingly serious trouble during the 1960s. This was especially true in Pakistan, the second largest recipient of Canadian aid, after India. Envious and scornful of Ottawa’s complex and dynamic aid relationship with New Delhi, Pakistan became a fickle aid partner during this key decade.

Ottawa’s Colombo Plan aid began with two broad objectives: to prevent communist influence in the region through economic development in South Asia; and to cultivate good will and influence for the West and Canada in India and Pakistan. For the most part, Canadian aid achieved its first aim, developing and retaining strong pro-Western constituencies in both countries. During the 1960s, however, Canadian aid to Pakistan became ever more entangled in Pakistan’s animosity toward India. Pakistani governments critically assessed their share of Canadian aid against the volume and nature of aid sent to India, and found it wanting. Consequently, Canadian aid achieved only limited success in meeting Ottawa’s second goal as its diverse and complex aid relationship with India consistently ran afoul Pakistani interests and expectations.

The early 1970s proved no different. Pakistan emerged from its disastrous civil war and subsequent clash with India in December 1971 truncated and weakened. Canada's aid program quickly reflected the new geopolitical balance on the subcontinent as Ottawa reduced the size and scale of its diplomatic mission in the former West Pakistan and channelled resources to East Pakistan, the newly independent and deeply impoverished state of Bangladesh. Despite its best intentions, the evolution of Canada's aid relationship with Pakistan reveals the difficulties Ottawa encountered in managing Pakistani geopolitical expectations while leveraging Canadian efforts to raise living standards in South Asia to cultivate political and commercial ties and influence in both India and Pakistan.¹

Mutual distrust and antipathy characterized post-partition relations between India and Pakistan. Following the partition of British India into the independent states of India and Pakistan in August 1947, the two countries disputed control of the state of Kashmir, which soon joined India. Successive Canadian governments avoided taking positions on the dispute. Ottawa's policy was measured and not unusual. Other Western nations were equally wary of becoming embroiled in the subcontinent's Gordian knot. Pakistani authorities gradually bristled at Ottawa's approach and carefully monitored the form and value of Western aid to India. While Prime Minister Jawaharlal Nehru's India pursued a non-aligned foreign policy that often criticized Western positions, Pakistan emphasized its anti-communist outlook and close ties to the West. This calculated decision reflected a hope that the Western democracies would support Pakistani ambitions vis-à-vis Kashmir and isolate India internationally. Certainly, Pakistani officials hoped for more Western aid as a reward for their cold war geopolitical stance. At a minimum, they wanted Western leaders to question India's claim to any foreign aid given that its non-aligned policy tilted toward the communist Eastern Bloc.

Pakistani aspirations became increasingly noticeable during Prime Minister John Diefenbaker's tenure as Progressive Conservative prime minister from 1957 to 1963. The Diefenbaker government had inherited a robust aid connection with Pakistan from its Liberal predecessor in 1957. By the end of fiscal year 1958–59, Canada had contributed \$96.3 million in total aid to Pakistan since 1951, making it the second largest donor state behind the United States.² Canadian aid projects in Pakistan focused



FIGURE 4.1

Canadian engineer Gilles Tenner with his unidentified Pakistani tribesman assistant at the site of the country's signature Canadian project under the Colombo Plan, the Warsak Hydroelectric and Irrigation Project. (Source: National Film Board, LAC e999920074-u)

primarily on energy infrastructure, most prominently the Warsak Dam on the Kabul River in North-West Pakistan. Approved by the St. Laurent government in 1953, the project was intended to provide badly needed hydroelectric energy for West Pakistan and irrigate a major section of the North-West Frontier Province. Diefenbaker toured the site during his November 1958 visit to Pakistan, affording him “a personal sense of identity with Pakistani efforts to build the economic and industrial strength of the country.”³ The Warsak Dam quickly emerged as a flagship Colombo Plan project, with Ottawa contributing \$36 million, its largest contribution to a single project to date.⁴

Pakistani aid lobbying aimed above all to undermine Canadian aid to India. In conversations and correspondence with their Canadian

colleagues, prominent Pakistani officials sought to isolate India and stop it from receiving increased Western aid. Minister of Commerce Zulfikar Ali Bhutto, for instance, emphasized Pakistan's ties with the West when he met Diefenbaker in 1959, explaining that "the unwillingness of Pakistan to accept aid from the Soviet Union" made it more dependent on the West for development assistance. Bhutto was not anticipating an increase in Canadian aid to Asia, Canadian diplomats concluded, so much as a larger share of the total allotment—presumably at India's expense. It might "be reasonable to increase Pakistan's share somewhat in the next few years if really effective projects are submitted," wrote Diefenbaker foreign policy advisor Basil Robinson.⁵

Pakistani leader General Mohammad Ayub Khan nourished divisions between India and the West in his correspondence with the Canadian prime minister, emphasizing his country's economic needs in contrast to India's. "Governments of this region," Khan wrote, "are confronted with the gigantic task of raising sub-human levels in order to meet the threat of the seductive promises of Communism." He reminded Diefenbaker that "India receives large assistance from the Communist world. These factors make our economic development more dependent on the assistance that we receive from friendly countries like Your Excellency's."⁶ Two months later, following India's absorption of Portuguese-held Goa, Ayub Khan again criticized Indian foreign policy to Diefenbaker as inimical to Western interests, linking Western aid to Indian ambitions for regional dominance. Khan asserted that Nehru "will soft-pedal with the West to the extent that the Western aid is not put in complete jeopardy. In fact my view is that he firmly believes that the West will continue to pamper him, irrespective of what he does, so long as he can keep up some pretence of amiability."⁷

Diefenbaker detested non-alignment and developed a closer connection with the Pakistani leader General Mohammad Ayub Khan than with Nehru. Diefenbaker noted Pakistan's pro-Western tilt approvingly while casting a critical eye toward Nehruvian non-alignment. But while Diefenbaker confided to his friends of frustrations with Indian foreign policy, there was no significant shift in Canadian aid policy to India, to the growing chagrin of the Pakistanis.

Indeed, during the twilight of the Diefenbaker era, New Delhi and Ottawa seemed to draw even closer when border skirmishes between India

and the communist People's Republic of China erupted into a full-scale Chinese invasion of northern India in the autumn of 1962. The unanticipated crisis shook India badly. While Pakistan watched with satisfaction, the Indian military suffered a series of defeats, forcing Nehru to compromise his policy of non-alignment and plead with Washington, London, Ottawa, and Canberra to send military support and equipment for his beleaguered forces. This Western group had no desire to see India falter, regarding it as the most important democratic nation in Asia, and responded in various degrees to the Indian request. Though Diefenbaker reacted cautiously, he still irritated Pakistan by offering limited amounts of financial and military help. But by the time most Canadian help arrived in 1963, Diefenbaker was gone, swept from office by Prime Minister Lester B. Pearson's new Liberal government, which inherited the tricky file.⁸

This new form of Canadian aid to India alarmed Pakistani authorities, who expressed concerns that military aid to India might be used against Pakistan. Pearson's government was sensitive to such fears, but affirmed Diefenbaker's commitments to India.⁹ Zulfikar Ali Bhutto, now the Pakistani foreign minister, met with Paul Martin Sr., his Canadian counterpart, at the United Nations in September 1963. Bhutto repeated his objections to giving Western military aid to India, suggesting that some armaments were "already being turned against Pakistan." Martin replied that he was satisfied with India's "strong assurances" that Canadian military aid would not be used against Pakistan. As their discussion concluded, Bhutto retorted that "India's record had to be considered against that of Pakistan. While professing non-alignment India had fomented unfriendliness towards Western nations within India for many years." By contrast, Pakistan "had been firmly aligned with the West."¹⁰

If Martin hoped that his conversation with Bhutto had put paid to Pakistani concerns, he was wrong. Bhutto headed to Ottawa in October 1963 determined to raise the matter with Pearson. Former Canadian high commissioner to Pakistan Christopher Eberts attended the discussion and recorded the foreign minister's "lengthy and forceful presentation." Reverting to what had become an ever-present theme in the bilateral dialogue, Bhutto emphasized Pakistan's close ties with the West and its membership in Western military alliances SEATO and CENTO. India, he exclaimed, had no such ties! Pearson countered that Canadian military aid to India

responded to a Chinese invasion across India's borders, insisting that Ottawa would not "do anything whatever to damage the interests of Pakistan." As the conversation reached its end, Bhutto commented favourably on the impact of Canadian Colombo Plan aid in Pakistan, particularly the Warsak hydroelectric and irrigation projects. The two also discussed a possible new bilateral project: Canadian help to construct a nuclear power plant.

As Bhutto and Pearson said their goodbyes, the prime minister reflected on his long-standing experience with South Asia, noting that "he had always enjoyed dealing with the Pakistanis, perhaps because of the directness of their approach; that he had a good deal of sympathy for Pakistan's position" on the problems Bhutto had expressed.¹¹ In appraising the visit, Deputy Foreign Minister Norman Robertson concluded that Bhutto had "only one substantive" interest: to see Western military aid to India scrapped.¹² The episode showed that even if Canadian aid to Pakistan was substantial and welcomed, it would not win Pakistani goodwill unless Ottawa was also ready to back Pakistan in its confrontation with India.

This lesson was driven home in September 1965 when border clashes between India and Pakistan over the Rann of Kutch erupted into open warfare. A confident Ayub Khan, believing that Nehru's successor, Lal Bahadur Shastri, was a weak and indecisive leader, decided to test India's mettle in Kashmir. Pakistan gradually infiltrated thousands of soldiers across the border to seize strategic points and encourage insurrection among Kashmir's majority Muslim population. India responded with an armoured invasion of Pakistan and made quick gains.

As the Pakistani army faced defeat, Ayub Khan's regime assailed Western diplomatic establishments and their staff. The Canadians were no exception. They endured numerous diplomatic slights, some bizarre, some serious, aimed at showing that the West, including Canada, had let Pakistan down. Communications between Ottawa and its posts in Pakistan were deliberately interrupted for extended periods. An anti-Western riot in Karachi led to Canada's flag being ripped down, and rioters smashed windows and caused "extensive damage" to the Canadian chancery. The Ministry of Foreign Affairs rebuffed Canadian requests for police protection for the mission. Pakistani annoyance also resulted in delayed approvals for RCAF aircraft evacuating Canadians and delays in granting landing permission for RCAF flights on behalf of the UN in September

and December.¹³ Canada's considerable bilateral aid presence did nothing to reduce Pakistani anger.

At first glance, Canada appeared to have been dragged into the Kashmir dispute as a result of its unwillingness to support Pakistan. However, a closer look suggests that Canadian aid to India, particularly Ottawa's substantial and ongoing nuclear assistance, had antagonized the Pakistanis. C. V. Cole, the only Canadian diplomat attached to the Rawalpindi office, reported that he had been "reminded a number of times not only by Ministry of foreign affairs officials but by other Pakistanis that Canada had given India the potential to make the bomb."¹⁴ Paradoxically, Indian archival records reveal that India's foreign secretary believed that although Ottawa did not take sides on Indo-Pakistani disputes, Canada shared "excellent relations" with Pakistan. In his experiences with Canada's Department of External Affairs," he added, "there is some sympathy for Pakistan as the so-called weaker country, and this is particularly so on the Kashmir issue."¹⁵

The symbolic attacks on Canada in September 1965 marked a watershed in bilateral relations with Pakistan as Canadian officials began to ask themselves what aid had achieved for Ottawa. Indeed, Cole urged Ottawa to reprimand the Pakistanis sharply for their "poor behaviour" as in "the long run . . . this would have a more salutary effect on Canadian-Pakistan relations than any amount of economic assistance including the Karachi nuclear power plant" that Ottawa agreed to help construct and finance.¹⁶ Marcel Cadieux, who took over as undersecretary in 1964, resolved to meet with the Pakistani high commissioner to express Ottawa's displeasure, confident that a polite but firm discussion might settle the matter.

John Weld, Canada's acting high commissioner in Pakistan, briefed Cadieux for the meeting. Weld described the lack of public knowledge in Pakistan about Canadian aid, and believed that the bilateral aid relationship deserved immediate attention. While Canada's public diplomacy efforts in Pakistan had failed to project Canada's aid efforts to the public, he clearly thought that most of the blame lay elsewhere. "We have been—like the weather," he argued, "taken for granted" in "our rather disinterested help to Pakistan," whereas Soviet and Chinese efforts received "front page treatment." Lack of "full cooperation" was another grievance. "In a number of areas relative to aid" Weld believed that "cooperation has been far from

complete: e.g., Pakistani failure to provide satisfactory statistics regarding use of counter-part funds; failure of public bodies to obtain clearances to allow Canadian aid work to go forward; lack of proper housing and other amenities for Canadian-Colombo Plan technical assistance experts.”¹⁷

Weld had reason to express frustration. By the end of 1965, Ottawa had provided approximately \$230 million in grants and food aid to Pakistan, and remained its second largest aid donor. Most of the grants continued to be directed toward building Pakistan’s energy needs. Major infrastructure projects such as the Warsak dam and a nuclear power plant were expected to make a considerable contribution to the Pakistani economy. Moreover, Ottawa had helped build several transmission lines and power houses, and welcomed over 500 students and bureaucrats to Canada for instruction and training.¹⁸ Despite this record, Weld and his External Affairs colleagues were growing increasingly uncertain and skeptical about the benefits of Canadian aid for Canada and its larger strategic objectives in South Asia.

Pakistan had slowly but defiantly recalibrated its foreign policy in the aftermath of the Sino-India border war in 1962 to look for more reliable allies. Dissatisfied with the West, it sought to expand its ties with the People’s Republic of China and the Soviet bloc. Concomitantly, Canadian officials warned Pearson, the “major casualty” of this “somewhat opportunistic” policy was Western influence. This much seemed clear from the September 1965 riots during which US Information Service offices “were destroyed” and the Canadian “chancery in Karachi sustained damage.”¹⁹ From the perspective of the Department of External Affairs, Canada was not to blame for “certain irritants” that had accumulated in the bilateral relationship. Rather, the tension reflected Pakistan’s declining ties with the West and the perception that Ottawa had failed to support it in Kashmir while continuing to transfer Canadian nuclear technology and military assistance to India.²⁰

The changing dynamic, and at times aggressive tone of bilateral interactions with Pakistani officialdom, prompted the Canadian high commission to monitor Pakistan’s aid sensitivities more closely and apprise Ottawa of possible risks associated with aid to India. The assistant deputy minister of the Economic Affairs Ministry volunteered that “some Pakistani officials . . . resent what we are doing for the Indians” and expected Ottawa to make amends and “raise the ante.” Canada’s acting high commissioner

advised Ottawa to treat Pakistan and India jointly rather than “plunging ahead with an Indian programme without regard to Pakistan.” Doing otherwise “would land us in the soup in this country.”²¹

During this period of growing bilateral political tension, Ottawa proceeded with its earlier agreement to permit General Electric Corporation Canada to sell a CANDU nuclear plant to Pakistan, further complicating aid relations. Deciding to proceed with the Karachi Nuclear Power Plant (KANUPP) reactor was fairly easy. Ottawa was determined to cultivate new markets beyond India for Canadian reactors and nuclear technology. And even if this second client was non-democratic Pakistan, the Canadian government could at least claim that Pakistan, like India, was a key member of the Commonwealth. Moreover, unlike India, Pakistan was an important regional western ally. Ottawa, therefore, appeared willing to look beyond the crucible of South Asian strategic tensions. Pakistan was also willing to purchase the necessary heavy water for the reactor from Canada, making a deal even more financially attractive.²²

Negotiating nuclear safeguards proved much harder, and once again, Ottawa’s aid plans became entangled in the tensions between New Delhi and Rawalpindi. India refused to accept safeguards on its nuclear reactors, which were supplied by Canada beginning in 1956, and eventually refused to sign the Nuclear Non-Proliferation Treaty (NPT) on the grounds that it did nothing to disarm countries that already had nuclear weapons. Pakistani officials bitterly commented that Canada was effectively giving India the ability to produce a nuclear bomb.²³ Yet Ottawa could hardly retreat from its Indian commitments. As McKercher, Tijerina, and Macdonald make clear in their respective chapters later in this volume, Canadian aid policy was irrevocably linked with Ottawa’s “promotional” support for Canadian exports. Both the Canadian government and Atomic Energy Canada Limited were determined to keep India as a nuclear customer and were convinced that if Canada did not sell reactors to that country, other countries surely would. Worries about India’s stance on non-proliferation were brushed aside in order to maintain Canada’s most prominent nuclear customer.²⁴ Despite Anglo-American warnings that India might be developing nuclear weapons, Canadian policy makers clung blindly to their memories of India’s non-violent struggle for independence under Nehru and Gandhi, which fostered hope that India would not choose that path.

Ottawa's unwillingness to tame Indian nuclear aspirations raised Pakistan's ire. The Pakistanis objected to stronger International Atomic Energy Agency-sanctioned safeguards on their own reactor deal with Ottawa, insisting that Pakistan receive the same limited safeguards that India had negotiated for the 1963 Rajasthan Atomic Power Project (RAPP I) CANDU reactor sale. That reactor had stricter safeguards than the original 1956 Canada-India Reactor (CIR) agreement, but it did not meet IAEA's revised standards for enhanced safeguards, which Ottawa supported strongly.

By August 1966, Weld worried that nuclear cooperation with India had become "a festering sore." Pakistani officials, believing that they faced discriminatory treatment, insisted that India was using the CIR reactor to produce weapons-grade plutonium. Weld also stressed that Pakistanis resented substantial Canadian wheat donations to India to help alleviate famine conditions. They regarded an offer of an extra one million dollars of food aid to Pakistan "as little more than a sop."²⁵ Ottawa appreciated the concerns raised, but barring a dramatic change in Indian actions, it refused to modify its nuclear policies to placate Pakistan. Nor were additional wheat allowances forthcoming for Pakistan.²⁶ Negotiations with India to conclude a third nuclear purchase, RAPP II, continued despite India's rejection of upgraded IAEA safeguards. Pakistan increased its lobbying efforts against the reactor sale, alleging that India was set to explode a nuclear device.

The allegations emerged just as Pearson's cabinet began to debate the proposed RAPP II sale. On 27 July, ministers agreed to finance the second phase of RAPP II if India accepted safeguards similar to those for RAPP I. Martin wanted more stringent safeguard requirements even though he suspected that the Pakistani charges were unfounded. The "best intelligence assessment," he informed Pearson, "is that the Indians have no present intention to explode a 'peaceful' nuclear device." Nonetheless, he and his diplomatic advisors believed it imperative to push India to accept IAEA safeguards. Given Ottawa's desire to see the IAEA succeed and to obtain as stringent safeguards as possible, it was critical that India agree. This was particularly so while Ottawa was simultaneously developing its nuclear relationship with Pakistan. The Pakistanis, perhaps hoping to drive a wedge between Ottawa and New Delhi, were now willing to adhere to IAEA safeguards.

As Weld prepared to return home to Ottawa, he prepared a valedictory despatch reflecting on his time in Pakistan. It focused on one of the few links between the two countries, bilateral aid. This was one of the first thorough assessments from the Canadian high commission to reflect on a relationship in decline against a backdrop of years of steady aid increases. Weld noted the contradiction between the fact that the two countries had “little common interest or outlook” and the ongoing “flow of our aid to this area.”²⁷ He questioned whether Canadian aid was serving the benefit of Pakistanis or serving “a dictatorial government supported by an oligarchy of landowners, industrialists and generals.” Previous high commissioners had avoided such a forceful description of the Khan government. On this issue, Weld underlined the extent to which Canadian aid policy turned a blind eye to undemocratic regimes provided they nominally aligned with Western interests. Pakistan, however, met that criterion less and less. Kashmir would remain a source of tension given that any neutral stance on the issue would meet with Pakistan’s general disapproval. Essentially, aid had increased while political ties had ebbed, and trade remained negligible.

Suddenly cutting or reversing the aid flow, admitted Weld, would threaten relations. But what could be done? Weld advised that Canada continue to seek a “modest role” and “give aid which will bring ultimate benefits to the people rather than bolster a regime, but we should not become so directly involved as to be further drawn into the area.”²⁸ Canada found itself in a unique but unwelcome position. India and Pakistan were its largest two aid recipients and nuclear export markets, but Canadian help had failed to translate into either political influence or solid ties. Despite Canadian pressure, India continued to pursue non-alignment and refused to sign the NPT, while Pakistan’s favour waxed and waned depending on whether or not Canada regarded India in a negative light. Weld’s report was read with appreciation and then promptly filed away. Uncomfortably aware that its substantial contributions to Pakistan no longer served its larger strategic interests, Ottawa did nothing. Meanwhile, Canadian aid continued to flow.

By the time Pearson left office in April 1968, relations with Pakistan were declining rapidly, with Islamabad largely to blame. That left Liberal prime minister Pierre Trudeau’s new government with some difficult decisions regarding Canada’s cumulative \$296 million aid relationship with Pakistan. Canadian diplomats were increasingly skeptical of its value. In

a letter to former Canadian diplomat John Holmes, Charles McGaughey, the Canadian high commissioner, wryly described his work in Pakistan as “never a dull moment, not with a \$28 million a year aid programme and the Paks’ management of their foreign policy.” What other country, he asked rhetorically, could be friendly with the United States, the Soviet Union, and Communist China? “Non-alignment with a vengeance,” McGaughey called it.²⁹ More officially, McGaughey described the underwhelming state of bilateral ties to External Affairs as “pretty much a one way street, us to them/us to them, and most of the traffic is our economic aid.” And prospects ahead were even dimmer. The nuclear aid relationship was entering uncharted territory as Pakistan looked set to ignore an agreement “in principle” with Ottawa to transfer the nuclear safeguards on KANUPP to the IAEA.³⁰ This was a worrying sign given Bhutto’s recent promise that “if India gets the bomb, we will eat grass but we will have one too.”³¹

If McGaughey’s time in Pakistan was far from dull, then one wonders how he would have described that of his successor—John Small, who replaced him in 1969. Though he had served in Pakistan between 1963 and 1965, Small was surprised at how much the destructive tensions since then had sapped Ottawa’s political and aid ties with Pakistan. In an detailed assessment for headquarters, he emphasized that development assistance had “become the most important single factor in our relations with Pakistan.” In order to renew relations, Small encouraged Ottawa to consider “a substantial increase in the activity and size” of Canada’s aid program for humanitarian, political, strategic, and future economic reasons. Although he did not offer specific examples of what such an increase might entail, he argued that devaluing the aid relationship would affect Ottawa’s ability to persuade Pakistan on bilateral and international matters of concern to Canada—especially nuclear safeguards. Small also advised External Affairs that it was high time to direct the “bulk of our aid” to East Pakistan at the expense of wealthier, politically dominant West Pakistan. By doing so, Small identified and sympathized with the long-standing East Pakistani grievance that it was consistently starved of Western development assistance.³²

Domestic tensions in East Pakistan boiled over in the aftermath of the December 1970 national election, the first free election in the country’s history, held in the wake of Ayub Khan’s downfall. East Pakistan had

long nurtured a grievance against West Pakistan for ignoring the country's eastern wing. For instance, during the 1965 war with India, East Pakistan claimed that the Pakistani government chose not to buttress its eastern defences. The eastern wing also received less foreign aid than the western wing. Culturally, Eastern Pakistanis believed that the central government looked down on the predominantly Bengali people and language of the eastern province. In December 1970, the Awami League, a party based entirely in East Pakistan, won the national election. West Pakistani leaders chafed at the idea of being governed by the Awami League, arresting the League's leader and placing East Pakistan under martial law. Civil war erupted. With Pakistani military forces ruthlessly quelling civil unrest and opposition, Bengali refugees poured into India.

The Canadian government recognized that there was little it could do to halt the conflict, though the war encouraged Ottawa to reassess its relationship with Pakistan. Small encouraged Ottawa to "salvage" and maintain a bilateral aid program and to act judiciously so as not to curtail whatever limited influence it could exercise.³³ Despite some opposition to Small's advice from Canadian diplomats in India, officials in External Affairs agreed with his analysis and argued against suspending development assistance.³⁴ The Trudeau government concurred. On 26 May 1971, Secretary of State for External Affairs Mitchell Sharp told the House of Commons that no new aid for Pakistan would be forthcoming, although Ottawa would continue with previously approved programs. Indeed, Canadian authorities proved rather considerate of Pakistani sensitivities, channelling Canadian aid to refugees in India through multilateral organizations rather than directly through CIDA.³⁵

Regardless, Ottawa's willingness to send aid monies to Bengali refugees in India aggravated Pakistani authorities. For Islamabad, any form of aid going to India had a political purpose and a political message. Even aid earmarked for refugees helped India absorb the pressures created by the crisis. The military government, now headed by Agha Muhammad Yahya Khan, made its displeasure at Canadian (and Western) policy clear. Pakistani officials even pondered giving support to Quebec separatists and withdrawing from the Commonwealth.³⁶ Repeating its tactics of 1965, the Pakistani government disrupted diplomatic communications of foreign missions in Islamabad, violating the Vienna agreement on diplomatic relations that

safeguarded freedom of diplomatic communications. Even social functions at the Canadian high commission could prove troublesome. In one incident, officials of the Pakistani Ministry of Foreign Affairs refused to attend a Canadian-hosted event because Indian officials were invited.³⁷

Events on the subcontinent deteriorated further on 3 December 1971 when Pakistani troops attacked along the western frontier of India, frustrated beyond measure with India's support for the Awami League separatists. Indian forces easily rebuffed the attack and responded with a full invasion of East Pakistan. Within a matter of weeks Pakistani forces were defeated and the state of Bangladesh sprang into existence. India emerged clearly ascendant on the subcontinent as Pakistan, its military in tatters, lost over half of its population to the new state. A shrunken Pakistan soon turned to an urgent effort to develop nuclear weapons, leading Ottawa to end bilateral nuclear cooperation.

A truncated Pakistan meant that Islamabad dropped in terms of regional importance for Ottawa. The Canadian diplomatic and aid presence suffered as a result. As Small recalled, "when the dust had settled our [staff] complement was slimmer by four officers and several support staff."³⁸ One of those affected officers was responsible for aid matters. The high commissioner was philosophical about those changes, however, noting that new priorities, the creation of Bangladesh, and "the war-induced slowdown in trade, aid, and immigration justified the reduction in numbers." Looking back, Small believed that Canadian advice to Islamabad to restore democracy in East Pakistan and not to pursue conflict with India "had little effect."³⁹ In that regard, relations with East Pakistan followed the consistent pattern between Canada and Pakistan, confirming that Ottawa's foreign aid gave it little leverage.

Canadian aid to Pakistan started out with the brightest of hopes. A rich and established Commonwealth member extending a helping hand to its newly independent Asian partners amidst the early tensions of the Cold War and decolonization initially seemed a straightforward endeavour likely to earn Canada and the West easy credit. The transfer of aid presented an opportunity to promote the best of Canada's agricultural, educational, and technical abilities in South Asia, winning friends and markets, while relieving poverty. Ottawa's belief that it also had no imperial baggage, unlike other leading Western allies, produced a sense of exceptionalism in Ottawa

and a view that Canada was unlike London or Washington. Ottawa's initial aid offerings, however meagre, would serve Western interests in stabilizing the region, fostering democracy, and promoting South Asian fraternity with the West. However, the partition of the subcontinent unleashed crippling sectarian and geopolitical tensions upon which Canadian aid hopes foundered in the decades to come.

Canadian aid to Pakistan during this tumultuous era was deeply entangled in Indo-Pakistani rivalry despite Ottawa's repeated attempts to avoid taking sides between the two quarrelsome neighbours. This approach was entirely sensible. Yet it also meant that Ottawa walked a tightrope over a widening chasm in the aftermath of the 1965 war, when a humiliated Pakistan shrilly denounced India's nuclear ambitions. Islamabad blamed Ottawa for enhancing India's chances of becoming a nuclear weapons state. Ottawa disagreed, viewing India and Pakistan simply as similarly lucrative markets for the Canadian nuclear industry. On this front, aid objectives and commercial hopes made for inauspicious policy outcomes. Canadian aid counted for little in the Pakistani calculus. What mattered was whether Canada gave Pakistan its fair share in relation to an unworthy India, and whether Canadian aid to India might harm Pakistan. Ottawa's desire to avoid taking sides meant that it struggled to respond to Pakistani concerns.

The fraught history of Canadian aid to Pakistan matters today because it illustrates, as Keith Spicer's *A Samaritan State?* did in 1966 and Stephen Brown does in this collection, how little political leverage aid provides. Gratitude is an unsteady foundation for any bilateral relationship. Moreover, this disappointing bilateral history also reminds us of how reluctant policy makers sometimes are to reassess and re-evaluate their course of action despite clear indications of trouble. The slow collapse of Canada's aid program in Pakistan froze Ottawa diplomats and officials, who failed to grasp how little their efforts meant in Islamabad, and who were then unable to redefine what Canada wanted from its sizeable aid ties with Pakistan. Thus, as the 1970s dawned, aid relations with Pakistan came to mirror Canada's problematic relationship with India.⁴⁰ Only the brutal South Asian war in 1971 and its consequences managed to jolt Canadian thinking. As the geopolitical environment on the subcontinent descended into crisis, Canadian policy makers in Ottawa and at the high commission in Islamabad became increasingly conscious of their limited influence.

Pakistan's political goodwill, they concluded, would continue diminishing as long as Canada remained unwilling to curtail its ties to India. The optimistic hopes of Canada's aid architects to Pakistan in the 1950s were now a faded dream.

Notes

- 1 Little has been written on Canada's relations with Pakistan, and what has been written is dominated by the writings of former Canadian officials. Former high commissioner to Pakistan John Small wrote a useful vignette of his time in Islamabad: see Small, "From Pakistan to Bangladesh 1969–1972: Perspective of a Canadian Envoy," in David Reece, ed., *Special Trust and Confidence: Envoy Essays in Canadian Diplomacy* (Ottawa: Carleton University Press, 1996), 209–38. Diplomat Earl Drake has an interesting chapter of his experience as a young foreign service officer in Pakistan from 1956 to 1958 in his memoir *A Stubble-Jumper in Striped Pants* (Toronto: University of Toronto Press, 1999). H. Basil Robinson provides details of John Diefenbaker's visit to Pakistan in *Diefenbaker's World: A Populist in Foreign Affairs* (Toronto: University of Toronto Press, 1989). Former Canadian diplomat and head of the Commonwealth secretariat, Arnold Smith, provides useful nuggets on the Canadian reaction to the Pakistani civil war in *Stitches in Time: The Commonwealth in World Politics* (Don Mills, ON: General Publishing, 1981). Historians have slowly begun to write on Canada's relationship with Pakistan: see Ryan Touhey, "Dealing in Black and White: The Diefenbaker Government and the Cold War in South Asia 1957–1963," *Canadian Historical Review* 92, no. 3 (Sept. 2011): 429–54; see also Touhey, "Commonwealth Conundrums: Canada and South Asia During the Pearson Era," in *Mike: Lester Pearson, Pearsonianism, and Canadian Foreign Policy*, ed. Asa McKercher and Galen Perras (Vancouver: University of British Columbia Press, 2017), 251–74.
- 2 Notes on Pakistan and its relations with Canada, 20 March 1959, RG 25, vol. 7210, file 9678-40, Library and Archives Canada (LAC).
- 3 Cited in Denis Smith, *Rogue Tory: The Life and Legend of John G. Diefenbaker* (Toronto: Macfarlane Walter and Ross, 1995), 304.
- 4 Trevor Lloyd, *Canada in World Affairs 1957–1959* (Toronto: Oxford University Press, 1968), 199–200.
- 5 Memorandum from Basil Robinson to John Diefenbaker, 22 October 1959, RG 25, vol. 7210, file 9678-40, LAC.
- 6 Ayub Khan to John Diefenbaker, 14 October 1961, John G. Diefenbaker (JGD) Papers, file MG 01/XII/A/270, Diefenbaker Canada Centre Archives, Saskatoon (DCA).
- 7 *Ibid.*, Khan to Diefenbaker, 23 December 1961.
- 8 See RG 25 vol. 10417, file 27-20-5-India, Subject: Military Assistance – Training Assistance – India, LAC. Canada provided \$6.6 million worth of aid on a grant

- basis, including: 8 Dakota Aircraft, 5 Otter aircraft, 36 Harvard aircraft, 500 Tons of electrolytic nickel, 16 Caribou aircraft on concessional financing, and military clothing.
- 9 Norman Robertson to Paul Martin, 28 June 1963, RG 25 vol. 5449, file 11384-G-40, LAC.
 - 10 Canadian Delegation, New York to External Affairs, 30 September 1963, RG 25 vol. 10555, file 20-1-2-PAK, LAC.
 - 11 Ibid., Memorandum of conversation between Pearson and Bhutto, 1 October 1963.
 - 12 Ibid., External Affairs to Karachi, 8 October 1963.
 - 13 C. V. Cole, Legal Division to Commonwealth Division, 12 January 1966, RG 25, vol. 10055, file 20-1-2-PAK, LAC.
 - 14 Ibid.
 - 15 Prime Minister's Visit to Canada by C. S. Jha, 1 June 1965, Indian Ministry of External Affairs records, File 873.Div(AMS)/65, National Archives of India.
 - 16 Ibid.
 - 17 Weld to Under-Secretary of State for External Affairs (USSEA), 31 January 1966, RG 25, vol. 10055, file 20-1-2-PAK, LAC.
 - 18 Pakistan and Canada, briefing note, 18 February 1966, RG 25, vol. 10055, file 20-1-2-PAK, LAC.
 - 19 Pakistan and Canada, briefing note, 22 April 1966, L. B. Pearson Papers, vol. 247, file 840/P 152 Conf, LAC.
 - 20 Ibid.
 - 21 Rawalpindi to USSEA, 21 April 1966, RG 25, vol. 10055, file 20-1-2-PAK, LAC.
 - 22 See Duane Bratt, *The Politics of Candu Exports* (Toronto: University of Toronto Press, 2006), 121–22.
 - 23 Cole, Legal Division to Commonwealth Division, 12 January 1966, RG 25, vol. 10555, file 20-1-2-Pak, LAC.
 - 24 See Ryan Touhey, *Conflicting Visions: Canada and India in the Cold War World* (Vancouver: University of British Columbia Press, 2015), chaps. 1–2, 5–8, 10.
 - 25 Weld to External Affairs, Dispatch 448, 12 August 1966, vol. 10055, file 20-1-2-Pak, LAC.
 - 26 External Affairs to Rawalpindi, Dispatch K-397, 19 September 1966, vol. 10055, file 20-1-2-Pak, LAC.
 - 27 Rawalpindi to Ottawa, 11 July 1967, RG 25, vol. 10836, file 20-1-2-Pak, LAC.
 - 28 Ibid.
 - 29 McGaughey to John Holmes, 15 May 1968, John W. Holmes Papers, F2260 54-1 pt. 2., Trinity College Archives, Toronto.
 - 30 Islamabad to Ottawa, 22 August 1968, RG 25, vol. 10836, file 20-1-2-Pak, LAC.

- 31 Rawalpindi to Ottawa, 11 July 1967, RG 25, vol. 10836, file 20-1-2-Pak, LAC.
- 32 John Small to USSEA, 31 March 1970, RG 25, vol. 10836, file 20-1-2-PAK, LAC.
- 33 John Small, "From Pakistan to Bangladesh 1969–1972: Perspective of a Canadian Envoy," in Reece, *Special Trust and Confidence*, 227.
- 34 Bureau of Asian and Pacific Affairs to SSEA, 12 June 1971, RG 25, vol. 8914, file 20-India-1-3-Pak, LAC. See also Small, "From Pakistan to Bangladesh," 228.
- 35 Ralph Collins to James George, 13 May 1971, RG 25, vol. 8914, file 20-India-1-3-Pak, LAC.
- 36 Cited in Smith, *Stitches in Time*, 139.
- 37 The author is grateful to Greg Donaghy for sharing an extract on the "War in South Asia" from a draft of the history of the Department of External Affairs. See John Hilliker, Mary Halloran, and Greg Donaghy, *Canada's Department of External Affairs, vol. 3: Innovation and Adaptation, 1968–1984* (Toronto: University of Toronto Press, 2017), 116–20.
- 38 Small, "From Pakistan to Bangladesh," 231.
- 39 Ibid.
- 40 See Touhey, *Conflicting Visions*.