Chapter 1

Business Negotiations and Economic Possibilities

Through Political Rapport

In January 2007, in the World Economic Forum organized in Davos, Switzerland, Bill Gates discussed the concept of ‘Creative Capitalism’ and stated “capitalism's ability to make self-interest serve the larger interest, and how companies, in conjunction with government and nongovernmental institutions, can make a profit, enhance their reputations and also improve the lives of those who have not traditionally benefited from modern market forces” (Time Stengel n.pag.). This idea is relevant and essential in the context of a bilateral association due to the positivity and the conviction that the term emphasizes. There is interface of several individuals and institutions, underlining team work and acknowledgement of efforts of many in economic endeavours. In understanding the relationship between Canada and India, we find that a sense of mutual working together and give and take, for the benefit of many others is what is implied in ‘Creative Capitalism’. This chapter will investigate the historical, social and political landscapes that determine the trajectories of growth pursued by Canada and India, and will also take into account the various trades, investment, business and economic deals that have taken place through efforts at the diplomatic level.

Wealth creation is a crucial endeavour and aspiration of every nation and to achieve this end, there is constant effort to tap all existing and accessible resources. The essential motivation for the swift acceptance of globalization in the world today, stems from the
understanding that every country has both resources and inadequacies. To surmount and fulfill gaps, nations have embraced the concept and practice of globalization readily. Exports and imports of products and services are resorted to through business and political agreements because they benefit countries reciprocally. Economists, trade and commerce pundits have analysed the current and future growth prospects between Canada and India.

India had been a preeminently trading nation in the past. In fact, it was the exports of the country that invited the attention of the imperialists. Colonialism resulted in distrust of foreign intrusion subsequently. Until 1991, India was essentially a closed economy that relied on a socialist structure envisaged by Jawaharlal Nehru. One of the reasons for this kind of economy is the distrust of anything foreign and this invariably has a historical reason. Gurcharan Das in *India Unbound* mentions how the invasion of the British through the Battle of Plassey on 23 June, 1757 and the duplicity of Robert Clive became an event that lead Indian nationalists to view foreigners with suspicion. He took advantage of the factions in Siraj-Ud-Daula’s army by taking Mir Jafar—the army chief into confidence who was eventually placed in his kingdom after the brutal murder of Siraj-Ud-Daula. Clive amassed enormous wealth and deceived Omichand, an accomplice in the entire episode. Das comments “This humiliation…left a suspiciousness of traders and foreigners and a scar of xenophobia. This explains, in part, India’s anti-business attitudes, the fear of a ‘foreign hand’” (21). Macaulay criticized Clive’s act of connivance and usurpation and said that the battle was “‘not merely a crime but a blunder’ because ‘nations must not be perceived to engage in duplicity’” (qtd in Das 20). True to Macaulay’s perception, Indian
nationalists did start developing doubt whenever anything foreign came up. This led to the upholding of a socialist form of economy.

Jawaharlal Nehru, in *The Discovery of India*, underlines that Clive won the battle "by promoting treason and forgery" (297) and that the event had "an unsavoury beginning and something of that bitter taste has clung to it ever since " (297). Historical events have the capacity of creating memories that succeeding generations tend to absorb; and learn lessons out of such mortifications. The “bitter taste” (297) that Nehru mentions is suggestive of the fact that the battle created plenty of mistrust among Indians regarding foreign intrusion and it takes a lot of time to surmount the beliefs and attitudes developed on account of painful historical incidents. Gurcharan Das suggests that when Nehru administered India he “had a vision of democratic socialism with the state leading the process of industrialization. He spurned capitalism because it exploited and it created inequalities. Both Gandhi’s and Nehru’s dreams were flawed…” (12). This is a critical opinion in the context of Indian business negotiations and preferences. Not only Das but writers like Nilekani, Shashi Tharoor, Amartya Sen and others have regarding Nehruvian policies as having harmed India’s economic and business growth considerably. Though this is true, it is essential to emphasize here that Nehru’s decisions were shaped at a moment when India had just freed itself from the shackles of imperialism. History plays a significant role in determining choices and decisions and it took India several years to revision its notions and principles. After Independence, Nehru’s penchant for socialism resulted in governmental policies that crippled entrepreneurship and emphasized development in the public sector. However, these ideas and policies were analysed in the
90’s and changes relevant to new times were made resulting in dramatic changes in the Indian economy.

Drastic changes occurred because of the establishment of software companies. Entrepreneurs like Dhirubhai Ambani, Narayan Murthy, Nandan Nilekani, Aziz Premji, Ghanshyam Das Birla, J.R.D. Tata, Vijay Mallya and several others have altered the complexion of the Indian economy through investment in various sectors. Until 1991, the ‘License Raj’ that licensed and regulated the industrial sector in India restricted entrepreneurs and industries from opening new enterprises and factories. However the removal of such restrictions by the Congress-led Narasimha Rao Government with the help of the new commerce minister P. Chidambaram and Mr. Manmohan Singh—the then Finance Minister, threw open plenty of fresh opportunities both for foreign and private investment.

It is interesting to note that while the Indian trade history reveals that foreigners, especially Europeans considered India exceptionally rich in its natural resources and consequently for trade; the Europeans who went to Canada during the past did not see it as too fertile a country for economics and trade initially. W. H. New in his book Literature (2003), states that the Europeans viewed “Canada as a negligible commodity: it was savage, it was cold, it was barren, it was less economically valuable… (until a taste for fur fashions gave it a marketable resource)” (20). Today, this view is highly unacceptable in the wake of Canada predominating in trade and economic scenario. Its policies, business activities, art, culture, Canadian and diasporic literatures have elevated its status in the context of globalization. The advent of Europeans into Canada and the subsequent creation
of colonies led to several changes in its socio-economic and political character. As W. H. New points out “Most often, the colonies in North America were mere pawns in the give-and-take of European power games” (New 28). In India too, the arrival of European powers—the Dutch, the French, the Portuguese and the British made it a terrain of conquests. The historic reality of the colonial powers in both Canada and India creates a commonality. Both countries were ravaged and both rejuvenated in course of time from these shocks and today they are competing internationally.

**Economic and Business Scenario in Canada and India:**

The Goldman Sachs Group, Inc.—a leading global firm headquartered in New York released a report in 2003 entitled “Dreaming with the BRICs: The Path to 2050” that stated that the BRIC countries representing Brazil, Russia, India and China would by 2050 be ahead of the current developed and rich countries in the world and "With three out of the four largest economies in 2050 potentially residing in Asia, we could see important geopolitical shifts towards the Asian region" (Wilson and Purshottam 17). This report set countries across the globe to consider utilizing opportunities in the region with the result that the assumptions and predictions of the report are on the way of turning to be true. One of the visible resources in the Asian countries is their manpower that they are able to direct in ways to create wealth. Like the other Asian countries, India is being seen as a potential site for investment and trade activities. Doughlas Goold who is the Director of the National Conversation on Asia and the Senior Editor at the Asia Pacific Foundation of Canada produced a report titled “Doing Business in India: Success, Failure and the Prospects for Canada” (2010). He refers to the report of the Goldman Sachs Group, and
opines that “India can achieve the enormous potential foreseen by Goldman Sachs…” (5). Goold suggests that India is indeed on the path of success that the Goldman Sachs report prognosticates and that the developed nations of the world are shifting their focus towards India. This opinion is similar to the one expressed by Wendy Dobson and R. H. Touhey who have been referred to earlier in this dissertation. Therefore, we find that there is consensus among researchers when it comes to India’s potential and how this should help trigger and accelerate Canada-India bilateral association. According to a pertinent research done by Prof. Sandeep K Agrawal and Prof. Alex Lovell, not much research has been done on Indian immigrants in Canada, their economic contribution or their income patterns. This research study titled “High-income Indian Immigrants in Canada”, for the first time attempts to create a profile of the high income earners originating from India. It states that there are several Indian born affluent entrepreneurs like “Steve Gupta, Manjit and Ravinder Minhas, Aditya Jha, Hari Pandey, Davinder Bains-Gill, Amar S. Doman, Kulwinder Sanghera, and Bob Singh Dhillon, are among the most affluent people in Canada. Yet the stories of successful Canadian immigrants are seldom acknowledged and often unexplored” (144). It is precisely this lack of research in the profiling of the capital contribution of Indians in Canada that has not provided sufficient impetus to further bilateral ties. Haphazard pieces of data, relevant though they may be in certain contexts, don’t necessarily encourage diplomatic ties.

In his analysis, Doughlas Goold indicates that weak India-Canada relationship is “not new” (7) and that this was referred to, way back in 1973 by the then Indian Prime-Minister, Mrs. Indira Gandhi in her speech to the Empire and Canadian Clubs (Goold 7).
Inspite of discerning a laidback approach to bilateral association between Canada and India, not much was done to ameliorate the existing situation with the result that India went on collaborating with the other nations of the world. Canada and India remained indifferent to each other owing to their political disenchantment.

Today, India is being seen as a strongly emerging superpower in the department of trade and commerce, science and technology. Trade and business experts forecast colossal economic and business opportunities in India and the country is seen as having “anchor markets” (Sarkar n.pag). This optimism is not baseless. According to Rana Sarkar, President and CEO of the Canada Business Council:

For India, this growth isn't driven by the state or by exports, but by the collective energies of tens of millions of entrepreneurs and would-be entrepreneurs. With 66% of its population under the age of 35, India is set to reap an unprecedented 40-year demographic dividend similar to those enjoyed by industrializing Europe and the Far Eastern "tiger" states at the peak of their growth. (Sarkar n.pag)

This observation emphasizes the demographic status of India comprising people who are young. The presence of a large number of entrepreneurs has created plenty of job opportunities and that has visibly fuelled the economy of the country. An entrepreneur is a great asset to an economy and India has had several in the past like Mr. Dhirubhai Ambani, Tata, Birla and others. Today this number is ever-growing. New age entrepreneurs like Narayan Murthy, Nandan Nilekani, Kiran Majumdar Shaw and several others are churning out jobs for the educated young and this has greatly augmented the economic scenario.
One of the greatest resources of the country is its manpower. Once upon a time, its population was perceived to be a huge setback that would doom India’s future into bleakness. However, now this very same perception has produced an altogether different stance. Nandan Nilekani makes a detailed analysis of the population issue of India and why it is a positive feature in the current scenario. He makes an in-depth analysis of what has transformed the Indian economic situation. In his book Imagining India: Ideas for the New Century (2008), he clarifies that it is the existence of “the entrepreneurs and technologies to spread the wealth” (36) that determines economic success. When he says “spread the wealth” (36), he is referring to the potential of an entrepreneur to create wealth through employment generation for others and innovation and upgradation of existing technical know-how but whether this is sufficient is what he tries to probe. Referring to Asian countries in general and with special emphasis to India, he identifies the chief basis for their success—human capital. Resources cannot be effectively employed if there is less manpower. Again, it is not sufficient if there is manpower. It should be endowed with specific skills for specific jobs which necessitates that they be trained for carrying out those tasks. The population of India has been a blessing in this regard. The boom in technology in the 90’s required skilled personnel is precise technologies. At that time private institutions like NIIT came to the rescue. It had established itself as early as 1981 and specialized in provide IT training and English language coaching to its students to enable them greater felicity of expression and grasp of emergent software technology. So, the existence of population created an opportunity to establish new companies and relevant educational organizations.
In contrast, it would be interesting to note the population scenario in Canada.

According to Carrie Buchanan:

Canada is the world's second-largest country in geographic area but its population, just under 33 million in 2008, is relatively small, only one-tenth that of the United States. A harsh winter climate and rugged northern terrain have led most Canadians to live near the country's long southern border with the United States, with communities becoming more widely scattered as one travels north.

(Buchanan n.pag.)

The implication is that on account of the harsh winters, demographically the population thins out as one moves to the northern regions. Prevalence of severe climatic conditions has adversely affected population growth and this has always been a major concern in Canada. Mordecai Richler states “The truth is that the bulk of our undeniably vast domain remains uninhabitable, and to this day most of us are snuggled within a hundred miles of the 49th parallel, intimidated by the punishingly cold tundra on one side and American pizzazz on the other” (10). The statement may seem amusing but the suggestion is that Canada’s low population rate has been a consequence of intolerable winters. The country has always tried to combat this climatic weakness and has nevertheless grown economically. When Margaret Atwood wrote *Survival* in 1972, the central premise was survival that underlines the idea of not only surviving the winters but also searching the means of livelihood for survival.
No amount of natural or economic resources can be efficiently utilized if the region is underpopulated. Canada has put in tremendous efforts to resolve this issue primarily through encouraging immigration and has achieved some success in this regard.

Statistics reveal that immigration has been a strong reason for the increase in population in Canada with an annual rate of 1.0% (http://www.statcan.gc.ca/pub/91-003-x/2007001/4129907-eng.htm). Immigrants from various countries of Europe and Asia have been steadily flowing into Canada. In *No New Land*, M. G. Vassanji portrays the immigration process in the U.K and Canada. In London (U.K), “What the immigration officials saw, apparently, was a pack of skilled and rehearsed actors from the former colonies out to steal jobs from hard-working English men and women” (33). This idea has naturally been juxtaposed with what the British imperialists did to Indians in India in the historical past. However, when Nurdin—a refugee originally from India comes to Montreal “the immigration official smiled genially at them. “Welcome to Canada!”/ Finally someone welcoming you, a white man welcoming you.” (34). The colonial dimension comes to the fore rather strongly with Canada as one that supports and protects the refugees. However, it would be interesting to contrast Nurdin’s experience with Himani Bannerjee’s personal account of how she was treated during Canadian immigration. This she recounts in her book *The Dark Side Of The Nation : Essays On Multiculturalism, Nationalism, And Gender* where the author is sexually harassed. What comes out of such contrasting experiences is fiction versus reality and that there must be a genuine effort to make the immigration process genial. Not that Bannerjee’s experience is a universal one but then such incidents can be discouraging.
The Indian population in Canada is about one million which implies that tapping the diaspora resource would be contributory to both the countries. The Canadian Prime Minister, Mackenzie King stated in the year 1947 that “The objective of Canada’s immigration policy”… “must be to enlarge the population of the country. It would be dangerous for a small population to attempt to hold so great a heritage as ours” (qtd in Harney 51). Population is seen as a means to maintain ideas of nation-state that is constituted of socio-economic, cultural, political and historical components whose intensities can thrive only if there are people who can transmit them from generation to generation. The statement underlines the problem of ‘underpopulation’ in Canada and the anxiety to perpetuate this lack so that the nation can survive successfully not only in spirit but also in practicality. Prof. Robert F Harney analyses the population and immigration issues, policies and patterns of Canada and explains that many contemporaries of Prime Minister Mackenzie King opined that Canada could experience economic improvement but then “That boom would be thwarted by an absence of manpower” (Harney 56). The sudden urgency for peopling remote unoccupied regions of Canada has been a huge challenge because emigrating to vibrant cities like Toronto or Ottawa or the southern regions of North America offers much more attraction than the regions that are in the northern parts. This challenge is primarily because of natural causes which are not conducive for habitation.

The repercussion of lack of people casts a deleterious effect on the health of the economy. Infrastructure is underutilized. A pre-existence of already constructed amenities like educational institutions, mining and railway facilities, restaurants and other economic,
small and big infrastructures make it necessary to use them or else they would be compelled to shut down which is a depressing scenario financially. It is essential to mention that in the beginning, the Canadian policies of immigration emphasized allowing only white immigrants. However “With Canadian fertility rates unable to sustain growth, with the natural decline of immigration from Europe because of similar birth rates there, new Canadians… increasingly come from the Third World” (Harney 92). The problem of birth rate exists not only in Canada but also in other European countries. Both low population growth and concerns regarding economic progress have resulted in immigration. Here, it would be interesting to look at the confused reality of the immigration policy in Australia to compare and understand the changing of mindset in evolving foreign regulations in this connection. In the year 1969, the Australian Liberal Minister of Immigration stated that the continent should have a “mono-culture…. We do not want pluralism” (qtd in Cope and Kalantzis 2). In 1981 Prime-Minister Malcolm Fraser recognized “multiculturalism as a key concept in formulating government policies” (qtd in Cope and Kalantzis 3). These contradictory statements illustrate that countries across the world now understand the economic changes taking place because of globalization.

Low birth rates in Canada threw open the doors of immigration to Asians which are manpower rich. It is true that Canada indeed wished a ‘white’ Canada but less population in white countries coupled with a dire need to fill the gap impelled the country to allow entrance to Asians. Canada adopted a policy that encouraged Asians to migrate to the nation and that has considerably altered the demographics, improved business deals, made the economic scenario vibrant and has also created and enriched culture and diaspora
literature. Today, with India doing well in the technological and business fronts, the connection with the subcontinent has only produced hopes for better bilateral relations that would certainly prove to be rewarding for both in times to come.

If we look at the population scenario in India, it is in stark contrast to the Canadian situation. In India, at the moment, demographically the population is constituted of more young people—about 62 percent constitute in working age category (Khadria 408). In the context of Canada, it is interesting to refer to the statements of a report published by the Council of Confederation:

We have an aging workforce. We are not fully capitalizing on the skills and education of new immigrants, Aboriginal people and young people and others. At the same time, new competitors including emerging economies such as India, Brazil and China are making unprecedented investments in the skills of their people. Rapidly changing technology is also changing how our industries work — and workers are struggling to keep pace. Canada risks falling behind in training, in research and development, and in the number of researchers we produce. While our economy faces severe competition from around the world, internally individual provinces and territories face regional and local challenges in meeting demands for skilled labour. (Council of Confederation 1)

It is true that “Chindia” — the superpowers on the threshold, China and India” (Vassanji 148) and some of the other nations of the world are doing well because of their young and skillful population. Canada’s major challenge is the stiff competition that it has to encounter from the developing economies whose chief plus point is their
manpower. Unfortunately, population cannot grow overnight. So, the best possible solution that Canada has chalked out for itself is encouraging immigration and this has been a successful plan. Getting immigrants with required skills to Canada has allowed a few changes in the demographics. As Ryan Touhey and Randall Martin state “Canada’s greying population and declining birth rate have prompted consideration that immigration might mitigate looming skills gaps and declining education enrolment rates” (5). The importance of a young population for an economy is indispensable. No machine or technology can replace that. At such a critical juncture, Canada has devised immigration as a strategy to add to its existing population since the issue of aging population is compounded by a lower birth rate aggravating the situation.

While Canada’s anxiety has been populating its country, ironically India’s major issue has been to control its population growth. There was a time when population was believed to be a disincentive to economic progress but that idea has changed today. In fact, India has always been subject to criticism for its increasing number of people which could exhaust the resources of the country possibly driving it into economic problems. Several measures were taken up to control its growth in the past. The two-child policy was vehemently popularized. Advertisements, hoardings, jingles etc were used extensively to influence people. Population in India has always been a problematic issue. Today, however there is greater control over the birth rates. Nonetheless, it is still high but incidentally, owing to technological and economic improvement, this rise in number of people has proved to be a blessing that are being trained to work in particular sectors. Nilekani emphasizes that “we may have been short on various things at various times, but
we have always had plenty of people” (38) and “Globally as well, human creativity and economic competitiveness are now closely linked, and competition among countries is competition between their human capital” (47). The first statement might seem amusing but it is right and has serious implications and for Indians, population seems normal and natural since it has always been there. It is true that overpopulation is a nuisance if there are lack of jobs; too few and mismanagement of resources but if there are companies that can easily absorb the excess number of people and provide them with reasonably decent means of sustenance and if the country is able to manage its resources, then population is converted to power. This positive development is what India has been persistently trying to achieve and has more or less been successful in its endeavours.

It is interesting to refer to a poem “I Want my Chaos Back” by Surjeet Kalsey who hails from India and is presently settled in Canada. In this poem she nostalgically recounts the ‘noise’ and ‘chaos’ that the looming presence of people brought about in India. The poem mentions the place from where she wrote it—Toronto which is “three thousand miles away/from throbbing bubbling figurines of/ my flesh” (16). So accustomed is the poetess to people that for her Toronto is “real loneliness” (16) and “real barrenness” (16). Thus the population dimension in India becomes very much a part of literary writing too as reflected in this poem. It is as much an economic issue as it is a component of culture and literature.

India has been aware of the demands of overpopulation. There is a need for more of everything. But, one just has to look at those countries that have problems with demography. Having too many old people is a problem and having too many very young
people is also a problem. It would be no exaggeration to state that people are the building blocks of a country but that is not the only deciding factor. A balancing act in terms of dealing with allocation of resources and manpower can salvage the economy. In India this is being achieved by promoting the idea of the advantage of having less number of children and in Canada this is being achieved through highlighting the necessity of having more people. It is an observable contrast.

The quality of population in terms of education, skills, confidence and capability is also consequential. It is here that we need to decipher how the Indian population can be evaluated from a resource perspective. In this connection, Narayan Murthy, Infosys founder attributes Indian economic success to “Efficient commercialization of cutting-edge output from research labs, entrepreneurship forums at universities, highly efficient alumni networks, close links between leaders in academia and business, risk appetites of venture capitalists, synergies between science/engineering schools and business schools, collaborative research among universities” (qtd in Srinivasan 227). The formidable workforce in India is conspicuous. Much more crucial is the fact that training people has been an important agenda and that has been contributory to all-round development. Academics in India have been changing to accommodate the requirements of new upcoming technological companies. Not only is there an emphasis on technology but also sensitivity towards cultural newness that people are bound to encounter during their interaction with foreigners since multinational companies necessarily involve dialogue at an international level.
Besides manpower, it is also the cost factor of commercial companies that has invited the attention of nations across the globe. In a round table comprising panelists Akhil Gupta, Ananda Mukerji, Pramod Bhasin, Som Mittal, Raman Roy, R. Sridharan and Michel E. de Zeeuw, there was a discussion on the problems and strengths of the BPO industry. The introduction to the round table recorded and published in Business Today says “In just about a decade, the Indian BPO industry has grown from almost zero to $11 billion in annual revenues and a workforce of 700,000” (n.pag.). A look at the manner in which the sector has been progressing shows that India has been able to invest in its people the necessary skills for the job. According to a report by McKinsey and the National Association of Software and Services (NASSCOM), in the year 2005:

- India already accounts for 65% of the global industry in offshore IT and 46% of the BPO industry. 15 Offshore industries have been the engine of economic growth for India for the last 4 years, accounting for 6% of the increase in GDP between 2000 and 2004, employing 700,000 people and providing indirect employment to nearly 2.5 million more. It was expected that by 2010, India’s BPO industries would account for 17% of GDP growth. This would sustain 8.8 million jobs, 2.3 million direct and 6.5 million indirect and induced. (qtd in Khadria 408)

The rate of growth in the sector has been remarkable, providing employment opportunities to people and increasing revenues and profits in the process. The primary reason for the preference of India by foreign investors in the Information Technology sector is the offering of low cost services as compared with professionals from developed nations. This business pattern came to be called ‘body shopping’ (qtd in Wolfgang 64)
where Indian professionals like system analysts and programmers are hired from India for a multi-national company that is headquartered abroad. The advantage of ‘body shopping’ is the saving of time, money and energy for the recruiters. The term ‘body shopping’ evidently appears derogatory in its implications since it reduces the professional to the position of an object. So, many a times it is euphemistically called consultancy (Aneesh 40). The point here is that as a business model, this form of recruitment involves the selection of professionals without incurring major expenditure for the hiring company. This turns out to be a win-win situation for both the recruiter and the recruited. All this has encouraged much foreign investment especially from developed nations. It would be crucial to point out that as per the surveys and trade studies conducted by the Asia-Pacific Foundation of Canada (APFC) “43 firms active in India provide(s) more details about Canadian interests” (qtd. in Dobson 101). The number is astounding and implies active interest in India. This foundation discovered that major software companies like Infosys, Tata Consultancy Services, Sasken, Wipro and others were offering quality service at low costs as compared to some of the other companies from other regions of the world (Dobson 105).

Perhaps, it is for the reasons cited above that there have been huge foreign investments in India. The region certainly has features and qualities that are conducive to mutual prosperity. Unless there is positive give and take and positive profit-making, no country would risk investing and no country would risk the intrusion of another country. The fact that companies from both the countries have seeped into each other highlights their comfort level.
Here it would be well to recount that in the year 1978, the IBM company was forced to leave India because of the government policies and the stern directions of the then Prime Minister Morarji Desai (qtd in Wolfgang 63). The changes in economic policies later prompted IBM to return to the country. Inspite of its initial bitter experience, the fact that this US based company decided to reestablish itself in the country goes on to suggest that business experience in India has been conducive and profitable and other nations have been making use of this. As Messner Wolfgang points out “Multi-national companies have announced an investment of more than USD 10 billion in the next few years. In Bangalore alone, every month, an estimated 10 foreign companies open shop” (68). This number is enormous and indicative of the profitable propensities of the Information Technology companies.

The economic reforms of 1991 also encouraged Indian entrepreneurs to make new investments (Das 240). These changes provided fillip to foreign trade transactions and in the context of Canada-India association, the opening up of the field is a great opportunity to identify areas of mutual benefit and understand what can be given and what can be taken. The Canadian High Commissioner Stewart Beck, during his visit to India in 2011 stated that Canada was inclined to invest heavily in the Small and Medium Enterprises in India and that there were 250 Canadian SME’s which Canada wants to increase to 750. He also mentioned that the existing trade was just $4.5 billion and that was ‘insignificant’. Nevertheless, what is extremely heartening is the hope that the trade quantum is expected to rise to about $15 billion by 2015 (South Asian Post 4th Aug 2011). This prediction of substantial acceleration in growth rate is indicative of the need for expediting the bilateral
process and also to strengthen relations in all spheres. To achieve this, mapping of common areas of interest and smoothening of differences would be a pre-requisite.

Wendy Dobson in her incisive article “The Indian Elephant Sheds its Past: The Implications for Canada” states that several successful Indian IT firms in Canada like Satyam, Infosys, Tata Consultancy Services and Wipro offer ‘front office’ services that involves close interaction with customers; and that “Their presence adds to the competitive climate that stimulates learning and productivity growth in Canadian firms” (Dobson 18). Learning and productivity are mutual because when there is a competitive climate there is a spirit to do better and this cannot happen without better learning of the required and specific skills. However, Dobson also notes that there are problems afflicting the importing of IT services into Canada and identifies three factors crippling the growth of software firms in Canada: “scarcity of skilled Canadians with appropriate engineering and technical training…the conservative attitudes of Canadian business towards using foreign service providers; and government procurement practices” (Dobson 18-19). The first factor is primarily technological; the second one is essentially cultural and the third is clearly political. Negotiations in all these three dimensions can alter the manner in which companies can invest and operate. The detection of inherent problems requires appropriate solutions in order to enhance business prospects and profits in both the countries. All the three issues point at the multidimensional approach that is needed to tackle the problems. They also suggest the differences that prevail in the existing circumstances and not dealing with them can mar the development of a successful bilateral association that otherwise has chances of augmentation thanks to the
various similarities between the two countries in terms of language, political structure and historical connections.

Additionally, India’s recent economic growth has propelled economists to contemplate deepening of trade ties. Dr. Stephen Poloz who is the Chief Economist of Export Development in Canada indicates that “India has excess capacity, which technically speaking, could mean India could grow by 7-8% annually over the next 10-20 years. The domestic growth will also assist Indian companies to become global enterprises, investing around the world” (6). This data is insightful as well as inspiring and underlines the importance of the existing manpower capacity in India that is constantly creating opportunities for development.

There have been efforts to stimulate investment related activities. For instance, the bilateral meeting held between the Trade and Commerce Minister from India, Mr. Anand Sharma and Canada’s Minister for International Trade, Edward Fast, in New York regarding Foreign Investment Protection Agreement and the Bilateral Social Security Agreement (South Asian Post 29 Sept. 2011). Such delegations intend to propel trade and investment between the countries. Free trade between Canada and India is estimated to increase Canada’s economy $6 billion and increase trade between the two countries by about 50%. On the other hand, India can expect to raise its GDP to upto $12 billion (Canadian Sailings 29). These data go on to say that there have been moves towards improving trade patterns.

Canada has deep trade ties with the US. Here, it would also be interesting to take note of the fact that the geographic proximity of Canada with US has been as a
fundamental reason for its volume of trade which is “80-85 percent of Canadian exports and supplies over two thirds of Canadian imports. Canada's total bilateral trade in 2003 was valued at us$6n billion ($272 billion of exports plus $239 billion of imports). India accounted for a miniscule 0.2 percent share of exports and 0.4 percent share of imports” (UNCTAD qtd in Kumar and Narain 173). Though geographic distance plays a role in economic activities, political will and lucrative business opportunities do intervene in bilateral trade. In the case of India, its uniqueness is its huge manpower resource that is one of its greatest assets, a source that can be effectively and intelligently utilized to work in specific environments and trained for particular needs.

**Canada-India Political Dissent, Resolutions and Progress**

The existence of ‘chill’ in Canada-India relationship in the past was because of the nuclear tests conducted by India in the seventies on account of perceived threats from its neighbours which Canada saw as a flounder of trust. Huntley and Sasikumar state:

> Early in the Cold War period, India was a leader in the Non-Aligned Movement’s unambiguous call for complete global nuclear disarmament. But India pursued early opportunities to develop a full-scale civilian nuclear energy program, including acquisition of nuclear reactors and fuel reprocessing technologies from Canada and the US. (3)

Frequent terrorist attacks unnerved India and there seemed to be coalitions that worked against the country. Therefore, India decided that it needed nuclear power as a deterrent and carried out ‘peaceful’ nuclear tests. The emphasis throughout was that
India would never be the first one to initiate the use of nuclear weapons. The tests annoyed several countries in the international community including Canada because it had originally believed that India would use the nuclear technology given to it only for “civilian power generation” (Huntley and Sasikumar 4). The Canadian Foreign Affairs Minister expressed his displeasure over India’s nuclear testing and went on to comment in May 1998 that India “has forfeited any claim to a permanent seat on a body created specifically to preserve peace and security as well as enhance the international order” (qtd in Ditchburn n pag.). India on the other hand argued that “the non-proliferation treaty is flawed because the five nations allowed to maintain nuclear weapons have not established a phase-out date” (Ditchburn no pag.). Besides, other countries and in this context Canada did use nuclear energy to fulfill its energy requirements and this was very much supported by the policymakers of the countries. The commentary published by the C D Howe Institute in Canada in 2009, mentions “Policymakers are reconsidering the merits of nuclear power as both a low-carbon emitting and low-cost base load electricity source” (Doern and Morrison 1). It is true that abuse of nuclear power can cause havoc. Incidents in the past like the nuclear bombing of the Hiroshima and Nagasaki and the Chernobyl disaster have impelled nations to assume a position of vigilance in the matter.

However, it is also true that nuclear power has the capacity to make the world a better place to live since the energy generated from it is environment friendly. Like Canada, India’s strong justification for the nuclear tests was the issue of its rising energy consumption and the need to meet the necessities of its enormous population besides the
justification of using it as a deterrent against possible attacks. Both countries felt that they were right in their perceptions and unfortunately the whole incident threw cold water on bilateral ties. While Canada imposed restrictions on the trade relations and an “immediate freeze on political relations” (Asia Pacific Foundation of Canada 21), India also turned indifferent to the funding of the Shastri-Indo Institute. In retrospect, this turned out to be a lost opportunity for a strategic partnership that could have otherwise blossomed making it possible to clinch deals.

Today, Canada and the other countries have realized that India has adhered to its policy of nuclear tests for security and energy. It was for defense and civilian purposes that India had embarked upon the use of nuclear power. This awareness has led to greater understanding among the governments. It took time for this insight but the fact is that it has happened. This resulted in a flurry of correspondences and delegations between the two nations.

There has been a shift in perspectives in this matter. Prof. Ryan Touhey in his research work titled “Transcending the Past: A New Vision for Canada-India Bilateral Relations” (2009), succinctly encapsulates the reasons to reinvigorate ties. He says:

Following the economic reforms of the 1990’s, India has slowly transformed itself from the ‘sick man’ of South Asia to an emerging power whose recent annual economic growth rates averaged 9 percent. Despite the ongoing global market turmoil the Indian economy is expected to grow almost 7 percent in 2009-2010…and created a huge urban middle class…average household incomes will likely triple over the next two decades and it will become the
world’s fifth largest consumer economy by 2025, up from its current twelfth position. The Australian, American, British and French governments and private sectors to name a few, have quickly recognized these rapid changes and have, or are in the midst of, altering their trade, investment and foreign policies accordingly. Canada, however, has been slow to recognize India…. (1)

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Political configurations are a prerequisite in any bilateral association. Canada and India have experienced shifts and changes, highs and lows, in the political landscape. Nevertheless, every episode at the governmental level has enabled better understanding in both the countries. An analysis of the political history of both the countries throws light on the evolution of the democratic structure. Further, a study of Indo-Canadian political relations reveals that there was “a lengthy period of indifference based on mutual ignorance” (Louis 51). This led to a deliberate eclipse of what could have been a profitable relation. Those years of conscious mutual indifference cannot be regained. The loss is definitely incalculable. Obviously, lamenting over that is preposterous but implicit in the episode is the lesson that future collaboration should meticulously avoid frictions with intense efforts to build sturdy political affinities through political empathy.

Hugh Johnston and John. R. Wood make a remarkable observation when they state that “In China, Canadians were looking for opportunities in a market that had progressively opened up to the West during the previous decade and a half. In India, Canadians sought to revive a relationship that had once been close—in terms of international co-operation and economic assistance, if not trade” (1), implying that
Canada and India’s vivifying of their bilateral association took off at a very rudimentary expectation initially but started gaining momentum with diplomatic exchanges and interactions. Another reason attributed to the slowness in responding to each other is Canada’s affinities with the US and India’s non-alignment policy and its closeness to the USSR. The reason for India’s non-alignment was because it saw such divisiveness as a danger to peaceful international relations and “Nehru’s efforts to create a third bloc of non-aligned nations reflected his desire for a more flexible, multilateral international system. It was perspective on the world, however, that most Canadians could not share” (Johnston and Wood 3). This evident difference in political viewpoints created rift between both the countries. Indifference set in because of which economic co-operation became a far cry. It was a contradictory situation also keeping in mind the fact that while Britain became a common reference point for both, that is, as commonwealth nations; the disparity arose due to their relationship with the US.

It is a matter of consensus that democracy in both Canada and India can make things happen. A major feature of this form of political organization is discussion and debate. Both countries uphold this process with reverence. Amartya Sen reasons that it was easy for India to embrace democracy not just because of British contact but also because of the tradition of arguments, dialoguing and public reasoning in its history (Sen 12). He cites an interesting incident when King Alexander meets Jain philosophers in India and wants to know why they were not paying much attention to him who was a

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Managing Change in the 21st Century: Canadian and Indian Perspectives discusses in detail the issues relating to the relationship between both the countries that were an outcome of a conference that was held when the Canadian Prime-Minister Jean Cretien visited India in 1996. Relationship between both the countries was envisaged for the 21st century.
great conqueror. The reply that he gets from them is that all human beings could occupy only that much portion of the land as they could stand on and since Alexander was also a human, he was no exception. His travelling was an annoyance to others as well as himself. He would soon be dead and would occupy only as much of earth’s portion as would be necessary for his burial. Amartya Sen provides this story to state that councils by the early Indian Buddhists were organized because they believed “discussion as a means of social progress” (15) as a possibility. Similarly, Emperor Ashoka and Emperor Akbar upheld communication as consequential in political governance (Sen 16). Discussion in every sphere of society has always been central to the Indian tradition and since democracy upholds interaction; it was easy and natural for Indians to adopt the ideals of this form of government. From this, what can be discerned is that if dialoguing is helpful to settle differences and understand complex situations—as a powerful weapon of Democracy, it can be used to heighten bilateral relations between Canada and India. Both nations share this form of government. The essential features of the political structure can be utilized to garner business benefits.

In an insightful article, Anita Singh discusses the impact of the recent Indo-US nuclear deal and how Canada can engage itself with India through an understanding of this new development. A meeting between President Bush and Prime Minister Manmohan Singh led to the passing of the Henry J. Hyde United States-India Peaceful Atomic Energy Cooperation Act of 2006 that permits the sharing of nuclear resources from US to India. The reason for passing this act has been the mature management of the nuclear issue by India since the conducting of its earlier nuclear tests. The Act alters the
manner in which India was being seen previously as a “nuclear pariah” (Singh 1) to its present image as a country that utilizes its nuclear resources to meet its energy demands. The fact that India has to take care of the rising population is evident and for this purpose it becomes obligatory for it to plan ways to satisfy its energy requirements. In the wake of this realization and the fact that India has assumed a responsible stance in using nuclear energy, the US went on to pass the Act related to nuclear deals with India. This came as a surprise to the world but the justification for the incident became clear. As Dinshaw Mistry states that the deal was believed to “further U. S. interests in promoting a stable power balance in Asia” (689). While the collaboration had its politics, it elevated India’s position on the world stage.

With this as a backdrop, according to Anita Singh, it is time for Canada to consider negotiating with India in this matter and in fact, ponder over a possible Canada-India civilian nuclear transfer. However, since Canada has not been able to assume a clear posture on the matter, Singh opines that “It inhibits Canada's ability to substantively engage with India and has major implications on Canada's future position in the international non-proliferation regime” (2). The suggestion here is not that Canada should follow US’s footsteps but to reflect over the attitude of the Indian government towards the nuclear issue.

Relationship between Canada and India were strained in the past due to nuclear experiments but now it is clear that India is focusing on its nuclear resources as a means to meet its energy demands. Anita Singh’s argument in the matter holds water and can certainly prove to be a turning point in Canada-India bilateral ties. US-India’s
relationship and materializing of the nuclear deal was unanticipated and the message that it sent to the world was plain—that it is decisive to connect with India since it is doing extremely well in the economic front.

It is notable that India and Canada signed a Uranium deal in April 2013. An article that appeared in *The Times of India* stated “Around 40 years after India used plutonium from a Canadian heavy water reactor to carry out its first nuclear test in defiance of world opinion, Ottawa is set to resume nuclear commerce with New Delhi” (*The Times of India* 12); and “The US which yanked India out of nuclear isolation, was the driving force behind the safeguards agreement-approved the IAEA in August 2008-that paved the way for a special waiver from Nuclear Suppliers Group (NSG)…” (*The Times of India* 12). It is clear that India’s nuclear association with the US has had an effect on Canada’s decision on the issue and there has been a positive change in the diplomatic relations.

**Present Viewpoints on Nuclear Dealings and Business in various fronts—The**

**Vibrant Gujarat 6th Summit (January 10th-11th, 2013)**

The ‘Vibrant Gujarat’ sixth summit organized on January 10-11, 2013 in Gujarat in India was aimed at forwarding the relationship with regards to trade, investment and education between different countries. In the seminar titled “Canada-Gujarat Business and Trade Opportunities” there were discussions regarding invigorating business ties between both the countries. The highest number of delegates was from Canada numbering 200 (*Times of India* 2). During this event Canada saw Gujarat as the fastest source of immigration to Canada. The Canadian minister for citizenship, immigration
and multiculturalism, Jason Kenny “pointed that Canada aims to be an important supplier of uranium for India’s nuclear programme” (Times of India 2). The starting of such a dialogue in terms of identifying areas of growth is critical in creating roads for future connections. During the summit and the previous summits, it was not just Gujarat that was represented but there were several other states of India. Dialogues of this kind provide opportunities to interact and decipher areas of mutual co-operation.

During the sixth summit, Mr. Naval Bajaj from the Indo Canada Chamber of Commerce stated “Canada is one of the biggest producers of rough diamonds while India is the largest importer” (qtd in Times of India 2). Identification of one area of import/exports leads to a desire to understand more of each other’s economies and understand how else businesses can takeoff.

Vikas Mittal, the managing director of the McCain Foods (India) Private Limited is conducting trials on the Gujarati snack dhokla, to create its frozen form. This plan comes after the success of the marketing of the south Indian idli-sambhar (“Frozen dhoklas soon” Times of India 2). Post the Vibrant Gujarat Summit, collaboration in food security system has also seen some development. Greg Selinger, head of the Government of the Manitoba province evinced interest in setting “up its Food Development Centre in the state” (Unninathan TNN 2). The area of understanding here is the agricultural and food sectors wherein produce and price can see a rise. Jagat Shah who represents the government of Manitoba stated “The centre, to be operated by the Manitoba government, is expected to be set up at the mega food park at Savli by Anil Group, and will help farmers get better prices for their produce and will help the agri-food industry to develop and commercialize food products” (Unninathan TNN 2). Such
interest is not possible without important factors like market and consumption, availability of resources and possibilities of investment and returns. Again, these dynamics can be utilized only if diplomatic relation is affable. Fortunately, political relationship over the years have transformed and become pleasant and it is this change that has created the ambience to advance mutual interests.

It is clear from the above references that there is certainly an aspiration to improve relationships between the two countries bilaterally. It is conglomerations like these that provide fillip to business progress.

The next segment will look at some of the crucial negotiations and interactions that have exerted remarkable impact on political and business relations between India and Canada.

**Trade and Business Development between Canada and India**

On November 17, 2009, two major events took place in New Delhi--one was the signing of a memorandum of understanding between Prime Ministers Mr. Stephen Harper and Dr. Manmohan Singh and second, a Joint Study Group that aimed to understand the areas in which economic partnership could take place and in the process materialize the Comprehensive Economic Partnership Agreement (CEPA). The reason for this MOU was the fast growth rate of India that has resulted in economic, industrial and business growth.

Earlier in 2003, Prime Minister Cretien met Mr. Vajpayee and in 2005 Prime Minister Martin met Dr. Manmohan Singh in India to rekindle trade connections. The appreciation and evaluation of each other’s strengths and weaknesses is significant in
determining the nature of relationship that can evolve in course of time. High level meetings and delegations offered these countries the chance to revive ties.

One of the major advantages of India is its population that also constitutes an inviting market, knowledgeable of the English language and trained in specific skills. Wendy Dobson cites the instance of Bell Northern Research from Canada that suffered from certain specific skill shortages during the 1980’s and offshored its product development to India’s Tata company (Dobson 14). Manpower with specific skills is essential in driving the economy of a nation and India has it. Furthermore, the population is getting educated in various areas of academics and it is this that opens up opportunities to work in local as well as global companies.

India is open to the idea of globalization and understands the implications of having a closed economy. Nilekani opines that foreign investors have nothing to worry about “censorship, repression or a playing unfairly tilted towards domestic firms” (142). When a country invests in foreign shores, it expects to be welcomed and treated fairly just as the receivers expect them to be just and fair. This feature is prevalent in India; and Indian professionals who constitute the Indian diaspora have entered various countries of the world and opened up companies and branches there and benefitted mutually. They welcome the foray of other countries like Canada to develop business and cultural relations reciprocally and these features have been reflected and evidenced in Nilekani’s work. An example of mutual business transactions can be cited by the episode where the Tata company purchased Teleglobe from Bell Canada (137 Nilekani). On the other hand, Indian banks like the State Bank of India and ICICI have opened branches in Canada (Dobson 102). Besides these organizations, companies like Sun Life Financial,
Bombardier, SNC Lavalin, McCain Foods and others have done business with India (Canadian Chamber of Commerce 9). Here, it would be relevant to take into account the kind of investment activities being done in both the countries. Prof. Ryan Touhey observes that:

The Canada-India 2007 FIPA is an important mechanism to promote bilateral investment. India’s foreign direct investment (FDI) in Canada has climbed steadily from $31 million in 2002 to $446 million in 2007…. Meanwhile, Canadian FDI in India appears to have plateaued at $222 million in 2002 to $207 million in 2007, dropping from a 2006 high of $327 million” (7).

This data illustrates the extent to which India is evincing interest in promoting trade and economic activities. So, the eventual aim of future possibilities and opportunities through the Canada-India relationship dynamics can be discerned and achieved by comprehending the resources of the countries and by discovering innovative ways of using them advantageously to improve the prospects of both the countries.

Anand Giridhardas in his narrative *India Calling: An Intimate Portrait of a Nation’s Remaking* recounts his experiences of his Indian visits as a child and his views of the country when he takes up a job in India. So there is a ‘before and an ‘after’—effects of the corporate sector and a nation that has changed on account of technology and exposure to foreign cultures while at the same time retaining respect to its roots and traditions. He also realizes that globalization has instilled and raised the levels of optimism and ambition in people. His observations on contemporary India are
from the perspective of an individual who hails from India but who has lived all his life in America. He travels throughout the country suggesting that changes have taken place in a major way. His interaction with Mr Mukesh Ambani who heads the Reliance group of industries indicates that there are entrepreneurs who have created remarkable business empires. His father, Mr Dhirubhai Ambani laid the foundations of this empire. He hailed from a small village in Gujarat called Chorwad; and was extremely diligent. With no qualifications and no money he rose to great heights of success. His is the typical rags-to-riches story that has inspired many. Giridhardas states “In an age of massive government enterprises, secure salaried jobs, and asphyxiating controls on private enterprises, Dhirubhai swam against the current” (102). Step by step, he emerged as one of the greatest business tycoons in India. The Reliance Company has entered into foreign partnership like the Calgary-based Niko Resources (Dobson 102). So, connections between Canada and India have taken place, thanks to not only the political negotiations but also because of the interactions taking place between human capitals of the two countries. Unless, there is sympathetic and clear communication between people, deals cannot materialize. The industries set up by the Ambanis have contributed immensely to India’s growth and their success has been referred to by Nilekani, Luce and Shashi Tharoor. Through real stories of ambition and business, these writers actually encapsulate the transformations that are taking place in India and readers can relate and situate these episodes to the larger question of globalization and monetary benefits. The Ambanis epitomize business acumen and economic growth by having created abundant employment opportunities.
Giridhardas makes a critical remark when he points out that the city Hyderabad in India is called “‘Cyberabad’, because of the dozens of global technology companies that had set up operations in glass-encased palaces throughout the city—Microsoft, Google, Oracle, Dell, Deloitte, Motorola, and others” (142). It is a known fact that languages get enriched with new ideas and change. “Cyberabad” (142) is one such interesting example. The English language has been fed and nurtured by new vocabulary from various languages and cultures. The bringing together of two ideas, that of ‘cyber’ and the existence of a city ‘Hyderabad’ indicates the extent to which technology can affect regions and people’s perceptions. The ancient city of Hyderabad has been influenced by a new terminology from science and technology. The persuasion of technology and computers is so powerful that it propels people into coining another name for their place. This is no ordinary happening. The tsunami of technology has engulfed people and nation in its sway. People think about it and wonder how they can be a part of it. This implies that they are ready to penetrate the process of globalization. It is not hard to see why there is so much of movement of people between Canada and India. There are factors that are common and aspirations that people of both countries are able to connect with. These things are supported by the political setup and laws that have common ideals. All these operate together and simultaneously, to create better understanding.

Giridhardas states “Hyderabad had fixed itself the task of becoming a ‘world city’” (143). Culturally, it is not a very easy transition for any region to be able to accept everything that accompanies globalization. Onslaught of new businesses suggest that there must be sacrifice and adaptability on the part of the people and also the flexibility
to accept new people and new cultures. It is a testimony to the fact that the educated human capital is one of the primary reasons for attracting new companies into the country. It is this suppleness in culture and law that makes it possible to conceive business opportunities. The Indian cultural environment respects diverse cultures and so the exchange with Canada is an interesting phenomenon.

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Now, let us look at a critical dimension of India relating to democratic evolution. It is a matter of fact that a nation is influenced by philosophers, leaders and activists at various times in history and they help shape the trajectory of growth. Ramachandra Guha does exactly this in his *Makers of Modern India* wherein he identifies people who substantially persuaded the thoughts of the Indian masses. Right from Raja Rammohan Roy to Rabindranath Tagore to Nehru and Gandhi who, in fact influenced people worldwide, India has had several thinkers whose ideas echoed across the nation and eventually formed a part of Indian politics and national culture. Ramachandra Guha discusses the leaders and activists, imperialism and democracy in his work exploring national and regional problems afflicting India and how the leaders have tried to solve issues thereby influencing the thoughts and dreams of people. Edward Luce also analyses the tribulations affecting the country and the influence of the colonial period and the subsequent progress as on today. Like Nilekani, Shashi Tharoor and Giridhardas, Luce in his book, *Inspite of the Gods: The Strange Rise of Modern India*, discusses the reasons for the country’s growth and the difficulties that it will have to overcome in order to progress. He identifies India’s highs and lows in its history and the influences on contemporary society and also the democratic formation
that eventually emerged as a political structure after the colonial period. Nilekani
speaks in tune with this idea that “it now finally looks like India has escaped from its
sense of persecution and the limitations of its history” (Nilekani 287).

Democratic regimes in Canada and India are a major factor that can strengthen
relations, both business and cultural. The significance and consequence of
homogeneity in terms of political governments is unprecedented in this matter. For any
country, historical, political, social, cultural and economic events become sources of
national experience and inspiration. Every such event is not just factual but many a
times quite an emotional matter for people. The democratic form of government
renders business and trade transactions easy because of similar values and ideas. This
is something that all these modern thinkers have expatiated at length in their works.

The role of democracy in materializing deals between Canada and India is
immense and alongside this, bilateral business organizations like the Canada-India
Business Council, the Indo-Canada Chamber of Commerce and several others have
been working closely to enhance business prospects. The Canadian Prime Minister,
Stephen Harper after a visit to India in 2009 stated "Canada and India have a
relationship based on shared values of democracy and pluralism and a mutual interest
in expanding trade," (qtd. in Beares 22). Culturally and educationally, this tradition of
mutual exchange, like the Indo-Shastri fellowships for higher studies, has taken place
through collaboration among organizations. Education is a great way of promoting
understanding and specific interests through research. These links enable people to
understand and discover each other because both have strong responsibilities in
realizing shared interests. Special projects, higher education and advanced research in
various disciplines render the process of relationship easy and reliable. There is giving and there is learning. It creates a win-win situation.

Shashi Tharoor in his seminal work *The Elephant, The Tiger and the Cellphones* states that “It is increasingly axiomatic today that the old calculations of ‘hard power’ are no longer sufficient to guide a country’s conduct in world affairs” (22), suggesting that there is an urgent need to investigate channels of interaction and interchange in order to propel countries towards advancement. India’s stress on being a ‘soft power’ in terms of maintaining relations with other countries is a significant one because it stresses dialogue and discussion which constitute the essence of the democratic paradigm. Canada’s political structure is constructed on similar lines with its emphasis on interaction and this actually can ameliorate the process of dialogue between the two nations.

Northrop Frye in his essay “The Cultural Development of Canada” states “…Canada has had a history of compromise and ad hoc agreements, with a fairly constant attempt whatever the lapses, to preserve the rights of both sides. At any rate, Canada seems to impress non-Canadians as a moderate and reasonable country…” (670). This idea is comparable to Tharoor’s idea of India being a ‘soft power’ underlining the common belief that actions and discussions designed to border on the moderate are more effective in contrast to harsh and domineering modes of interaction. It also emphasizes the power of dialoguing and the dramatic changes that it can bring to the process of mutual collaborations. Differences can be sorted out and new paths can be charted. Old problems can be handled maturely to create new opportunities. Conviction on the part of both the nations is favourable in nurturing diplomatic
relations. This is a primary requirement in the case of developing international relations.

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In the event of the increasing number of Indo-Canadians in Canada, it becomes interesting to observe whether they have any political representation at all. In India, multiculturalism is an ancient phenomenon and its society comprises people of differing ethnicities while in Canada, multiculturalism is a state-initiated policy with the objective of administering peaceful relations across society; but when there are people hailing from different countries how they are absorbed into the various spheres of the nation become a matter of importance. In India, a glance at the techniques adopted for political representation of various ethnicities indicates that there are laws to see that there is fairness in such matters. In the context of Indo-Canadians, it becomes pertinent to observe if they have been able to participate. Since, they are an indispensable resource to the development of bilateral association between India and Canada owing to their knowledge of each other, cultures and economic activities, a space for them in the political arena can pave ways for newer deals. The next segment takes a look at this dimension.

**Indo-Canadians in Politics in Canada**

The rising Indo-Canadian population in Canada necessitates a look at the representation of the Indo-Canadian community in the Canadian government since it is critical to understand if multiculturalism is visible even at a political level. This would be an expectation at least by the Indo-Canadians living in Canada since a political entry
would mean that they are allowed to enter all walks of life in a democratic country. Prof. Milton Israel mentions that Gurbax Mahli and Jagdish Bhaduria of Indian origin were elected into the Parliament in Canada. He also states “There were 16 Indo-Canadian candidates (all from Ontario or British Columbia) who competed for office in the 1993 federal election. Three of these (two from Ontario) now sit in the House of Commons” (30). According to Karen Bird “in the 2004 election, ten South Asian Canadians were elected to parliament…” (454) and “Campaign chairs describe South Asians (Sikhs and Ismaili Muslims, in particular) as “legendary organizers”, whose geographic clustering, dense and overlapping networks of religious, social and business memberships, and strong elder-centric culture make them a key community for political mobilization” (Bird 454). Karen Bird compares the Indian and Chinese communities and suggests that the facility of English has helped Indians to penetrate the political arena.

The entrance into the political ring is also because of the fact that the Indians settled in Canada feel more ‘at home’ and that the new country offers them privileges that they can enjoy in their own home country. It is also essential to note that the political entry of the Indo-Canadians can help materialize new projects and deals as they have an understanding of the economics of both Canada and India.

Ryan Touhey states “the Indian diaspora in Canada is becoming increasingly influential politically, lobbying Ottawa and the provinces to seek new trade and investment opportunities with India” (1). The Indian diaspora in Canadian politics can create new schemes thereby providing fillip to the momentum of trade relations. It is
interesting to observe that Hummingbird—an information management company in Toronto indicates that its Indian staff was one of the reasons for its venturing into the Indian market (Walton-Roberts 23). It is easier to connect between the two nations as it involves greater levels of trust. The implication is that immigrants can create channels of exploration of trade networks. Therefore, diaspora is a powerful means to create trade routes. So, if this resource is tapped adequately, they can prove to be very helpful in creating links between Canada and India.

A sense of freedom and belonging are necessary to be able to venture into the political domain. Politics is a very critical department that has the power to engender faith and confidence in the prevalent political structure. At the moment, the number of Indo-Canadians in the Canadian political scene is very small; and there are no women in the existing scenario. It looks like it might take a much longer time and a few more generations to settle in key departments like governance. However, presently the Indian diaspora is taking its first few, though baby steps, in contributing meaningfully to the Canadian political structure.

The various documents that this chapter referred to point out that there has been abundant research on the ascendance of India in the global scenario—that it is rich in manpower resources, that it has developed international relations with several countries of the world and that the Indian population in Canada is growing annually. Repetition of such data and updated data are conspicuous in these documents. Of course, they are useful and indispensable in gathering the general picture of India’s position on the global map and what Canada and India can exchange. However, the
documents also throw light on the absence of Indo-Canadians in the political scene of Canada which could have empowered them to connect with their home country via economics and trade. Instinctually they would have chosen India as their preferred country for business. Bilateral association, in such a scenario, would have received a natural fillip. The lack of research on the Indian diaspora in Canada has obviated the possibility of including them in the bilateral process in a big way. This gap is to be bridged. The next chapter will deal with the importance of a common medium of communication between India and Canada. Language is the basis of association and this facet in a bilateral process will be studied.
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