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# Searching for a mediator to end the Canada-India Cold War



Canada and India urgently need a mediator of mutual trust who will be able to bring them closer together after a significant cooling in relations caused by the murder of a Sikh activist in Canada.

Following the deterioration of diplomatic relations, the termination of visa issuance, and harsh words exchanged between state leaders, the Free Trade Agreement negotiations - from which both major economies had high expectations - were interrupted.

No previously scheduled high-level trade delegation discussions will take place in New Delhi in 2 weeks. The Early Progress Trade Agreement (EPTA), as the first crucial step towards a comprehensive Free Trade Agreement, was the focus of these discussions.

Neither of the governments are changing their positions from those that led to this crisis. Canada is confident that Indian operatives were responsible for the murder of Canadian citizen Hardeep Singh Nijjar, who campaigned for the creation of Khalistan - an independent Sikh state that would break away from India.

On the other hand, India considers such accusations absurd and is angry with the Canadian Prime Minister Justin Trudeau, who presented them in the parliament in Ottawa.

India is also angry with Canada for harbouring "terrorists" and "separatists", which it considers some Sikh activists to be, including the murdered Mr Nijjar.

## The disruption has been ongoing for a long time

Even before Prime Minister Trudeau made public the accusations against India, last week, it was clear there was a critical issue between New Delhi and Ottawa.

During the G20 conference in New Delhi in early September, where their bilateral encounter failed to occur, the Indian Prime Minister Narendra Modi gave the Canadian

Prime Minister a cold, even hostile reception.

Talks on the trade agreement have been on ice since the beginning of September, only to have their new October round cancelled by Canada without explanation.

All this time, India knew about the Canadian accusations, which affected their distancing.

A few days ago, Prime Minister Trudeau, after talking with the President of Ukraine, Volodymyr Zelensky, in Ottawa, said that his government had shared "credible allegations with India many weeks ago".

The Canadian government has shared information about India's alleged involvement in the activist's murder with its closest allies - the US, the UK and others.

One of Trudeau's associates travelled to London instead of home from the G20 summit in New Delhi, most likely to inform the partner British government of the knowledge they have.

But none of the allies managed to smooth over, or at least prevent, the conflict between Canada and India that escalated after Trudeau's statement in parliament. Or, more probably, they could not do it.

## None of the allies want a confrontation with India

The conflict between the two nations comes at a very unfavourable moment regarding the plans of the Western allies, which includes Canada, to build an economic, political and security partnership in the Indo-Pacific with India as a pivot and a counterbalance to the growing and negative Chinese influence.

None of Canada's closest allies have a visible interest in confronting India.

They have been trying to improve trade and security cooperation with New Delhi and have had a positive reaction from India.

Britain and India are deep in Free Trade Agreement negotiations and are trying to complete them before next year when both countries expect parliamentary elections.

Australia and India made this kind of an agreement last year, and thanks to it, Australia has more trade with India than with the US or with its closest neighbour, New Zealand.

The US views India as an indispensable partner in countering Chinese influence in the Indo-Pacific. President Joe Biden said at the recently concluded UN General Assembly that the US has been strengthening arrangements with India within the Quad security coalition, which includes Japan and Australia, calling it a "force for good".

France, a traditional Canadian ally, concluded a major military deal with India this year regarding 26 Rafale fighter jets and 3 submarines.

## Heavy losses to both Canada and India

It is hard to imagine any of the partner nations putting these and other significant deals with India on the line and siding with Canada in the current dispute soon (no more than they have done so far), sticking to verbal demands for a thorough investigation and problem resolution in the dialogue between 2 warring states.

Faced with a lack of enthusiasm from major allies to support him, PM Trudeau has reason to fear internal pressures, given his country's highly developed and extensive ties with India, the disruption of which could severely damage the national economy.

The annual trade exchange (currently about \$10 billion) has been increasing (about 50% in the last year) simultaneously as mutual investments.

Canada, in particular, has a large base of students from India, as many as 300,000, which makes it the largest group of foreign

students (40%), who annually bring about \$4 billion to the Canadian education system.

India cannot count on emerging from the current conflict unscathed either, despite the nationalist Narendra Modi government's firm response to Canada's harsh accusations.

India is currently experiencing a political and economic boom that is unprecedented in recent memory. It recently proved this by hosting the G20 leaders, demonstrating its appeal as a partner to the biggest and most powerful countries.

However, the accusations from an influential democracy like Canada, accusing India of being behind the murder of a political dissident, a Canadian citizen on its territory, is dangerously tarnishing India's image as a democratic and reliable partner.

This case brings India closer to the perception of violent autocracies like Russia or Saudi Arabia, which have a history of assassinating their dissidents abroad.

At a time when it is receiving international recognition as the most populous nation, the one that successfully launched a mission to the moon, and the country that no significant economic or security power wants to or can bypass, India does not want to be a part of that circle.

A potential mediator in the Canadian-Indian conflict, a party of mutual trust, has enough compelling reasons to persuade them to compromise, given the damage they and their allies are already suffering.