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**INDIA-CANADA DIPLOMATIC  
FALLOUT**

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## INDIA-CANADA DIPLOMATIC FALLOUT

### Context

- Recently, the Canadian government named Indian diplomats as **'persons of interest'**, which escalated the diplomatic tensions between India and Canada, leading to a series of expulsions and accusations from both sides.

### India-Canada Relations

- India and Canada share a multifaceted relationship rooted in shared democratic values, cultural diversity, and robust economic ties. However, recent developments have introduced significant challenges, testing the resilience of this bilateral partnership.

### Historical Context

- Diplomatic relations between India and Canada were established in 1947, shortly after India gained independence.
- Over the decades, the two countries have collaborated in various fields, including education, trade, and technology.
- High-level visits and agreements have often marked the strengthening of ties, such as the **six agreements** signed during the Canadian Prime Minister's visit to India in 2018.

### Importance of India-Canada Relations

- **Economic and Trade Relations:** Economic engagement forms a cornerstone of India-Canada relations. Bilateral trade has been expanding, with both countries exploring opportunities in sectors like information technology, pharmaceuticals, and agriculture.
  - ◆ Total bilateral trade in 2023 reached USD 9.36 billion, with significant service trade.
    - **Exports:** Pharmaceuticals, electronic goods, jewelry, seafood, engineering goods.
    - **Imports:** Minerals, pulses, potash, and chemicals.
  - ◆ Canada is also a significant source of **foreign direct investment in India**, and vice versa.
    - Canadian investments in India exceed CAD 75 billion, with over 600 Canadian companies operating in India.
- **People-to-People Ties:** The Indian diaspora in Canada, one of the largest and most influential, plays a crucial role in fostering bilateral relations.
  - ◆ Educational exchanges are robust, with a significant number of Indian students pursuing higher education in Canadian institutions. Largest foreign student demographic in Canada is Indian, with around 427,000 students.
  - ◆ Canada has a significant Indian diaspora (approximately 1.8 million), contributing to its economy and society.
- **Diplomatic and Strategic Interests:** Both nations have strategic interests that align in many areas, such as counter-terrorism and climate change.
  - ◆ However, the current diplomatic row has overshadowed these common goals. High-level dialogues continue, but the path to normalization remains fraught with challenges.

### Recent Tensions

- The diplomatic relations between India and Canada have reached a new low, marked by a series of escalating actions and counteractions and have been simmering for over a year, primarily fueled by the killing of Khalistani activist Hardeep Singh Nijjar in British Columbia in 2023.
- Canada has accused Indian diplomats of involvement, **leading to mutual expulsions** and heightened tensions, and sought to investigate and interrogate the Indian High Commissioner and five other diplomats, naming them 'persons of interest' in Nijjar's killing.
- The Indian government has vehemently denied these allegations, calling them 'preposterous' and politically motivated.
- Both countries have since reduced their diplomatic staff, leading to a significant strain on bilateral relations.

**Do You Know?**

- The term '**persons of interest**' refers to individuals who are believed to have information or involvement in a criminal investigation but haven't been formally accused or charged.
  - ♦ This status allows authorities to keep a closer watch on these individuals without making formal allegations.
- In the context of international relations, labeling foreign officials as 'persons of interest' can strain diplomatic ties, as it may impact their **diplomatic immunity, credibility, and freedom of movement** in the host country.

**DELHI RUBBISHES CLAIM OF ITS OFFICIALS' ROLE**

<p>➤ MEA gets diplomatic communication from Canada 'suggesting that <b>Indian high commissioner and other diplomats are persons of interest</b>' in a probe in Canada</p> <p>➤ MEA '<b>strongly rejects these preposterous imputations and ascribes them to the political agenda of Trudeau gov't</b> that is centred around vote bank politics'</p> <p>➤ Says <b>Canada hasn't 'shared a shred of evidence'</b> and on</p>	 <p>'pretext of a probe, there is deliberate strategy of smearing India'</p> <p>➤ Targeting Indian diplomats is now the 'next step in that direction', says MEA, adds, 'It's no coincidence this takes place as <b>PM Trudeau</b> is to depose before a panel on foreign interference'</p> <p>➤ <b>Canadian charge d'affaires Stewart Wheeler</b>, after being summoned by MEA in Delhi,</p>	<p>tells media that <b>Ottawa has provided 'credible, irrefutable evidence of ties between agents of gov't of India and the murder of a Canadian citizen on Canadian soil'</b></p> <p><b>OTHER INSTANCES OF INDIA RECALLING TOP ENVOY:</b></p> <p>➤ <b>Pakistan (2019)</b> following Pulwama attack</p> <p>➤ <b>Nepal (1989)</b> during a trade &amp; transit dispute</p> <p>➤ <b>Sri Lanka (1987)</b> amidst civil war &amp; IPKF ops</p>
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**Underlying Causes**

- **Political Dynamics:** Canadian government has been accused of leveraging the Khalistani issue to gain political support from pro-separatist groups within Canada.
- **Security Concerns:** India has expressed concerns over Canada's alleged leniency towards individuals and groups it considers to be violent extremists and terrorists.
- **Extradition Requests:** India has shared multiple extradition requests with Canada, including those related to criminal gangs, but claims that no action has been taken.

**Implications**

- **Bilateral Relations:** The expulsion of diplomats and the reduction in staff could lead to a significant slowdown in diplomatic and consular services, affecting citizens of both countries.
- **International Image:** The ongoing spat could impact India's image on the global stage, especially if allegations of overstepping by Indian intelligence agencies are proven.
- **Economic Ties:** Trade and investment between the two countries could suffer as a result of the deteriorating diplomatic relations.

**Conclusion and Way Forward**

- India-Canada relations are at a critical juncture. While historical ties and mutual interests provide a strong foundation, recent events have introduced significant complexities. Moving forward, both nations need to navigate these challenges carefully to restore and strengthen their partnership.
- As the situation unfolds, it is crucial for both India and Canada to navigate this diplomatic crisis with caution. While it is imperative for India to defend its diplomats and national interests, it must also ensure transparency and accountability in addressing the allegations.

Source: TH

**Mains Practice Question**

- [Q]** How does the India-Canada diplomatic crisis reflect the evolving dynamics of global power relations and the complexities of managing bilateral ties between democratic nations with divergent geopolitical interests?