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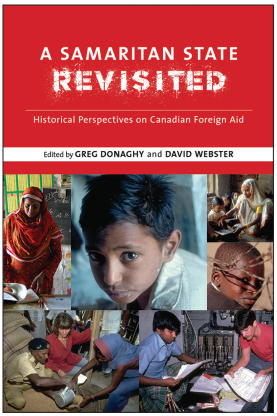

A SAMARITAN STATE REVISITED: HISTORICAL PERSPECTIVES ON CANADIAN FOREIGN AID

Edited by Greg Donaghy and David Webster

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Encounter and Apprenticeship: The Colombo Plan and Canadian Aid in India, 1950–1960

Jill Campbell-Miller

"Canada launched her development aid programme in 1950 with virtually no policy aim beyond a lively anti-Communist instinct and an exhilarating vision of a free, multi-racial Commonwealth."[1] So reads the memorable first line of Keith Spicer's *A Samaritan State?: External Aid in Canada's Foreign Policy.* Fifty years after its publication, Spicer's work remains essential reading for anyone interested in Canada's early aid program. The worn bindings and marginal notes of copies in university libraries across Canada attest to its enduring importance.[2] Valuable though it is, after fifty years it is surely time to re-examine the early years of Canadian aid, especially the premise of this slightly cynical opening line. When Spicer published *A Samaritan State?* in 1966, the Canadian aid program was only fifteen years old. While Spicer questioned the motivations for giving aid, he was not cynical about the ideological project that underpinned this aid: development. As Stephen Brown argues in this volume, despite Spicer's realism, he "strongly believed in the value of the Canadian aid program."[3] For Spicer and his generation, the belief in aid for development was not just an entrenched part of Canadian foreign policy, it was a worldview that saw former colonies as primitive blank slates, ready to "take off" into a future of prosperity.[4]

When Spicer wrote his book, at the start of the UN "development decade," the idea of development itself had yet to undergo the persistent, and at times vicious, criticism by Marxists, postmodernists, retired development professionals, and others that lay in the decades ahead. Critics from dependency and postmodernist schools of thought describe aid as part of an ongoing project of Western hegemony, directing and controlling the lives of the powerless that it aims to help. Spicer, alongside many of his contemporaries, had yet to consider these critiques, believing that development in the "Third World" was both achievable and essential. Locked in the grip of what anthropologist and political scientist James C. Scott has termed "high modernism,"[5] academics and policy makers throughout the Global North and South believed that countries in the ever-expanding post-colonial world required support from richer countries to achieve technological "progress" and economic growth. Canada's decision to join the Colombo Plan for Co-operative Economic Development in 1951 was a relatively early expression of this belief, as were other efforts such as the UN Expanded Programme of Technical Assistance, as David Webster shows in Chapter 2.[6] When Canada and other Commonwealth members decided on a plan to "provide a frame-work within an international co-operative effort . . . to assist the countries of the area to raise their living standards," they created a program that invested in a certain vision of modernity.[7]

Spicer pokes fun at the broad policy aims that inspired Canada's early "development aid programme." But the Canadian government's commitment to and knowledge about aid in 1950 was even more tenuous than Spicer realized, in ways already hard to imagine by 1966. In his chapter, Webster describes the United Nations Technical Assistance Administration (TAA) under Hugh Keenleyside as very quickly adopting an explicit and sophisticated ideological basis for its development programming. The Colombo Plan administration evolved quite differently. In 1950, Canada had no experience with bilateral aid for development in the Global South, no administration to support such an effort, and few qualified personnel to manage such a program. Moreover, the Colombo Plan's originators believed it to be a temporary program. Simply put, while Canada committed to six years of Colombo Plan funding in 1951, it is only in retrospect that it can be said that Canada "launched her development aid program." The work of the program itself and the encounter with recipient governments

in those first struggling years transformed Canada into the donor country that Spicer recognized by the 1960s.

This was particularly true of Canada's aid relationship with India, where Canada directed approximately half of its Colombo Plan aid during this era. Elites in Prime Minister Jawaharlal Nehru's government believed just as fervently in the ethic of modernizing progress, and not because they were mindless agents of capitalist imperialism or colonial collaborators, as some critics have argued.[8] Instead, caught up in the complicated transition from colony to nation, and engaged in economic planning to spur growth, officials in India's government themselves helped to construct the high modernist worldview as it related to development. As India struggled to break free of the constraints imposed by its colonial economy, the government pursued rapid modernization of its industrial and agricultural sectors and reluctantly sought assistance to achieve this. Though Canada was a relatively minor donor from an Indian perspective, India provided a sort of apprenticeship to Canadian government and business about how to conduct aid programming overseas.[9] Both donor and recipient priorities drove the Colombo Plan, but it was India's economic plans that directed Canada's contributions. Canada built its own emerging bilateral aid program in a conversation with India and India's elites, and in some important ways remained the junior partner within the aid relationship in these early years.

High Modernism, Aid, and Its Critics

Aid programs such as the Colombo Plan were only one manifestation of high modernism. In Scott's view, the middle of the twentieth century witnessed a global peak in faith about the potential of industrial scientific and technical progress. During this era, governmental and non-governmental actors alike adopted an unquestioning adoration of technological solutions to all kinds of economic, social, and political problems. For Scott, high modernism was an ideology that permeated the consciousness of all those seeking to solve the major problems of their day.[10] The "problems" faced by the emerging post-colonial world appeared to lend themselves to technical solutions. The seemingly benighted of the world lacked electricity, "advanced" agricultural practices, and mechanized transportation

infrastructure; development promised to resolve these deficiencies with dams, fertilizers, roads, and other markers of modernity.

While high modernist faith drove the expansion of aid programs during the 1950s and 1960s, by the 1970s the shine had begun to wear off among practitioners, theorists, and, as Ted Cogan explores in this volume, among the general public as well. Beginning in the late 1960s critics, first inspired by the dependency school of thought coming out of Latin America, began to publish excoriations of aid. These criticisms gained further prominence in the 1980s and 1990s, when postmodern academics, disenchanted former practitioners of development, and journalists continued to beat the drum against prevailing aid models. These critics viewed aid variously as an expression of a modern capitalist imperial system, meant to preserve a world order that deprived the Global South in order to enrich the North; as part of an insidious form of cultural and economic power crushing non-Western epistemological systems out of existence; or, more generously, as a misguided and incompetent enterprise that has done more harm than good.[11] They correctly argued that development projects squeezed out other forms of knowledge and other value systems in a totalizing quest to spur economic growth, at disproportionate cost to women, Indigenous peoples, and other marginalized groups.

However, the criticisms themselves were also totalizing. They tended to present categories of donor and recipient in easily identifiable categories—"imperial capitalist countries" versus the "Third World," "Western" hegemony versus "the local," or "the West" versus "the Rest."[12] Such categories may be useful tools of theoretical analysis, but history rarely yields such neat classifications. While the call to be conscious of class, race, gender, and other differentiating factors among those affected by the history of development and aid should be heeded, the importance of leaving room for aberrations and contradictions in the neat story of oppressor versus oppressed is also vital. More recently, neo-Marxist and postmodern scholars, though working from competing perspectives, have inspired more nuanced critiques of foreign aid, focusing on how it has been tied into transnational networks of power that integrate capitalism and militarism to further imperialistic aims.[13] However, they have tended to focus on either the pre–cold war or post–cold war eras.[14] Jerome Klassen has emphasized the ways in which Canadian post–cold war foreign policy has been

captured by state and corporate elites, who, joining with a "transnational capitalist class," support the US-led effort to spread an "Empire of Capital."[15] This chapter borrows from these more complex ways of viewing the relationship between foreign aid and power, and emphasizes the ambiguity of the power dynamic within the Canada-India aid relationship. Moreover, it demonstrates the ways in which capitalist market-driven interests were built into Canadian aid programming from the very beginning.

1950: A New Beginning

In recent years, historians have become increasingly interested in the continuities between pre-war and postwar development. In the case of the United States and the United Kingdom, as well as other imperial powers, these connections are evident. As American historian David Ekbladh has shown, the experience of the Great Depression and the Second World War strongly influenced the shape of American postwar developmental aid.[16] For the newly independent countries emerging after 1945, labelled "underdeveloped" in the parlance of the era, the links to the colonial past are just as obvious, if not even more so. Those working on colonial development policies in the British government used the language of "developed" and "undeveloped" during the interwar years.[17] Former employees of Britain's Colonial Office were overrepresented among the first generation of "development experts" in donor agencies.[18]

In contrast, while firmly embedded in a British Commonwealth and settler colonial mindset that privileged Christian, "Anglo-Saxon" whiteness over other cultures, Canada did not have the same expansive history of external imperial ventures as Europe or the United States. Ottawa had few "colonial hands" within government from which to draw for its new development aid program.[19] When Foreign Minister Lester B. Pearson convinced the cabinet of Prime Minister Louis St. Laurent to join the Colombo Plan, Canada began something unprecedented in its history. Never before had Canada given aid to another government with the expressed purpose of helping to develop that country's economy, outside of a wartime or reconstruction environment.

The Second World War definitively shaped Canada's experience in delivering aid for both military and humanitarian purposes. In all, Canada

provided approximately C$5 billion to the British war effort through Mutual Aid and other forms of assistance.[20] In addition, the Canadian government supplied C$154 million in aid to the UN Relief and Rehabilitation Administration, making it the third largest contributor after the United States and United Kingdom.[21] Canada even provided motor transport, locomotives, and wheat to India during the war, although the government supplied this through its Mutual Aid agreement with the United Kingdom.[22] As others have noted, economic self-interest played a substantial motivating force for the Canadian government, as this aid financed exports of military equipment, manufactured goods, and foodstuffs, driving Canadian prosperity and employment.[23]

While wartime and postwar aid may have positively contributed to the Canadian economy, it also represented a heavy burden on the federal budget, particularly after the country agreed to a C$1.25 billion loan to Britain in 1946.[24] Additionally, St. Laurent's cabinet tended toward fiscal conservatism and classical liberalism, and avoided measures that expanded government unless deemed absolutely necessary, politically or otherwise.[25] No wonder, then, that when Pakistan floated a vague idea for an undefined program of aid for South and Southeast Asia in the months leading up to the January 1950 Commonwealth foreign ministers' meeting in Colombo, the Department of External Affairs rejected it out of hand.[26] Pearson advised the Canadian high commissioner in London, Dana Wilgress, that "you should make it clear that the Canadian Government would not be prepared to encourage the establishment of a new Commonwealth organization for the promotion of economic development and investment."[27] Canadian officials were well aware of the pressures that the postwar economy placed on the government of the United Kingdom. To help fund the war effort it had borrowed massively from the sterling area, the currency system it shared with Commonwealth members, excluding Canada. Now Commonwealth governments, particularly India and Pakistan, desperately needed the UK government to release sterling to fund their own economic recovery, but the cash-strapped UK deferred these releases as much as possible.[28] Officials holding the Canadian chequebook saw danger, in the form of possible further financial commitments, written all over the proposal.

Their suspicions proved correct. During the meetings in Colombo, Sri Lanka's finance minister, Junius R. Jayewardene, and the outspoken

Australian foreign minister, Percy Spender, both put forward proposals for an economic development program in the region.[29] The so-called "Spender plan" would make it "easier for the United States to later participate in some kind of economic assistance plan for Asia," strengthen "the economies of the recipient countries" and help them "to combat the spread of communism," and supply "the sterling area as a whole with a flow of dollars."[30] The newly formed Consultative Committee, the body of officials tasked with overseeing the details of the proposal and later with its operation, fleshed out the scheme during a series of meetings over the course of 1950. Although it was a Commonwealth initiative, the Colombo Plan was really a series of bilateral aid agreements between donors and beneficiary governments.

Despite resistance from within cabinet, Pearson supported Canada's participation in the plan for diplomatic, humanitarian, and strategic reasons.[31] As Pearson advised his most skeptical colleague, Finance Minister Douglas Abbott, the commitment was temporary in nature, because the plan was only to cover a six-year period before sources of private investment would be found, at which point "a much larger programme of economic development could be undertaken without further inter-governmental finance."[32] Abbott felt that Pearson had committed Canada to the plan in Colombo without properly consulting the rest of cabinet. He also believed that the UK was getting too good a deal, not "contributing to the Plan in any real sense." This referred to the UK's intention to simply release sterling to its former colonies—something it needed to do in any case—as its initial major Colombo Plan contribution.[33] Though Abbott's cabinet colleagues largely shared his fiscal conservatism, an increasingly fraught cold war environment made the plan attractive as 1950 progressed. In early 1951, Canada signed onto the plan with an initial C$25 million commitment for the first operational year.

Canada's first large-scale aid commitment to the Global South was made with some hesitation, and was meant to be temporary. Lacking other forms of experience, wartime practices shaped the form that postwar development aid took. In theory, the Department of External Affairs took charge of policy and diplomatic matters related to aid, and the Department of Trade and Commerce assumed responsibility for the actual administrative work,

Figure 1.1
Indian prime minister Jawaharlal Nehru and Canadian fisheries minister James Sinclair chat at the inaugural conference of the Colombo Plan Consultative Committee in New Delhi on 13 October 1953. (Source: Editorial Associates/LAC e999920078-u)

following the interdepartmental practices established by the Mutual Aid Board.[34] In reality, their responsibilities frequently overlapped.

In 1946, the government established the Canadian Commercial Corporation (CCC) to support European reconstruction efforts. After 1950, the CCC also began procuring goods for the Colombo Plan.[35] The emphasis on obtaining Canadian goods and services for Canadian Colombo Plan aid flowed naturally out of wartime conditions. By the time Prime Minister Stephen Harper's Conservative government committed to "untie" aid in 2008, the use of tied aid had been roundly discredited as bad policy for decades.[36] In the immediate postwar era, though, the notion that Canadian aid would be used to purchase Canadian materiel was simply a matter of course. C. D. Howe's Department of Trade and Commerce became the home of the Colombo Plan administration, headed by Nik Cavell. As Greg Donaghy shows in chapter 2 of this volume, in the eyes of decision makers Cavell's background in Britain's colonial forces and as a businessperson with direct experience in Asia made him fit for the role. Though Canada

may not have had the equivalent of a colonial office, the country's strong Commonwealth connections made such "expertise" available.

The close association between Canadian exports and the aid program meant that the practical application of aid was viewed as a logistical problem, primarily composed of managing the transfer of Canadian goods and services overseas. The underlying issue of "underdevelopment" was not a major preoccupation for officials during the early years of the Canadian aid program. As Donaghy illustrates, Cavell and his colleagues knew that aid was more a political than an economic exercise. Speeches and media releases on the Colombo Plan were characterized by a mix of vague expressions of goodwill and an unflinching faith in modernity, emphasizing, for example, the importance of developments in "science, engineering, medicine, and mathematics," the "friendly and constructive cooperation of the Colombo Plan," and the "magic quality" of electricity.[37] In practice, though, officials gave little thought to if and how the program actually impacted these problems. One of the few internal assessments of the purpose of Colombo Plan aid among officials did not come until a full five years into the program, when it was recorded in the minutes of the Colombo Plan Group, the interdepartmental committee overseeing aid matters, that "our main motive in extending aid, within our means, was to help Asian members of the Plan develop along the lines which we ourselves had, without attaching to our assistance any considerations of an ideological nature."[38] Outside of technical preparation, such as feasibility studies, or occasional diplomatic despatches analyzing "lessons learned," Canadian officials rarely connected individual projects to larger developmental goals. Thinking about the problems of and solutions to underdevelopment was left to those actually faced with economic challenges—the recipient countries themselves.

India and the Development Continuum

In India, the concept of economic development, and what was required to create it, emerged from a continuum of previously held ideas that paradoxically arose from both the colonial government and the anti-colonial forces that upended it. A strong component of the independence movement in India had been driven by a sense of economic injustice, as articulated by the "drain theory" championed by economic nationalists since the nineteenth

century. It argued that British colonialism impeded the development of indigenous industry by siphoning off India's wealth.[39] Mohandas Gandhi's idealism may have envisioned an ascetic nation of spinners, but politicians such as Jawaharlal Nehru believed in modernity. A variety of economic planning initiatives, focused on building domestic industries, sprang up during the interwar period, developed by the Indian National Congress (INC) under the guidance of Nehru, the business community, and the government of United Provinces.[40] While little came of these early efforts, historian Nariaki Nakazato argues that substantive economic planning policy measures accelerated within the colonial administration during the Second World War, supported by the Bombay (now Mumbai) industrial elite. When Nehru assumed leadership as prime minister and as chair of the National Planning Commission at India's independence, he took over a process already under way in the colonial government.[41] Economic self-sufficiency was, in Nehru's mind, the only path to long-term political independence. His government's Second Five Year Plan reflected these views, and set out

> to rebuild rural India, to lay the foundations of industrial progress, and to secure to the greatest extent feasible opportunities for weaker and under-privileged sections of our people and the balanced development of all parts of the country. For a country whose economic development was long retarded these are difficult tasks but . . . they are well within our capacity to achieve.[42]

While Canada began delivering aid with little experience or knowledge about economic development planning in the Global South, officials and politicians in India had already been engaged in, or at the very least aware of, such processes for years.

The Colombo Plan

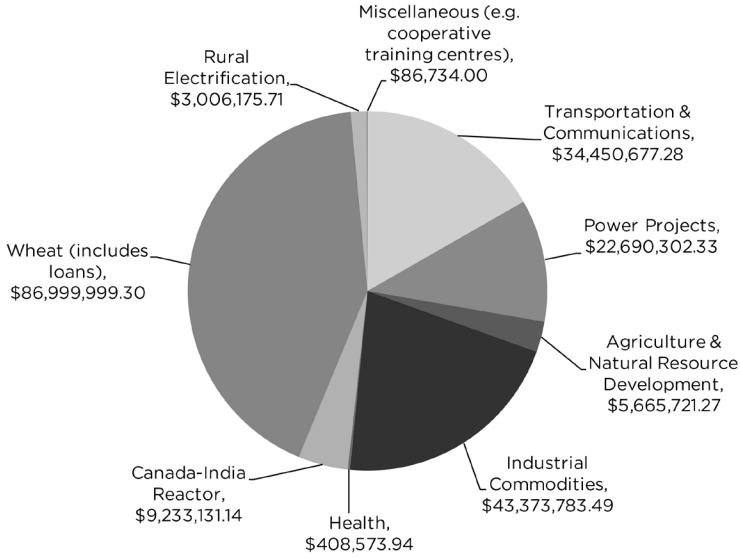
In the 1953 progress report of the Colombo Plan, a document that the Consultative Committee produced annually, St. Laurent's government outlined its modest aid philosophy: "In providing aid to these countries, Canada recognises that they are generally in the best position to know their own

needs and it is therefore left to their initiative to propose projects for Canadian aid."[43] This relaxed attitude characterized Ottawa's approach to the early years of Colombo Plan funding. Of course, recipients did not have an entirely free hand in choosing these projects. The Canadian government had preferences about what type of aid it wanted to fund, based on the principles of enlightened economic self-interest that had guided earlier aid efforts in wartime and reconstruction Europe.[44] For Ottawa, the ideal Colombo Plan project would use Canadian goods, expertise, and have a large public profile. Typically, for instance, when the deputy high commissioner for India, P. K. Banerjee, met with officials at External Affairs to discuss funding in early 1951, he was told that India should select projects "which would bear a distinctive Canadian stamp."[45]

In addition, projects should advance "further economic development (e.g. public utilities such as electric power stations)" rather than simply be "ordinary commercial enterprises."[46] Projects would be judged on the basis of specifics, such as their timeline and urgency, but also by how well they "fit into the over-all plans for development."[47] Maintaining the aid program as specifically *Canadian* was an important consideration for Cavell and other officials in Ottawa, and guided their approach to setting up the norms under which the program operated. Cavell insisted that Canada's approach to aid was unique because it did not expect political ownership over the economic development projects it assisted. Opposing the imposition of an World Bank–style contract that would ensure management by outside engineers on the Umtru dam in Assam, India, for example, Cavell explained that "I have always tried to give them the impression that we had no desire to coerce them or impose any particular point of view upon them, but wished only to assist them as best we could in our own Canadian way."[48] During the 1950s, Canadian industry fuelled the country's own economic growth by using the bountiful natural resources provided by lands taken from Indigenous communities, whether it was through mining, hydroelectric projects, or expanding agricultural production. Canadian officials felt that the expertise gained by Canadian industries, universities, and governments within Canada was relevant abroad.

India, and other Asian countries participating in the Colombo Plan, wanted fertilizers, minerals, capital equipment for multipurpose dams that would provide both irrigation and electricity, transmission lines, mines,

Figure 1.2
Canadian Colombo Plan Projects and Programs, Fiscal Year 1951/52 to Fiscal Year 1960/61.



and transportation and communication infrastructure. While in the short term many of the goods to achieve these ends had to be imported, governments desired economic self-sufficiency. To attain this, they wanted to explore for oil and minerals, and build factories that supplied capital-intensive industries, such as cement and steel plants, with less of an emphasis on those that produced consumer goods. It is not difficult to see, then, how Canadian objectives for aid could easily be paired with India's developmental goals (see Figure 1.2). Canada had an interest in showpiece projects such as electricity generating facilities, while recipient countries had an interest in projects that would further the industrial capacity of their economies.

The colonial development and planning mentality that predated Indian independence helped inform the government's early post-independence initiatives. Many of the same Indian Civil Service functionaries who had served the colonial regime continued on with the government. Political

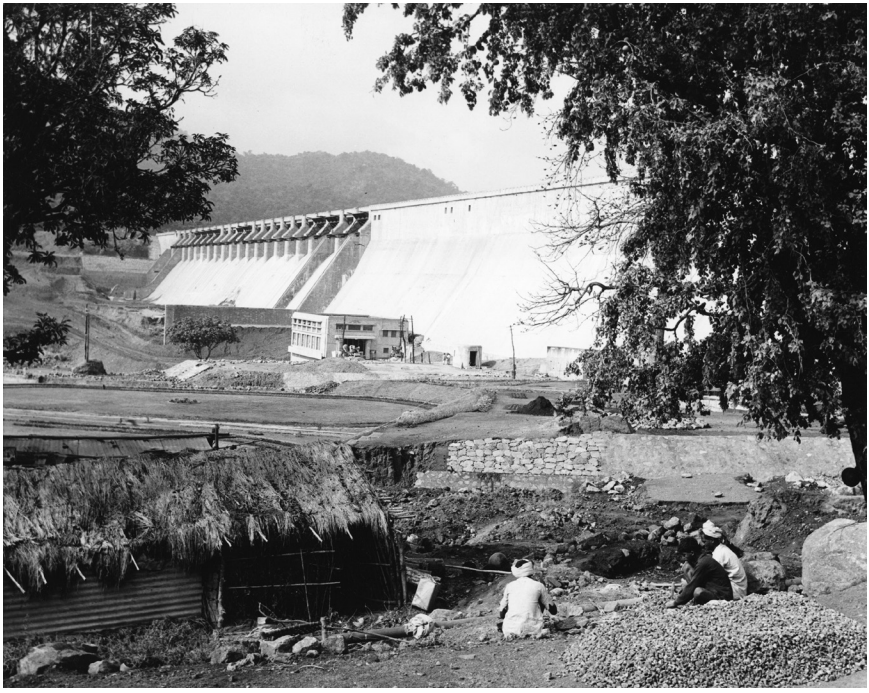


Figure 1.3
Canada Dam, Mayurakshi, India. (Source: National Film Board/LAC e999920073-u)

scientist Albert H. Hanson describes the First Five Year Plan, published in 1952, as not so much a "plan" as a collection of projects already under development.[49] Indeed, the first major project funded by Canada actually predated independence. The Mayurakshi project, a dam that Canada funded in West Bengal between 1953 and 1955 and eventually took the name "The Canada Dam," dated back as far as 1927.[50] Early aid efforts blurred the line between colonial and post-colonial. "In one Asian country," Spicer wrote of the lingering colonial attitudes he encountered on a visit to the region, "a local Canadian aid administrator expressed the view that some consultants—not necessarily Canadians—only 'drank gin, copied the old British Army reports, and recommended extensions of their own contracts.'"[51]

The other major component of Colombo Plan funding was in the form of technical assistance, or technical cooperation as it was also known. Although technical assistance did not cost nearly as much as capital-intensive

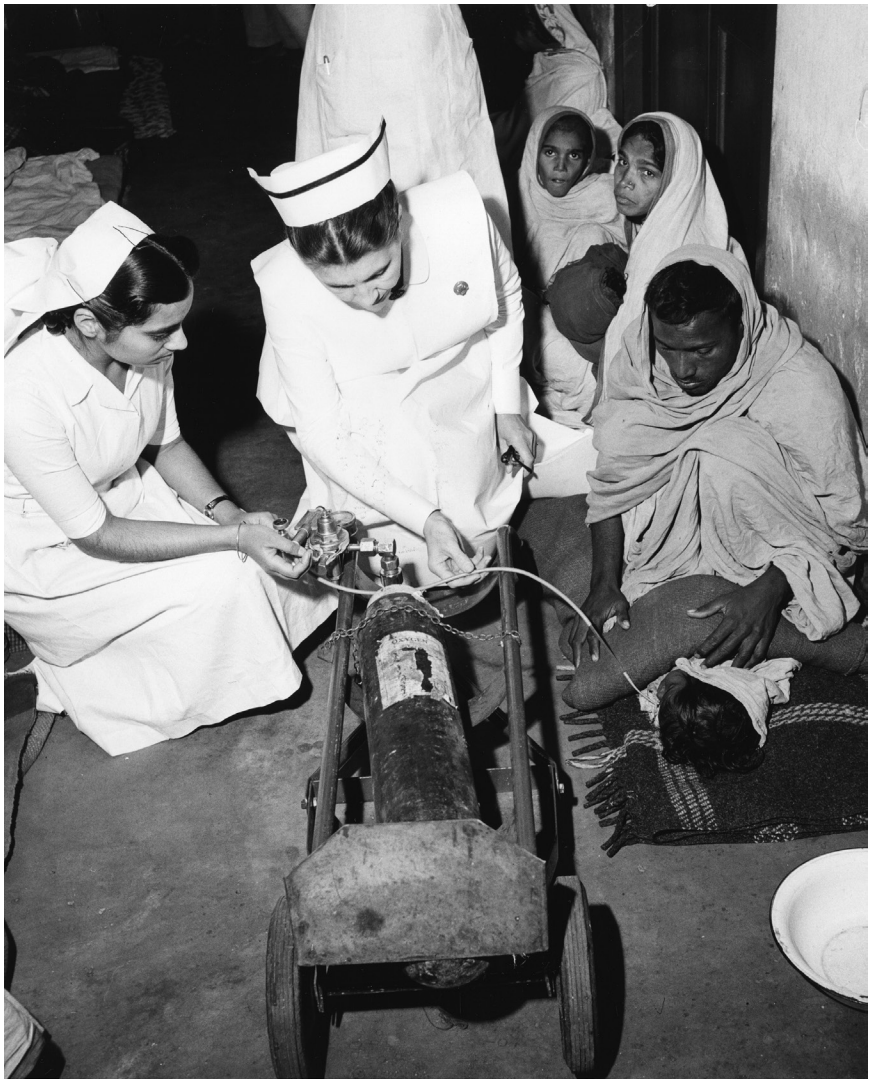


Figure 1.4
An unidentified Indian student nurse gives oxygen to an ill Indian child under the supervision of Canadian nurse Kay Feisel, an educator at the Nurses' Training School of the Patna Medical College Hospital. (Source: Richard Harrington/National Film Board/LAC e999920076-u)

projects such as hydroelectric dams, it did require a great deal of effort and planning.[52] It also represented the greatest part of the cross-cultural exchange that occurred between Canada and India under the Colombo Plan. Technical assistance relied on Canadian institutions receiving Colombo Plan trainees, or Canadian "experts" going abroad to do in-country training. Canada provided training in the fields of public health and medicine, agriculture and fisheries, cooperatives, education, engineering, business, and other practical fields. Citizens of India received training in these subjects as well as public administration and finance, mining, accounting, law, and geology.[53] By 1960, 106 Indian nationals had come to Canada for training and 43 Canadians had been sent to India as experts.[54] The priorities of both donor and recipient are obvious in the statistics about technical cooperation listed by the tenth annual report of the Colombo Plan: "Over the past ten years some 19 per cent of Colombo Plan trainees coming to Canada have studied various branches of engineering, another 14 per cent have been engaged in some aspect of training in agriculture and 13 per cent have taken training in some branch of medical or health services."[55] Canada also trained a number of Indian engineers on the operation of the Canada-India reactor.

Encountering India

The Canadian and Indian governments broadly agreed about the purposes of the Colombo Plan and the types of projects suited to it. Though the Canadian government generally followed India's lead by responding to its developmental plans, Canada's role as donor necessarily gave it a place of privilege within the aid relationship. Canada was privileged but not always powerful, because while Canada and India shared a broad understanding about the purpose of the Colombo Plan, they did not always agree on the specifics. The early history of Canadian aid is littered with examples of negotiation, compromise, and push-back from Indian officials who did not believe that their role as recipient automatically made them subordinate.

India made this position clear right away. Canada's first contribution to the Colombo Plan in 1951 came in the form of a C$10 million grant of wheat.[56] Food aid did not necessarily fit with Canada's aid preferences, but it was easy to deliver, plentiful, and supported by the public. Further,

it could be justified as an economic development tool by Canada through the use of counterpart funds, the practice of generating revenue by selling commodities locally and then designating the profits for Colombo Plan projects.[57] Initially, India happily accepted wheat, as it displaced the need to spend precious foreign exchange on basic commodities. The government was so eager to have the grain, in fact, that in March 1952, India asked to have the entire 1952–53 Colombo Plan program delivered as wheat, as had been the case during the hastily planned first year.[58] Canada demurred, as this did not fit with its overall goals, and encouraged Indian officials to make requests for capital equipment. The Indian government made its opinions on the issue known as the spring and summer progressed, quietly declining to ask for capital equipment. When Canada tried to force the issue by unilaterally announcing that it would only spend C$5 million on wheat, Indian officials pushed back. Paresh Chandra Bhattacharyya, the head of Colombo Plan programming in New Delhi and future governor of the Reserve Bank of India, complained not just about the lack of wheat but also about Canada's failure to listen to India, ignoring "the advice and needs as presented by the Indian government."[59] Though India failed to raise the $5 million allotment, the Canadian government also made no progress on planning for the 1952–53 program until the fiscal year was over, setting them a year behind. Even without Bhattacharyya's letter, officials in India made their message clear: they were not in a hurry to accept Canadian aid if it did not fit with their own priorities.

As the years passed, India grew even more confident in asserting its aid priorities. Sometimes the government made its interests known through delay and obfuscation. Other times it used pressure tactics; for instance, Nehru's government used diplomatic needling to convince a reluctant Ottawa to sign onto the World Bank Aid India Consortium in 1958. In other cases, New Delhi simply used direct negotiation, as during discussions about the final agreement for the Canada-India reactor, which Canada only uneasily signed in 1956 after it became clear that the deal would not move forward unless they made concessions to India over fuel management.[60] While Canada was always in control of the aid it granted to India, it could not be said that it was always in control of the aid relationship.

Canadian and Indian officials and employees also clashed with each other at the project level. Minor problems included delays in communication,

or miscommunication, hardly surprising given the distance between governments and the comparatively slow and expensive communication systems used at the time. More significant problems included project delays, budget overruns, problems with and mistrust between Canadian and recipient government personnel, and a sense among local officials that they were being pushed out of decision-making processes, either by their own central government, or by Canadian consultants, or both.

Entrenched colonial assumptions coloured reports by Canadian staff, both in government and the private sector, often portraying local personnel as untrustworthy, slow, and inept. At the Mayurakshi project, for instance, Canadian engineering consultants and mission officials were quite suspicious of the local administrator, a Mr. R. Banerjee, with, as it turned out, justifiable reason. When a local Canadian mission official, C. E. McGaughey, asked to see some of the tree-cutting activity necessary for the project, he was warned off by Banerjee due to "extra-ordinarily belligerent bears" in the area. McGaughey walked through the site anyway, drily noting that he found "no sign of tree cutting operations, or incidentally, of bears."[61]

The distrust and dismissiveness shown by McGaughey toward Banerjee was not isolated to the sometimes troubled Mayurakshi project, however. In 1958 John Teakles, a mission official in New Delhi, reported on the stalled Calcutta Milk Scheme that Canada supported alongside the United States, the Netherlands, and New Zealand.[62] Project delays were clearly due to Canadian content requirements. "No formal request has been received from India to date," admitted Canadian officials privately, "since there has been considerable difficulty in determining exactly what equipment Canada could provide within this allocation."[63] Ottawa eventually agreed to provide coal-fired boilers, but by then, Canada no longer made them![64] Typically, though, Teakles unfairly concluded that the fault lay with local officials, due to their "disturbing propensity for sudden changes in plans."[65]

The Colombo Plan understandably presented many challenges, and no doubt many of these challenges originated within India, but Canadian officials rarely admitted fault for contributing to problems even when their efforts clearly fell short. Canadian staff erred seriously during the installation of the Canada-India reactor in Trombay. Though the reactor is infamous today for enabling India's 1974 "peaceful nuclear explosion," at the time it was better known within government circles for its cost overruns and

construction delays. This, in part, forced Atomic Energy of Canada Limited (AECL) to fire the Canadian project manager overseeing its construction. Incredibly, given the sensitive nature of the project, an AECL representative confessed to Canadian High Commissioner Chester Ronning that the former manager lacked "sufficient training and experience" and that the company had not investigated his background thoroughly enough.[66]

Impact on Canadian Business

Pearson initially promised Abbott that sources of private investment would displace governmental aid. Not surprisingly, given the state of India's economy during the 1950s, this did not come to pass. However, the Colombo Plan was a major factor in bringing Canadian business to India, and South Asia in general, at least in the field of engineering consultancy. The Colombo Plan provided a direct incentive for companies to expand into India, since the Canadian government paid them to do so. For example, the Montreal Engineering Company first went to South Asia as a result of the Colombo Plan, undertaking work on the Umtru and Kundah hydroelectric projects in India and an extension of the Inginiyagala hydroelectric plant in Sri Lanka during the 1950s and 1960s.[67] During the 1960s, the company worked directly for the Department of Atomic Energy in India as consultants for the Rajasthan nuclear power project (RAPP-1), and also for the Canadian General Electric Company which built the KANUPP nuclear plant in Pakistan.[68] In 1969, W. J. Smith, the vice-president of the Montreal Engineering Company, wrote Maurice Strong, head of the Canadian International Development Agency, to highlight the role that Canadian aid had played in bringing that firm into South Asia, and India in particular:

> This work has resulted in this Company having a large staff with extensive experience on Indian projects, including some twenty-five supervising engineers, twenty resident engineers (electrical, mechanical and civil), as well as the Chief Engineers and management personnel. . . . Throughout all this work, we have gained a good understanding of the problems of India and a real feeling of desire to help in the development of the country as much as we can through the medium

> of engineering. We have trained many Indian engineers in our Company, both on the projects mentioned as well as other Colombo Plan trainees and, since early 1967, have been running a branch office in Bombay, developing Indian engineering talent there in the nuclear power design field.[69]

While more work remains to be done on this aspect of Canadian aid history, it is certainly the case that the Colombo Plan was an important factor in giving international experience to certain major Canadian companies.

Conclusion

On the eve of the UN's development decade of the 1960s, new multilateral initiatives drew Canada away from the independent Commonwealth path that it had followed during the 1950s. These initiatives included the World Bank–led Aid India Consortium in 1958, the establishment of the International Development Association and the Organization for Economic Co-operation and Development in 1960, and the creation of the World Food Programme in 1961. Aid was going global.

Despite Progressive Conservative prime minister John Diefenbaker's attempts to keep the Commonwealth at the core of Canadian policy after 1957, it was already fading in importance. The Colombo Plan's declining value was reflected in the government's decision in 1960 to transfer administrative responsibility for aid from Trade and Commerce to a new independent agency with a global outlook, the External Aid Office (EAO). Under Herb Moran and his successor, Maurice Strong, the EAO was eventually transformed into the Canadian International Development Agency, whose modern and global ethos submerged the old Colombo Plan. As Spicer wrote wistfully on the anniversary of Canada's twentieth year in the plan in 1970, it "no longer excites among Canada's official philanthropists the sense of pioneering wonder that challenged their ministerial predecessors at the inaugural meeting in January 1950."

Yet the plan's influence over Canada's bilateral aid program had been immense. The architecture of Canadian official development assistance was originally constructed to support the modest aims of the Colombo Plan. Of the Colombo Plan recipients, India had the greatest impact on Canada.

India's economic trajectory was marked by a curious mix of its colonial experience and the desire to reject that history. Its economic planning initiatives focused on heavy industry, transportation, and natural resource development, areas where Canadian business had particular expertise. For its part, the Canadian government, on the heels of giving aid during and after the Second World War, saw no contradiction between helping out and helping themselves. It preferred to focus on large capital assistance projects that used Canadian knowledge and highlighted Canadian beneficence. As the 1968 Colombo Plan annual report explained, "Canadian assistance to Colombo Plan recipients has reflected the capacity of Canada to respond to the needs of recipient countries and in particular there has been a concentration in those fields where Canadian technological experience, gained in many cases through the development of Canada itself, has been of special value." These types of projects suited the shared focus on industrialization and economic self-sufficiency that marked the economic planning efforts of India. And this approach was largely welcomed by both donor and recipient, though tensions and problems existed at both the bilateral and project level. Though colonial and racist attitudes may have given Canadian officials an illusion of control, their Indian colleagues never submitted easily to donor priorities that conflicted with their own objectives.

The bilateral aid program that the Colombo Plan created focused on economic growth to the exclusion of almost any other consideration. It was a conception of development that flourished in an era of high modernism, when an absolute faith in technological progress encouraged the belief that "man-made" problems had "man-made" solutions. Though modernism still remains a pervasive worldview, its reputation has sustained some serious damage. As development theorists have shown, its patriarchal and elitist logic failed, or refused, to see that such "progress" frequently disproportionately harmed women, minorities, and other oppressed groups. Yet this mentality was not necessarily a product of a "First World" imposing its vision on a subservient "Third World." The aid relationship between Canada and India demonstrates that it was a shared collaboration of elites. When it came to issues of economic development in a post-colonial context, Canada had little experience in such matters and took its lead from India itself. Though Canada, as donor, maintained control over its aid disbursements, India's government frequently challenged and negotiated with Ottawa,

forcing Canada to tailor aid to Indian needs. The "exhilarating" vision of an anti-Communist, multi-racial Commonwealth that inspired the Colombo Plan may have indeed been a shallow one. However, in cooperation with, and often following the lead of, beneficiaries such as India, Canada built an aid program that provided a foundation for later and larger efforts.

Notes

1 Keith Spicer, *A Samaritan State?: External Aid in Canada's Foreign Policy* (Toronto: University of Toronto Press, 1966), 3. The author would like to extend thanks to the Social Sciences Research Council and the Shastri Indo-Canadian Institute for their assistance in funding the research for this piece.

2 The same can be said for what can arguably be considered its companion work, David R. Morrison's *Aid and Ebb Tide: A History of CIDA and Canadian Development Assistance* (Waterloo, ON: Wilfrid Laurier University Press, 1998).

3 See Chapter 13.

4 The phrase "take off," of course, was popularized by Walt W. Rostow in *The Stages of Economic Growth: A Non-Communist Manifesto* (Cambridge: Cambridge University Press, 1960).

5 James C. Scott, *Seeing Like a State: How Certain Schemes to Improve the Human Condition have Failed* (New Haven, CT: Yale University Press, 1998), 4.

6 The year that many scholars commonly associate with the Colombo Plan is 1950, because the initial idea emerged from the first Commonwealth foreign ministers' meeting in January of that year. Though cabinet members continued to express reservations about the program until late in the year, by December most were resigned to commitment. However, Canada did not publicly commit to the Colombo Plan until February 1951, and the government made the fiscal year of 1951–52 the first full year of the program's operation. For an overview of this timeline, see John Hilliker and Donald Barry, *Canada's Department of External Affairs,* vol. 2: *Coming of Age, 1946–68* (Montreal: McGill-Queen's University Press, 1995), 83–85.

7 Consultative Committee, *The Colombo Plan for Co-operative Economic Development in South and South-East Asia, Progress Report* (New Delhi: October 1953), 3.

8 See, for example, James Petras and Henry Veltmeyer, "Age of Reverse-Aid: Neoliberalism as a Catalyst of Regression," *Development and Change* 33, no. 2 (2002): 281–93. Petras and Veltmeyer are inspired by earlier critiques of the imperialist nature of aid developed by Teresa Hayter, *Aid as Imperialism* (Baltimore: Penguin, 1971) and Harry Magdoff, *The Age of Imperialism: The Economics of U.S. Foreign Policy* (New York: New York University Press, 1969), 117.

9 The same could be argued, though to a lesser degree, of its relationship with Pakistan, which was also a significant recipient of Canadian aid during these years.

10 Scott, *Seeing Like a State*, 4.

11 Classic examples include Hayter, *Aid as Imperialism*; James Ferguson, *The Anti-Politics Machine: Depoliticization and Bureaucratic Power in Lesotho* (Minneapolis: University of Minnesota Press, 1994); William Easterly, *The White Man's Burden: Why the West's Efforts to Aid the Rest Have Done So Much Ill and So Little Good* (New York: Penguin, 2006). For a helpful overview of some of the key thinkers in dependency theory, see M. A. Mohamed Salih, "Samir Amin," Roberto Sánchez-Rodríguez , "Fernando Henrique Cardoso," and Michael Watts, "Andre Gunder Frank," in David Simon, ed., *Fifty Key Thinkers on Development* (New York: Routledge, 2005), 20–25, 61–67, and 90–96 respectively. Reflection of the type of Marxist and dependency theory–inspired critiques of Canadian aid made by many academics and practitioners in the 1970s and 1980s can be found in Robert Carty and Virginia Smith, and Latin America Working Group, *Perpetuating Poverty: The Political Economy of Canadian Foreign Aid* (Toronto: Between the Lines, 1981); for an overview of post-modern critiques of development, see Wolfgang Sachs, ed., *The Development Dictionary: A Guide to Knowledge as Power* (London: Zed Books, 2010).

12 Terms used variously by Teresa Hayter in *Aid as Imperialism*; Arturo Escobar in *Encountering Development: The Making and Unmaking of the Third World* (Princeton, NJ: Princeton University Press, 2012, originally published 1995); and Easterly in *White Man's Burden*.

13 The difference between the two centres mainly on the role of the state in imperialism. Though Michael Hardt and Antonio Negri's influential *Empire* (Cambridge, MA: Harvard University Press, 2000) did not contemplate foreign aid, its approach predicted a turn away from state-focused critiques and a turn toward a decentralized view of imperial power with implications for critics of foreign aid. For a neo-Marxist approach, see Mark Duffield, *Global Governance and the New Wars: The Merging of Development and Security*, 2nd ed. (London: Zed Books, 2014).

14 For example, the chapters in Mark Duffield and Vernon Hewitt's *Empire, Development and Colonialism: The Past in the Present* (Suffolk, UK: Boydell and Brewer, 2009).

15 Jerome Klassen, *Joining Empire: The Political Economy of the New Canadian Foreign Policy* (Toronto: University of Toronto Press, 2014), 6, 62. Michael Bueckert argued in 2015 that the merger of CIDA with the former Department of Foreign Affairs and International Trade represented a shift away from the autonomy that had allowed CIDA to resist attempts to fully integrate capitalist class interests into foreign aid policy. "CIDA and the Capitalist State: Shifting Structures of Representation Under the Harper Government," *Studies in Political Economy* 96, no. 1 (2015): 3–22. In this way, the newly merged structure, if not its programming, harkens back to the early Colombo Plan efforts. See also Jill Campbell-Miller, "'Leveraging the Synergies' or a Return to the Past?" The Decision to Do Away with CIDA," 4 April 2013, Activehistory.ca, http://activehistory.ca/2013/04/leveraging-the-synergies-or-a-return-to-the-past-the-decision-to-do-away-with-cida/.

16 David Ekbladh, *The Great American Mission: Modernization and the Construction of an American World Order* (Princeton, NJ: Princeton University Press, 2010), 40–113; Michael Adas, a historian of technology, articulates a similar theme in *Dominance by Design: Technological Imperatives and America's Civilizing Mission* (Cambridge, MA: Harvard University Press, 2006).

17 Stephen Constantine, *The Making of British Colonial Development Policy, 1914–1940* (London: Frank Cass, 1984), 9.

18 Joseph Hodge, *The Triumph of the Expert: Agrarian Doctrines of Development and the Legacies of British Colonialism* (Athens: Ohio University Press, 2007), 207–53.

19 For more on how race thinking affected Canada's international relationships, see Laura Madokoro, Francine McKenzie, and David Meren, eds., *The Dominion of Race: Rethinking Canada's International History* (Vancouver: University of British Columbia Press, 2017).

20 Hector Mackenzie, "Sinews of War and Peace: The Politics of Economic Aid to Britain, 1939–1945," *International Journal* 54, no. 4 (Autumn 1999): 649.

21 Robert Bryce details the rather complicated mechanisms by which Canada provided this aid to India in Robert B. Bryce, *Canada and the Cost of World War II: The International Operations of Canada's Department of Finance*, ed. Matthew J. Bellamy (Montreal: McGill-Queen's University Press, 2005), 170–72.

22 Bryce, *Canada and the Cost,* 262.

23 Hector Mackenzie, "The Path to Temptation: The Negotiation of Canada's Reconstruction Loan to Britain in 1946," *Historical Papers/Communications historiques* 17, no. 1 (1982): 196; Hector Mackenzie, "Sinews of War and Peace: The Politics of Economic Aid to Britain, 1939–1945," *International Journal* 54, no. 4 (Autumn 1999): 648–49; Susan Armstrong-Reid and David Murray, *Armies of Peace: Canada and the UNRRA Years* (Toronto: University of Toronto Press, 2008), 29.

24 Mackenzie, "The Path to Temptation," 218.

25 Greg Donaghy, *Grit: The Life and Politics of Paul Martin Sr.* (Vancouver: University of British Columbia Press, 2015), 101–2.

26 Secretary of State for External Affairs (SSEA) to Canadian High Commissioner, telegram, 20 December 1949, Douglas LePan Papers, vol. 2, file 11, Library and Archives Canada (LAC).

27 Ibid.

28 The same telegram noted that the problems faced by underdeveloped countries in the Commonwealth were partly as a result of dollar deficits in the sterling area, but also "arises, in large measure, from the overall deficits of certain members of the sterling area. These deficits are being financed by the United Kingdom at the cost of a great strain on her economy." See also B. R. Tomlinson, "The Weapons of the Weakened: British Power, Sterling Balances, and the Origins of the Colombo Plan," in *The Transformation of the International Order of Asia: Decolonization, the Cold War, and the Colombo Plan*, ed. Shigeru Akita, Gerold Krozewski, and Shoichi Watanabe (London: Routledge, 2015), 34–49.

29 Ademola Adeleke, "Ties Without Strings? The Colombo Plan and the Geopolitics of International Aid, 1950–1980" (PhD diss., University of Toronto, 1996), 31.

30 Canadian Delegation to SSEA, Minutes, 17 January 1950, L. B. Pearson Papers, vol. 22, file Commonwealth Foreign Ministers Conference – 1950 – Colombo Conference, LAC.

31 Pearson outlines these in a letter to Douglas Abbot dated 17 January 1951 in Douglas LePan Papers, vol. 2, file 13, LAC.

32 Ibid.

33 Arnold Heeney to Pearson, 11 January 1951, Douglas LePan Papers, vol. 2, file 13, LAC.

34 Bryce, *Canada and the Cost,* 152.

35 Armstrong-Reid and Murray, *Armies of Peace,* 78. After 1968, the CCC also became the point of supply for the Canadian International Development Agency. Canadian Commercial Corporation, "Our history in foreign aid delivery," http://www.ccc.ca/en/partners/sourcing-supply-for-stabilization-and-reconstruction/our-history-in-foreign-aid-delivery.

36 The OECD's Development Assistance Committee (DAC) led this initiative. Organization for Economic Cooperation and Development, "Untying Aid: The Right to Choose," http://www.oecd.org/dac/untied-aid/untyingaidtherighttochoose.htm.

37 These quotations are from the notes of a speech given by Canadian diplomat George Hampson at the opening of the Mayurakshi Dam, one of the major dam projects that Canada contributed to during the 1950s in India. "Notes for a Speech by Mr. George Hampson, Messanjore [*sic*], West Bengal, December 16, 1956," 14 December 1956, RG 25, file 11038-1-2A-40, LAC.

38 "Colombo Plan – Second Meeting, October 24th," 25 October 1956, RG 19, vol. 3868, file 8321-03, LAC.

39 J. V. Naik, "Forerunners of Dadabhai Naoroji's Drain Theory," *Economic and Political Weekly* 36, nos. 46/47 (2001): 4428–32.

40 Nariaki Nakazato, "The Transfer of Economic Power in India: Indian Big Business, the British Raj and Development Planning, 1930–1948," in *The Unfinished Agenda: Nation-Building in South Asia*, ed. Mushirul Hasan and Nariaki Nakazato (New Delhi: Manohar, 2001), 247; A. H. Hanson, *The Process of Planning: A Study of India's Five-Year Plans, 1950–1964* (London: Oxford University Press, 1966), 35–36.

41 Nakazato, "The Transfer," 265–70.

42 National Planning Commission, *Second Five Year Plan* (New Delhi, 1956), xiii–xiv.

43 Colombo Plan Consultative Committee, *Second Annual Report of the Consultative Committee, The Colombo Plan for Co-operative Economic Development in South and South-East Asia* (New Delhi: October 1953), 77.

44 Armstrong-Reid and Murray, *Armies of Peace,* 39.

45 A. F. W. Plumptre for SSEA, 29 March 1951, reprinted in Greg Donaghy, ed., *Documents on Canadian External Relations* (*DCER*), vol. 17:*1951* (Ottawa: Canadian Government Publishing, 1996), 567.

46 A. F. W. Plumptre, "Colombo Plan Aid to Pakistan and India," 27 March 1951, reprinted in *DCER* 17:1951, 566.

47 USSEA to High Commissioner of India, 23 July 1951, reprinted in *DCER* 17:*1951*, 578.

48 Nik Cavell to A. E. Ritchie, 7 May 1954, RG 25, vol. 6579, file 11038-1-2B-40, LAC.

49 Hanson, *Process of Planning*, 89.

50 R. R. Saksena to A. D. P. Heeney, and attached letter No. D.9830-BII/51, 18 March 1952, RG 25, vol. 6577, file 11038-1-40, LAC.

51 Note 5 in Spicer, *A Samaritan State?,* 128.

52 For example, in India between 1950 and 1968 the cost of technical assistance accounted for just 1.07 per cent of the total aid funding it received from Canada. Central Secretariat Library (New Delhi), Ministry of Finance, *External Assistance, 1967–68* (New Delhi: Government of India, 1968), 30.

53 This summary is based on the Colombo Plan Consultative Committee's annual progress reports for the period under review.

54 Consultative Committee, *The Tenth Annual Report of the Consultative Committee of The Colombo Plan for Co-operative Economic Development in South and South-East Asia. Commemorative Issue to mark the Tenth Anniversary of the Colombo Plan* (Kuala Lumpur: November 1961), 190.

55 Consultative Committee, *Tenth Annual Report of the Consultative Committee of The Colombo Plan*, 216.

56 Consultative Committee, *Progress Report*, 78.

57 This is what External Affairs explained to a somewhat doubtful auditor general, Watson Sellar, when called upon by the Auditor General's Office to explain how food aid could be considered aid for economic development. See R. A. MacKay to Watson Sellar, 5 January 1954, RG 25, vol. 6578, file 11038-1-40, LAC.

58 High Commissioner for Canada in India to SSEA, Letter No. 430, 20 March 1952, RG 25, vol. 6577, file 11038-1-40, LAC.

59 P. C. Bhattacharyya to R. R. Saksena, 10 October 1952, RG 25, vol. 6577, file 11038-1-40, LAC.

60 For more information, see Jill Campbell-Miller, "The Mind of Modernity: Canadian Bilateral Foreign Assistance to India, 1950-60" (PhD diss., University of Waterloo, 2014), 191–203.

61 High Commissioner for Canada in India to SSEA, Letter No. 1540, and attached "Memorandum for the High Commissioner," 16 November 1955, RG 25, vol. 6579, file 11038-1-2A-40, LAC.

62 High Commission for Canada in India to the Under-Secretary of State for External Affairs (USSEA), 8 March 1955, RG 25, vol. 7343, file 11038-1-14-40, LAC.

63 D. F. Alger to R. W. Rosenthal, 8 November 1957, RG 25, vol. 7343, file 11038-1-14-40, LAC.

64 Note for File 11038-2-12-40, 1 May 1959, RG 25, vol. 7343, file 11038-1-14-40, LAC.

65 High Commission for Canada in India to USSEA, 8 March 1958, RG 25, vol. 7343, file 11038-1-14-40, LAC.

66 High Commissioner for Canada in New Delhi to USSEA, Letter No. 353, 28 April 1958, RG 25, vol. 5414, file 11038-1-13-40, LAC.

67 Jack Sexton, *Monenco: The First 75 Years* (Montreal: Monenco, 1982), 145–48. It is not surprising that C. D. Howe was a former professor and long-time friend of Denis Stairs, President of the Montreal Engineering Company and the consultant who travelled to Assam to evaluate the feasibility of the Umtru project. Sexton, *Monenco*, 22–23; Nik Cavell to Denis Stairs, 16 November 1953, RG 25, vol. 6579, file 11038-1-2B-40, LAC.

68 Sexton, *Monenco*, 179–85.

69 W. J. Smith to Maurice Strong, 29 May 1969, RG 74, acc. 1980-81-102, box 59, pt. 2, LAC.