



CUTS International *Global Affairs*

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The Tense Impasse

India's Worries, the Separatist Tension, and the Chill in Diplomacy

The relationship between India and Canada has been strained in recent years, with tensions escalating over the issue of Sikh separatism. These tensions came to a head in 2020, when Canadian Prime Minister Justin Trudeau attended a rally in support of farmers' protests in India, which some in India perceived as interference in domestic affairs. Further fuelling the fire are the activities of some Sikh separatist groups operating in Canada, accused of fomenting violence and extremism in India.

India-Canada relations took a sharp downturn last year when Trudeau informed Parliament on September 18 about "credible allegations" suggesting a possible connection between Indian government agents and the killing of Canadian citizen Hardeep Singh Nijjar. India vehemently denied these accusations, criticising Canada for its apparent indifference and hypocrisy in allowing its citizens to support Khalistan and promote violent separatism in India. While the Canadian allegations were serious, they initially remained within the realm of diplomacy. However, the situation has now escalated into a deeper political crisis.

On October 14, Canada repeated the allegations, claiming that Indian diplomats were involved in manoeuvring the assassination. As a tit-for-tat for Canada's actions, India recalled six diplomats, including its High Commissioner, and expelled six Canadian diplomats. India also issued a strongly worded—indeed, fierce—statement condemning Trudeau and his political stance. Previously, India had requested Canada to downsize its diplomatic mission in the country. These developments are bound to affect bilateral relations across various areas, including people-to-people exchanges and bilateral trade and business.

Canada boasts a vibrant Sikh community, estimated to be over 500,000 strong. Many Sikhs have integrated seamlessly into Canadian society, contributing significantly to various fields. However, a small fringe within the community continues to espouse the separatist ideology, in India.

While celebrating the festival of lights and joy, we hope that both democracies with strong historical ties promotes stability and security in the region. The Sikh community, both in India and abroad, has a rich history and a proud heritage. They have contributed immensely to both nations.

By focusing on common ground, fostering dialogue, and working towards a peaceful resolution of differences, India and Canada can ensure a brighter future for the Sikh diaspora, where their contributions are celebrated and their voices are heard.

The Indian Canadian standoff is a complex issue with deep historical roots. However, it is not insurmountable. By adopting a pragmatic and cooperative approach, both nations can overcome their differences and work towards a more harmonious relationship. The future of the Sikh diaspora, and indeed the relationship between India and Canada, depends on their ability to find common ground and build a shared vision for the future. However, Canada must be careful if the Sikhs do not end up demanding a Khalistan there.

Wishing you a Diwali filled with endless joy, warmth, and light!

Pradeep S. Mehta
Editor

P.S.: *It was quite evident that during the recent WB-IMF meetings, India's growing global influence its role in multilateral financial reform efforts do not seem to have worked. Because, the G20 experts' recommendations on MDB reforms were very poor?*

Message for our Readers

This is the seventy-ninth edition of the Monthly Brief from the Centre, which carries select published news or comments on a relevant issue. There are equally important issues which may have been missed out to keep the Monthly Brief short and swiftly readable.

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EU and China agree to discuss possible alternatives to EV tariffs

China's commerce ministry criticised the EU's increased tariffs on Chinese electric vehicles, calling them "protectionist" and initiating a WTO lawsuit. China seeks resolution through dialogue, while considering retaliatory measures. EU and China are exploring alternatives like minimum price commitments or investments. Chinese EV shares declined following the announcement.



- [WTO Says Outlook for Goods Trade Is Clouding as Risks Mount](#) | BNN Bloomberg
- [IMF warns world to avoid global trade war](#) | BBC News
- [Agriculture "most problematic" area in India-EU free trade talks, German minister says](#) | Reuters

Strategic Issues

India: Systematic pattern of desecration in B'desh

The Indian government condemned recent attacks on Hindu religious sites in Bangladesh, highlighting a "systematic pattern" of desecration, and urged Bangladeshi authorities to ensure the security of minorities and their worship places. India dismissed claims by Bangladesh's interim chief adviser, Mohammad Yunus, that reports of violence were exaggerated, urging prompt investigation and accountability.



- ['Misrepresents facts, peddles motivated narrative': India slams USCIRF religious freedom report](#) | Livemint
- [Maldives president India visit: 'Will never do anything that undermines India's](#) | WION News
- [PM Gati Shakti set to go global, talks on with several countries](#) | The Times of India
- [Taiwan leader urges calm amid military threats from Beijing](#) | The Wall Street Journal
- [A Nuclear Iran Has Never Been Close](#) | Bloomberg

Energy and Climate



US climate change targets threatened by tech energy surge from AI

PA Consulting's renewable expert said that rising AI-driven energy demand is straining the US electricity grid, impeding climate targets. He noted that current trends place the US further from achieving carbon-free electricity by 2035 than it was several years ago.

(Paywall)



- [The Age of Electricity](#) | DAWN
- [Asia likely to experience nuclear energy resurgence, ABB says](#) | Nikkei Asia
- [India needs to diversify its supply chain for critical minerals: IEEFA](#) | PV Magazine

Geo-Politics



China outpacing India in tech, def production & infra: IAF chief

China's expanding air force capabilities along the frontier have prompted India to bolster forward airbases and expedite indigenous fighter production. Indian Air Force Chief ACM A.P. Singh highlighted India's superior training but lag in military technology and defence production, urging faster delivery from HAL and increased private sector involvement.



- [‘No solution in battlefield’: PM Modi calls for peace in West Asia](#) | The Times of India
 - [India can benefit from current geopolitical complexity, if it plays the game skillfully: Ben Powell, BlackRock](#) | The Economic Times
 - [‘America and Israel have a marriage of power — but the US deep state can change policy’](#) | The Times of India
 - [Why Muizzu’s Maldives needs Indian tourists](#) | Livemint
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IMF warns of \$100 trillion global debt crisis ahead of key finance meetings

Global finance chiefs gathering in Washington face IMF calls to address mounting global debt, projected to reach \$100 trillion, especially driven by China and the US. With public finance warnings across major economies, anticipated shifts in policy and economic data reports will spotlight global fiscal discipline and debt management challenges.



- [Global Economic Leaders Confront a New Era of Industrial Policy](#) | The New York Times
 - [Progress on MDB reforms 'disappointing', says G20 expert group report](#) | Business Standard
 - [The IMF and World Bank are stuck in an underperforming rut](#) | Financial Times
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Japanese atomic bomb survivors win Nobel Peace Prize

Nihon Hidankyo, a Japanese group of atomic bomb survivors, received the 2024 Nobel Peace Prize for promoting nuclear disarmament. Their testimonies underscore nuclear horrors and contribute to maintaining a “nuclear taboo.” This decision, amidst rising nuclear threats, highlights the dangers of nuclear weapons overshadowing current global conflicts.



- [‘Growing AI use raises cyberattack risks, could threaten financial stability’](#) | Livemint
 - [Acemoglu, 2 others win economics Nobel](#) | Bloomberg
 - [With AI warning, Nobel winner joins ranks of laureates who have cautioned about the risks of their own work](#) | CNN Health
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