CHAPTER 4

Canada, Communism, and the Colombo Plan

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In the archives of the Canada Science and Technology Museum are three large rolls of linen paper, held together by wooden slats. They look rather like ancient scrolls (Figure 1). They are, in fact, a set of arrangement drawings for the last steam locomotives ever built in Canada. Delivered in 1955 and 1956, these locomotives were part of the largest order ever received by the Canadian Locomotive Company (CLC) of Kingston, Ontario. The 120 WP 4-6-2 Pacific-type locomotives completed by CLC were not, however, built for use in Canada.[1] They were built for India under the Colombo Plan for Co-operative Economic Development in South and Southeast Asia. Still in existence, but now mostly forgotten, the Colombo Plan was the first organized attempt to enroll Southeast Asia in the Cold War project of Western globalization. Canada played an important role in this project.

Although the concept is greatly contested, it can be argued that there are two basic schools of thought about globalization.[2] The first sees the phenomenon in terms of the "annihilation of distance" resulting from new technologies that make contact and communication between distant regions ever more rapid. Such, for example, were the Western technologies of shipbuilding, navigation, and telegraph that bound India into the British Empire. The story of the Canadian locomotives built for India under the Colombo plan is not a story of this type. Although they might be considered agents of communication, the locomotives delivered by CLC were already obsolete in North America at the time they were ordered. Moreover, they were built as part of

1.
Three rolls of drawings for the 120 Indian WP class 4-6-2 Pacifics built by the Canadian Locomotive Company in 1955 and 1956. CSTMC/STR Collection: Image CLC001.

a plan to make India self-sufficient in rail production, rather than enrolled in global patterns of trade and industry.[3]

A second school of thought sees globalization in terms of social relations, particularly the development of a greater social interdependence and interconnectedness between regions that were once separated by geographical distance.[4] Acknowledging preexisting connections, such as those of India's incorporation into the British Empire, this school sees the dramatic increase in the intensity and fixity of global social interactions as the product of Cold War pressures leading to the increased participation of separate regions in the operations of international capitalism and then to global sharing, or even homogenization, of social and cultural values. Frequently, this second school of thought sees globalization in terms of large-scale historical forces leading to unintended consequences as, for example, in the frequently described growth of multinational corporations leading to the diminishing power of the nation-state.[5]

The story of the Canadian locomotives built under the Colombo Plan is definitely a tale of this second kind, but in many ways a corrective one. The result was definitely an increase

in the intensity, frequency, and fixity of contact between Canada and India, which, apart from their membership in the British Commonwealth, had almost no social or economic relations prior to World War II. The increased postwar contact was also a direct product of the Cold War, in the sense that the Colombo Plan was originally conceived as a way to prevent the international spread of communism. Nevertheless, this early step in the history of globalization was not a matter of global forces leading to unintended consequence for the nation-state. Rather, it was a deliberate negotiation designed to strengthen a nation-state, namely India. Furthermore, although these negotiations were indeed based on a shared language of economics and diplomacy, what is most striking is not the social values shared by Canada and India but the asymmetry of both language and expectations. On one side, the Indian government set out to improve the Indian economy, armed with the language of classical economics and the expectation of an eventual improvement in the Indian standard of living. On the other, the Canadians felt themselves bereft of economic theory as it applied to "underdeveloped" countries and were extremely skeptical about the likely results of Canadian aid with respect to improvement in Indian living conditions.

Where do steam locomotives fit into this picture? If the story of globalization is one of increasing frequency, fixity, and intensity of social relations, the answer is that it was the locomotives provided by CLC that cemented the new global relationship between Canada and India, functioning very much as "actants" in a hybrid network as described in the actor-network theory of John Law and Bruno Latour.[6] Until the provision of locomotives as aid was agreed to, Colombo Plan relations between Canada and India were floundering. Once agreed to, the pattern of the relationship stabilized and became fixed, and the scale of the interaction increased rapidly. This was initially a small initial step in the history of postwar globalization, but it was a step that had a major effect on global history—for it was on the pattern of the WP locomotives provided under the Colombo Plan that Canada also provided India with a nuclear reactor. It was with that reactor that India constructed its nuclear bomb.

The Origins of the Colombo Plan

To understand the genesis of the Colombo Plan in 1950, it will be useful to begin with a brief outline of the most important political and economic development of the previous decade, particularly as they affected South and Southeast Asia.

The place to begin is with the fact that both Canada and the United States emerged from World War II with thriving economies and a globalizing agenda. Focusing on Europe, this agenda aimed at rebuilding the international financial system through the creation of various new institutions and programs. The Marshall Plan is the most famous of these initiatives, but both Canada and the United States also made large direct loans to Britain in order to shore up the British pound. The most menacing challenge to the Canadian and American agenda was the continuing advance of world communism, which saw the installation of Soviet-backed regimes in several Eastern Bloc countries immediately after World War II, followed by a brutal Soviet coup in

Czechoslovakia, the blockade of Berlin, the formation of the German Democratic Republic (East Germany), and the "fall" of China to communism in 1949.[7]

The economies of the various nations in South and Southeast Asia were in an even more dreadful state than those of Europe, having never recovered from the Great Depression before they were further ravaged during World War II. The economic state of both India and Pakistan were further stressed by the dissolution of the British Empire, which led to independence in 1947 but also to partition and war, resulting in the displacement of millions of refugees whose needs had to be taken care of in the midst of a food crisis.[8] A potential bright spot for India and Pakistan was the large "sterling balances" that both countries had built up in London during World War II, which were credits for the supply of military goods and services that Britain was unable to pay for at the time. These large balances, however, led to serious macroeconomic problems for Britain and its former colonies, the central problem being that Britain's postwar economic problems left it still unable to pay its debts or export manufactured goods that it could sell to the colonies for sterling. Instead, Britain and its former colonies were forced to purchase both capital and consumer goods from the "dollar area," meaning Canada and the United States, for the most part. Purchasing such goods meant, in effect, selling sterling for dollars. If not carefully managed, the result could be a sudden devaluation of the currencies of all sterling denominated currencies. This is precisely what happened in 1947 and in 1949, when "sterling crises" led to runs on the pound, threatening to destroy the economies of India and Pakistan as well as Britain.[9]

The sterling balances were of great concern to Canada and the United States because of the loans both countries had made to Britain just after the war. The purpose of the loans was to restore British productive capacity as one step in a larger plan to restore multilateral trade around the world. The repeated sterling crises threatened to undo what Canada and the United States had been able to accomplish so far. From the point of view of globalization, the sterling balances created a financial link between Canada and India, despite the fact that Canada had nothing to do with their creation and essentially no commercial or trading relationships with that country.

As former colonies, Canada and India were linked by social and political relations of a different kind. They were both members of the former British Commonwealth, an organization threatened with collapse when India and Pakistan gained their independence in 1947 and promptly went to war with each other. Not until 1949 was this crisis resolved, with Canada playing an important role by helping to broker the deal that allowed India and Pakistan to remain in a newly constituted "Commonwealth of Nations."[10] The survival of the Commonwealth was an important step in the history of postwar globalization because of its function as an international organization that linked widely separated regions of the world. It provided a forum for discussion of international issues at its annual meetings and a mechanism with which problems could be resolved on the basis of shared history, values, and language. The survival of the Commonwealth is also important because without it there could have been no Colombo Plan. The recently weathered crisis of the Commonwealth ensured that discussion of the initiative took place in an atmosphere of utmost respect for the new sovereignty and dignity of countries like India and Pakistan and an

awareness of the potential fragility of relations between Commonwealth countries. This awareness had a major impact on the way the Colombo Plan was organized.

These elements of the political and economic situation form the essential background to the Colombo Plan, so called because the first of the three meetings that led to the creation of the plan took place in Colombo, Sri Lanka, in January of 1950. In deference to the newly independent former colonies of India, Pakistan, and Ceylon (now Sri Lanka), it was the first meeting of the Commonwealth to take place in Asia. Its main purpose was to provide the foreign affairs ministers of the Commonwealth countries with an opportunity to discuss the world political situation, particularly the Asian situation in light of the communist takeover in China in 1949. However, a second meeting took place at the same time, at which more junior officials were charged with finding a permanent solution for the problem of the sterling balances.[11] In other words, there was initially no "Colombo Plan" on the agenda in Colombo. Nevertheless, an appeal was made by Ceylon for direct economic aid to the area at the political meetings of foreign ministers and was supported by Australia, India, and Pakistan. The appeal led to joint discussions between the senior foreign affairs ministers and the junior economic officials. The result was an agreement to form a Commonwealth Consultative Committee. This committee would meet in Sydney in May to examine the possibilities.[12]

The Sydney meeting proved to be a stormy one, largely because the Australians demanded the immediate commitment of large amounts of emergency aid to the countries of the region, a demand that was strenuously resisted by Britain, New Zealand, and Canada, whose officials had explicit instructions not to agree to anything of the sort. India, Pakistan, and Ceylon supported the Australian position at first but eventually agreed with the British and Canadian counter-argument, which was that the amount of aid actually available from Commonwealth countries was not enough to bring about any significant economic improvement in South and Southeast Asia. For that they needed American dollars. If they hoped to attract the Americans (incidentally easing the problem of the sterling balances by bringing large amounts of American dollars into the sterling area), they would need to create a practical, carefully thought-out plan.[13] It was therefore agreed that a third meeting would take place in London in September, giving the recipient countries time to make a thorough study of their economic situation. At the London meeting, the Consultative Committee presented a detailed report on the causes of the economic problems faced by the countries of South and Southeast Asia and set out a long list of projects for which potential recipient countries could use external aid. The report was approved, and the various delegations returned home to recommend to their governments that the Colombo Plan for Co-operative Economic Development in South and Southeast Asia be supported.[14]

It is relatively easy to demonstrate that one of the main reasons for Canada's support of the Colombo Plan was the need to fight the advance of communism in Asia. From Colombo, for example, Canadian External Affairs Minister (later Prime Minister) Lester Pearson reported his belief that through the proposed Consultative Committee "a great deal may be done not only to solve the problem of the sterling balances but also to shore up our defences in this area against

the tide of Soviet expansionism."[15] On his return home, Pearson told his fellow cabinet ministers that "the programme would be designed both to strengthen the economies of the countries in the area and to help combat the spread of communism."[16] Instructions to the Canadian delegation attending the second meeting in Sydney were also explicit:

> The Delegation should express the concern of the Canadian Government over conditions in South and Southeast Asia. The Government is aware of the urgency of at least making a start in improving the standard of living in such countries as India, Pakistan, Ceylon, Burma, Malaya, Indo China, Indonesia and Thailand if the spread of Communism is to be prevented.[17]

Fighting the spread of communism was on everyone's mind at the London meeting because the Korean War had just started. Canadian delegates were instructed that "the military aggression against South Korea in no way diminished but, on the contrary, accentuated the need for improved economic, political and social conditions in Asia."[18] The delegates reported to Ottawa the general feeling at the London meeting that "the West must take whatever steps were open to it to prevent any further large segments of the Eurasian land-mass from falling under Communist domination."[19]

These developments clearly support theoretical arguments concerning the role of the Cold War in promoting post-World War II globalization. Whereas, prior to 1939, the Canadian government had no perceived interest and no sense of responsibility for living conditions in India or Pakistan, the need to fight communism changed that, creating conditions in which Canada was suddenly interested in committing to a plan to improve the standard of living on the other side of the earth. It is worth stressing the point made by the senior Canadian economic adviser to the three Colombo plan meetings, Douglas LePan, who has written that the establishment of the Colombo Plan marked the first time that the needs of any of the *underdeveloped* nations of the world had ever received comprehensive, detailed attention, and it was the first time that large amounts of financial aid to *developing* countries had ever been considered.[20]

How was financial aid going to help defeat communism? The general idea was that aid would help raise the standard of living of people in countries like India and Pakistan, who would therefore have no need choose communism out of desperation. How was the aid going to raise the standard of living? The answer to this question was more complicated. According to Le Pan, because the question of financial aid to underdeveloped countries had never been considered, the Canadians had no economic theory to guide them.[21] This may have been true, but the real stumbling block Canadian officials faced in answering this question was their own deep skepticism about the likely results of Canadian aid to impoverished countries like India and Pakistan. This skepticism had already shown itself at the Sydney meetings, where it was argued that not even the total amount of aid available from Commonwealth countries would make a difference and only the Americans had the kind of money needed. Such skepticism may also be seen in the instructions to the Canadian delegation, who were ordered to resist all attempts to simplify the

problem of raising the standard of living in the area by treating it as a purely economic matter and to stress that Canada could not even consider the question of economic aid until basic social, cultural, and even corruption elements of the problem had been carefully examined. As the official instruction continued,

> The attainment of higher standards of living and development in South and Southeast Asia must inevitably depend very largely upon the efforts of the peoples and governments themselves. The role of outside assistance can, at most, be one which is directed to the provision of "missing components" which may be most helpful in the carrying out of comprehensive domestic programmes.[22]

In short, the Canadian position was that the people of the region would really have to do it themselves, which would take a long time. In this context, aid could only help make a start by providing at most missing components in the form of technologies that countries like India and Pakistan could not supply for themselves.[23]

If, however, financial aid was going to have so little effect on the standard of living in the short term, how was it going to have any effect on the pressing need to fight communism in the long term? Here, the Canadians were forced into the position that aid would be *symbolic*, signaling to the people and especially the elites of the region that the West was willing to help. It was difficulties that the Canadians had in creating the appropriate symbolic regime that led to the building of the Indian WPs. Before discussing these difficulties, it will be important to look at the Indian situation in greater detail.

India and the Origin of the WP Pacifics

Canadian officials may have felt a lack of appropriate economic theory, but Indian officials had no such problem. Committed to state planning of the economy even before independence, they had done a great deal of formal thinking about what to do and why, drawing on classic capitalist, Keynesian, and Marxist theory. Their thinking was not only expressed in policy documents but embedded into India's formal five-year plans, the first of which began in 1951. These plans naturally placed a great deal of emphasis on agriculture, considering the country was overwhelmingly agrarian yet faced with constant food shortages, but the five-year plans also stressed the production of capital goods and therefore the development of heavy industry as the only way to sustain a permanent increase in the standard of living over time.[24] It was further argued that since only the state had the capital needed to create the necessary industry, direct state ownership of different industries was required, especially the railways.[25]

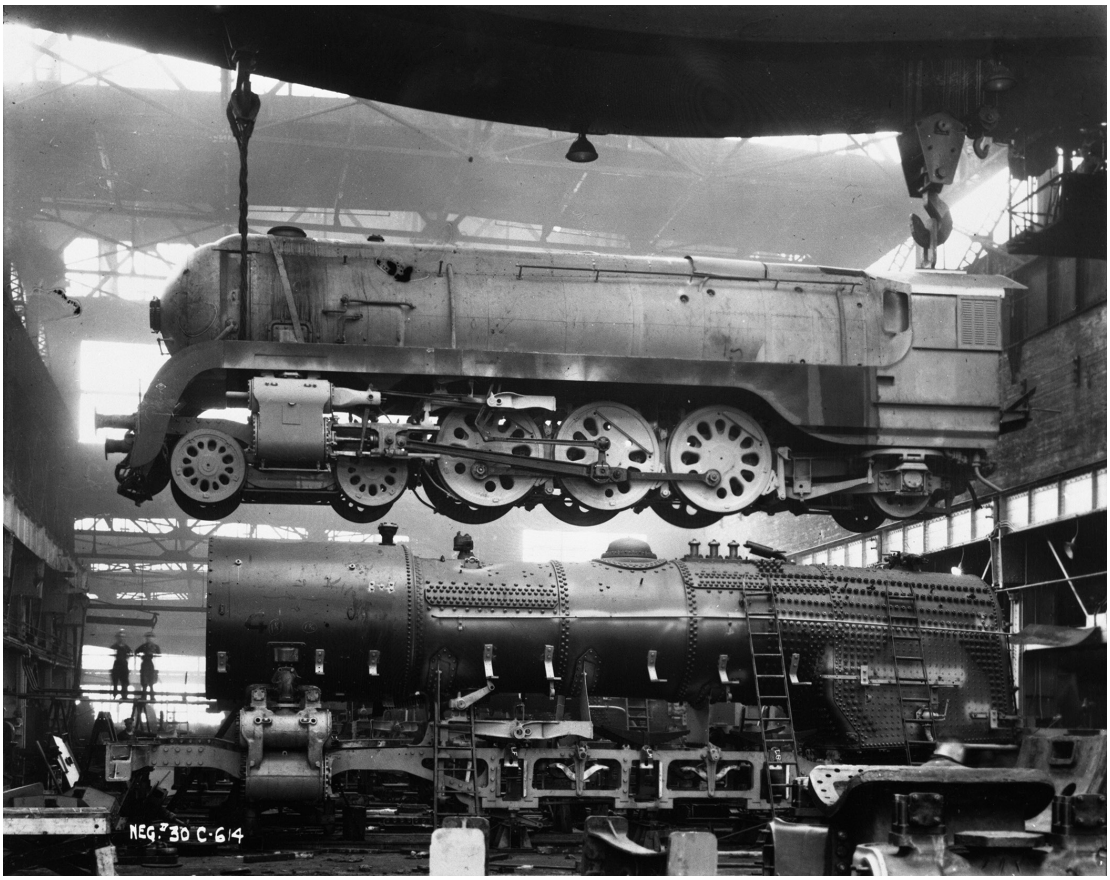
Railways were of crucial importance to India, given that the country possessed neither an extensive system of roads nor an extensive system of navigable waterways. Indeed, at the time of independence, India had one of the largest rail networks in the world. The state of the network was, however, deplorable. One set of problems stemmed from the fact that prior to World War II, most of the lines were owned and operated by individual British interests, which led to the

establishment of literally hundreds of different locomotive classes and the purchase of almost all locomotives from Britain, leaving India with virtually no indigenous building capacity. Another set of problems was the result of World War II, when thousands of miles of track, millions of sleepers, and 30% of all locomotives were relocated either to the Middle East or Burma.[26] Almost no reinvestment in new track or rolling stock took place, leaving postwar India with a system consisting of miles of worn-out track and worn-out rolling stock. Since the capital investment required to build was massive, the existing railway lines were nationalized, then combined into a single administrative system.

Nationalization was accompanied by two further decisions. One was to develop an indigenous ability to construct locomotives and thereby build up at least some of the heavy engineering capacity thought to be needed for long-term economic growth. The second was to standardize railway operations wherever possible, including the design of passenger locomotives.[27] The Indian Government Railways therefore prepared its own specification, then turned to Baldwin Locomotive Works in the United States to complete the design and produce the initial engines. Thus was born the Indian WP class of 1947, where the *W* stood for the wide-gauge Indian track (5 feet, 6 inches), and *P* stood for passenger locomotive.

The decision to build steam rather than diesel locomotives is not perfectly understood. One factor was certainly the fact that India had large supplies of coal but little money to buy foreign oil. Another factor was the idea that steam locomotives were a kind of heavy engineering that India's railways could learn to build quickly. A third may have been the fact that Indian railways had no prior experience with diesels and thus no way to devise a standard diesel locomotive adapted to local conditions, whereas they had a great deal of experience with steam and had already conducted a great deal of research into the kind of standard locomotive needed.[28] The decision to work with Baldwin is easier to explain. Near the end of World War II, the Indian railways were in such bad shape that the only way to keep them running until the struggle with Japan was over was to import hundreds of North American–built 2-8-2 Mikados. Indian officials were impressed with these rugged machines, discovering that many features of American practice were well adapted to the Indian context. A large number of these wartime locomotives were built by Baldwin, which was arguably the world's leading builder of steam locomotives in 1947.

The design completed by Baldwin was based on the 4-6-2 Pacific type, of which many thousands had been built in North America between 1900 and 1945, but nevertheless blended an array of British, American, and Indian features. For example, the WPs had double roofs and high windows that were specifically designed to help crews cope with the tropical Indian heat. They had large American-style "Boxpok" driving wheels, as well as American-style grates and fireboxes, which were able to burn the low-quality, high-ash Indian coal. The normal Pacific-type wheel placement was changed to reduce axle loadings and thereby save wear and tear on the fragile Indian track. British practice was followed with regard to the vacuum and steam brakes, leading bogies, valve gear, rings, linkage gear, and other details, but American practice was followed in making parts that were interchangeable within the WP class and even interchangeable



2.
Indian WP Pacific in the erecting shops of the Canadian Locomotive Company in 1949. The locomotive in the air reflects the streamlining of the WPs. Below is a standardized WP boiler on its frame. CSTMC/STR Collection: Image CSTM STR 34748.

between different classes. For example, the WP boilers, tenders, axle boxes, springs, boiler mountings, valve gears, cabs, and several other components were all designed to be interchangeable with India's new 2-8-2 WG class of freight trains (with the *G* standing for "goods").[29] To sum up, although steam was regarded as obsolete in North America in the late 1940s and early 1950s, steam locomotive engineering actually reached its peak of perfection just after 1945. By turning to Baldwin and borrowing best practices from around the world, India was able to use the most modern steam locomotive technology available in 1947. That they could do so points to a perhaps surprising level of globalization with respect to the steam engineering of the time.

One further borrowing deserves comment, which is the striking bullet-nosed "streamlining" of the WPs, which drew on the German immigrant Otto Kuhler's outstanding design for the Baltimore and Ohio's Royal Blue locomotive of 1937, which was, incidentally, a 2-6-2 Pacific (Figure 2). The streamlined style as adopted by such design luminaries as Raymond Loewy and Henry Dreyfuss was applied to such famous trains as the New York Central Railway's Twentieth Century Limited. Having more or less no effect on performance, streamlining was purely symbolic, sending a message of modernization and progress.[30] The style was extremely popular in the

1930s but, like steam technology in general, increasingly obsolete in North America after 1945. It was not obsolete in India, however, where the bullet-nose streamlining of the WPs was deliberately chosen for its symbolic value, a point made perfectly clear by Indian Ambassador to the United States M. Asaf Ali, who, when taking ceremonial delivery of the first WP from Baldwin in 1947, stated explicitly that the WPs "were streamlined as a psychological factor in publicizing the idea of modernization."[31]

Engines of Stabilization

Given India's continuing need for locomotives and Canada's need to provide financial aid to South and Southeast Asia, it might seem that orders for the WP locomotives from CLC should have been made under the Colombo Plan in 1951. Instead, it took two years for a particular set of problems with the Colombo Plan to become clear to the Canadians. These problems had to do with symbol management. Until they were solved, the new global relationship between Canada and India remained unstable. The WPs were the solution.

A major source of problems was a long delay in getting the Colombo Plan off the ground. One cause of delay was the reluctance of many Canadian cabinet ministers to accept the recommendation of the Canadian delegation to the final Colombo Plan meeting in London and to agree to fund the program. The idea was very popular with the public, but several members of the cabinet believed the country could not afford the expense, given its other international financial commitments to Europe, Britain, the United Nations and NATO. Others argued that the best way to fight communism was to rearm, not waste money on the hopeless economies of India and Pakistan. It took almost five months for External Affairs Minister Pearson to overcome these objections. Not until 21 February 1951 was he able to announce that Canada would participate in the Colombo Plan. The level of spending was set at $25 million for the first year, $15 million of which was to go to India and $10 million to Pakistan.[32]

A second source of delay was continued wrangling over how the Colombo Plan, as what would now be called an international government organization (or IGO), would be organized. Would there be a large or small bureaucracy? A permanent bureaucracy or not? And with what responsibilities? Negotiations involving all the Commonwealth countries took all of 1951 and continued into 1952 before it was decided that the secretariat would be very small and its duties confined to the organization of technical and educational exchanges and to the gathering of data about possible projects to be funded.[33] The secretariat was not empowered to decide *which* projects received funding or to disburse cash since that would appear as if the former imperialist masters, posing as donors, were still controlling the economies of their former colonies. In deference to the sensitivities of the newly independent colonies, it was agreed that all aid would be worked out on a bilateral basis between donor and recipient countries directly.

A third issue to be settled was how aid money was to be managed and spent. On this topic the Canadian government insisted on the use of what were called "counterpart funds," meaning funds established in local currency that were equivalent (or "counterpart") to the dollar value of

the donation and that would be spent on projects agreed to by the donor.[34] Thus, in the first year of the Colombo Plan, Canada agreed to donate $10 million in wheat to alleviate the food crisis India was experiencing at the time. India sold the wheat in local markets around the country, using the proceeds to set up a counterpart fund in rupees. The rupees were then used to help finance the Mayurakshi hydroelectric and irrigation project. Negotiating these financial arrangements took time. India only agreed in June of 1951 and Pakistan in August of that year.

The protracted negotiations helped to create the first of the symbolic problems Canadian officials faced with respect to the Colombo Plan. The public had been told that both the humanitarian and anticommunist need was pressing. The cabinet had been repeatedly told that the best way to fight communism in Asia was make a start on improving the economies of countries like India and Pakistan. Parliament had approved $25 million. Yet, at the end of the first year of the Colombo Plan, 1951–1952, less than half the $25 million had been spent. India got its $10 million in wheat but no more, and Pakistan received no aid at all. It therefore looked like the Canadian government did not really care about conditions in South and Southeast Asia and had not only duped its own people but broken its symbolic promise to the desperate people of South and Southeast Asia. This was not the sort of signal that would convince the people of the region to reject communism, nor was it the kind of issue the government wanted to debate in the House of Commons, which would have to be asked to approve the carryover of unspent money from one year to the next. The cabinet therefore approved a rather extraordinary measure under which the unspent Colombo money was formally "given" to Indian and Pakistan but actually deposited with the Canadian Commercial Corporation (CCC), a Crown corporation originally set up by the government in 1946 to facilitate Canadian exports to Europe through the negotiation of government-to-government contracts. India and Pakistan agreed to designate CCC as their official agent.[35]

The CCC manoeuver eliminated the need for a debate in Parliament but did not solve the main problem. In the second year of the Colombo Plan, 1952–1953, Canada pledged another $25 million and again failed to spend the money.[36] Only $5 million in wheat went to India. Some aid made its way to Pakistan. In total, according to reports, only $18 million of the $50 million approved in the two previous fiscal years had been spent. That left $32 million—more than half.[37]

A major reason for the lack of spending was disagreement with India over what Canada was willing to provide under the Colombo Plan. In accordance with the "missing components" theory, officials expected to provide India with money that India would use to acquire equipment. India wanted more wheat. Canadian officials explained that wheat was one of Canada's most important cash exports and the country could not afford to keep giving it away.[38] Indian officials explained that they preferred wheat that they could sell to create counterpart funds because they could use counterpart funds in a flexible manner. The Canadians expressed their surprise that India was not interested in the Western technology they clearly needed. The Indians replied that they were not able to order Canadian equipment because India had already embarked on its first five-year

plan, under which all orders for capital equipment had already been placed. Adding to Canadian surprise, Indian officials went on to state that Canadian equipment purchased with counterpart funds was generally more expensive than the same equipment they could buy on the world market. This meant that when the cost of the equipment was charged to a particular project, it was more than the project managers had budgeted for, upset the financing for that project, and was therefore actually giving Canada a black eye.[39]

From the perspective of time, it seems almost humorous. Here was Canada offering millions and India refusing to take it. But Indian officials were, in fact, explaining the essence of a second symbolic problem that Canadian officials were also beginning to recognize. As one Canadian diplomat reported,

> I was told in the South that they would welcome aid from us (and God knows they need it, particularly in Madras now in its sixth year of drought) but they hated getting all tangled up in the red tape of the Central Government. In any case, the Central Government makes them pay counter-part funds to the full extent of every nut and bolt, and so they were much happier to get a grant from the Central Government, or to use their own Provincial Funds and buy where they liked, and above all, have complete control over deliveries, co-ordination, etc., etc., which enabled them really to get something done. You will remember the Central Government had almost to beat West Bengal into taking $3 million from us for Mayurakshi electrical equipment. It is the same story in every State: Canadian aid is just a bothersome, restricting and very expensive business to them. It is no wonder that Canada makes no friends from her aid programme.[40]

In short, Canada was not getting credit for what it was doing and therefore not earning the symbolic gratitude required if communism was to be defeated.

Canadian officials responded to this challenge by developing an even stronger desire to deliver capital goods and equipment to India under the Colombo Plan, in accordance with an explicit theory about what they called the "psychological advantage" of doing so. What "psychological advantage" meant was the unavoidable reality of an actual object right in front of a person clearly identified as coming from Canada, making it impossible for that person not to recognize the source and presumably feel grateful, something that was not happening with purchases made in dribs and drabs from counterpart funds. As one internal memo stated in September of 1952, "a contribution in wheat, even though it produces badly needed counterpart funds for use by the Indian Government, lacks the psychological (and possibly commercial) advantages which the provision of identifiably Canadian equipment might have."[41] Exactly the same arguments were made at the cabinet level.[42]

Consideration then turned to the question of what kind of equipment would fit the symbolic bill. The answer was the provision of railway equipment on a large scale, which would have all the psychological advantage one could ask for *and* make it possible to spend all the money voted by Parliament for the Colombo Plan, thereby solving both problems at the same time.

Delivering the Order

India appears to have agreed to the delivery of railway equipment once convinced that the flow of wheat would stop and possibly in recognition of the fact that wrangling over wheat had already cost them $15 million dollars in potential aid over two years. Things then proceeded rather quickly. On 26 March 1953, the Canadian government approved the expenditure of $2.2 million for the construction of forty locomotive boilers from the Montreal Locomotive Works for delivery to India, later adding ten more boilers to the order.[43] On 9 September 1953, the cabinet approved $11 million for the construction of sixty to sixty-five steam locomotives to be built by CLC.[44]

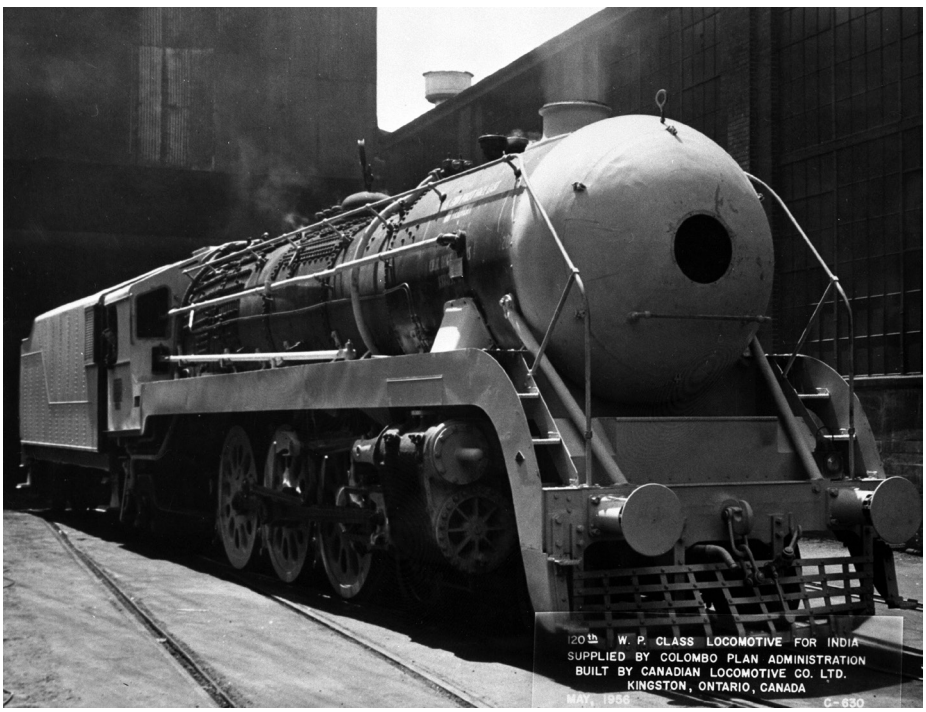
CLC was at that time Canada's oldest locomotive manufacturer, having been in business for more than 100 years. The company thus had a staff with an immense amount of experience in building steam locomotives. It also had experience building locomotives for India, delivering two hundred sixty 2-8-2 Mikados between 1943 and 1950. It even had prior experience with WPs, delivering eighty WPs to India in 1949–1950.[45] One complication was the fact that CLC had been acquired in 1950 by Fairbanks-Morse of the United States, which set out to modernize CLC's product line with an opposed-piston diesel unit for the Canadian market. To make room for diesel production, CLC eliminated much of its heavy steam locomotive engineering capacity, including its boiler shop. This change resulted in higher than expected unit costs for the WPs, which led India to order 120 locomotives in an effort to bring unit costs down. The cabinet approved this doubling of the order on 29 December 1953 at an additional cost of $10 million. Five million in wheat was reluctantly also approved, which meant the government was suddenly able to spend two years of Parliamentary appropriations in advance.

Production of the Indian WPs began as soon as CLC signed a contract with the Canadian Commercial Corporation in March 1954. The first locomotive was shipped from Kingston in March of 1955 (Figure 3). The remainder were completed at the rather astonishing pace of one locomotive every four days.[46] The last WP was completed in September of 1956—the date that the last steam locomotive built in Canada was shipped to India for reassembly by Indian workers (Figure 4).

In India, the WPs were a great success. A total of 755 WPs from all sources were constructed between 1947 and 1967, making them one of the most successful locomotive classes of all time. Of the total, 259 were built in the Chittaranjan Locomotive Works, where India succeeded in building up the heavy engineering capacity called for under its five-year plans.[47] Individually, the WPs proved to be such good locomotives that the last of them was only withdrawn from service in 1996. That was a quarter century longer than CLC, which went out of business in 1969. The WPs also seem to have been successful messengers of modernism, becoming symbols of Indian pride in the 1960s and 1970s when they were used to haul such prestigious passenger trains as the Taj Express, the Grand Trunk Express, the Howrah-Madras Mail, and other "superfasts" (Figure 5).

The WP program was a success for Canada too. It allowed the government to spend all the money appropriated by Parliament for the Colombo Plan, thereby sending the message to India

3.
Dignitaries in Kingston, Ontario, in 1955, attending the delivery of the first of the 120 WPs built by CLC for India under the Colombo Plan. President of the Canadian Commercial Corporation William Low is third from left. High Commissioner for India M. A. Rauf is fifth from the right. Several other CLC and government officials are in the picture. CSTMC/STR Collection: Image CSTM STR 29834.



4.
The last steam locomotive built in Canada was tested in the CLC yards before it was knocked down into sections and loaded on flatcars for transport in 1956. CSTMC/STR Collection: Image CSTM STR 25439.

5.
Canadian built WP #7615 in the Saharanpur locomotive depot in 17 February 1992, after many years of service. Many of the modernist bullet noses of the WPs were painted in bright colors with the Star of India on the front. Photo by Roger Morris - Buriton Wheelbarrow Rail Photos.

that Canada did care about conditions in that country, and it allowed officials to send the kind of capital equipment for which they felt Canada would earn the gratitude of individual Indians whenever they rode the train. To what extent Canada actually earned credit from the WPs is probably impossible to say, but Canadian officials seemed satisfied, which allowed the new global aid relationship between India and Canada to settle into a regular pattern of interaction.

Conclusion

We started this chapter by describing the Colombo Plan as an early step in postwar globalization, taking globalization to be a process of constructing new social relations between geographically distant parts of the world. We have focused on the construction of new relations between Canada and India, showing that the process had little to do with the rise of multinationals, the declining power of nation-states, or unintended consequences brought about by historical forces. On the contrary, it was a deliberate creation of nation-states that was intended to strengthen one of them, namely, India, in the hope that it would strengthen India's resolve in the fight against communism.

The Colombo Plan certainly led to closer ties between the two countries, including forms of social, political, and economic interaction that simply did not exist prior to World War II. It was not inevitable that the new relationship should become fixed. A number of specific practices had to be created, ranging from Colombo Plan studies through Parliamentary appropriations, contracts with Crown Corporations, the creation and use of counterpart funds, and so on. Even so,

two years after the creation of the Colombo Plan, the relationship between Canada and India (at least from the Canadian point of view) was floundering. The heart of the problem was Canadian skepticism with respect to the likelihood that economic aid to India would have any practical effect in the short run. This skepticism led Canadian officials to focus on the symbolic nature of aid and to worry that Canada was not getting the credit for its symbolic gestures.

Skepticism, however, should not be confused with cynicism. As senior Canadian economic advisor Douglas LePan observed years later, historians might dismiss the Colombo Plan as just another Western ploy in the Cold War battle against communism or charge that Canada participated in the plan only to help its own economy or argue that the whole plan was really a form of covert Americanism, designed to bring U.S. influence via U.S. dollars into the sterling area. Against these charges, LePan replied that one of the most powerful arguments made against the Colombo Plan in the cabinet was that the best way to fight communism was to rearm. If it was a matter of Canadian self-interest in boosting its own economy, naysayers would have to explain the fact that the biggest opponent of Canadian participation in the Colombo Plan was the minister of finance. Those who thought it was all about getting American dollars would have to reckon with the fact that Canada announced its support for the Colombo Plan in Parliament before knowing what the Americans would do.[48] LePan's major point was that numerous contingent factors had to be overcome in order to build a stable relationship. This required willpower and the ultimate source of that willpower was a genuine desire to help alleviate poverty in South and Southeast Asia. "We believed," he wrote, "that on a radically shrunken and shrivelled planet, the peoples of the earth could not permanently endure, half rich and half poor. Just like those who thought that there had to be a bridging of the gap between rich and poor inside a country, there was a movement of opinion towards the idea that efforts had to be made to narrow the gap between rich and poor countries."[49] Here is a statement of the globalization of consciousness if there ever was one.

What is interesting from the theoretical point of view is that Canadian officials recognized that they needed a certain kind of technology to stabilize the network of relations they were building, particularly that they needed capital equipment—big stuff. The WP locomotives fit the bill admirably, helping to settle Canada's new global relations with India into a pattern. Once the locomotives were delivered, however, the pattern required more big stuff. Canadian documents show that even before the last of the WPs was delivered, India and Canada were negotiating something bigger still. This was the provision of India's first nuclear power plant, which went online in 1960. This provision of nuclear technology again allowed Canada to spend and even increase the aid given to India under the Colombo Plan and entailed even closer sociotechnical relations. It was also the reactor India used to build its first atomic bomb, adding a whole new dimension to Cold War globalization.

Notes

1. The *W* stands for wide gauge, and the *P* stands for passenger, as designated by the Indian Government Railway. These locomotives had four pilot wheels, six driving wheels, and two trailing wheels and were thus 4-6-2's according to the standard Whyte notation. There is no general agreement as to the origins of the "Pacific" designation; some believe the name arose because

the first two locomotives of this type were ordered by New Zealand railways, and others believe it is because the type was heavily used by the Missouri Pacific in the United States.

2. See the discussion of various views in Bruce Mazlish, *The New Global History* (Routledge: New York, 2006).
3. For a good overview see Albert J. Churella, *From Steam to Diesel: Managerial Customs and Organizational Capabilities in the Twentieth Century American Locomotive Industry* (Princeton, NJ: Princeton University Press, 1998).
4. See, for example, Jürgen Osterhammel and Niels P. Petersson, *Globalization: A Short History* (Princeton, NJ: Princeton University Press, 2003); Karl Moore and David Lewis, *The Origins of Globalization* (New York: Routledge, 2009); Jacques B. Gelinas, *Juggernaut Politics: Understanding Predatory Globalization* (New York: Zed Books, 2003); Eugene D. Jaffe, *Globalization and Development* (Philadelphia: Chelsea House Publishers, 2006).
5. Mazlish, *New Global History*, 32–33.
6. For descriptions of actor-network theory as it might apply to globalization, see Bruno Latour, *Science in Action: How to Follow Scientists and Engineers through Society* (Cambridge, MA: Harvard University Press, 1987); and Bruno Latour, *We Have Never Been Modern* (Cambridge, MA: Harvard University Press, 1993). See also John Law, "On the Methods of Long-Distance Control: Vessels, Navigation and the Portuguese Route to India," in *Power, Action and Belief*, ed. John Law, Sociological Review Monograph 32 (London: The Sociological Review, 1986), 235–263; and John Law, "Technology and Heterogeneous Engineering: The Case of Portuguese Expansion," in *The Social Construction of Technological Systems: New Directions in the Sociology and History of Technology*, ed. Wiebe Bijker, Thomas P. Hughes, and Trevor J. Pinch (Cambridge, MA: MIT Press, 1987), 111–134.
7. For an overview of these developments, see the various essays in Melvyn P. Leffler and Odd Arne Westad, eds., *The Cambridge History of the Cold War,* vol. 1, *Origins* (Cambridge: Cambridge University Press, 2010).
8. Brian Roger, "The State and the Economy of Modern India, 1939–1970: The Emergence of Economic Management in India," in *The Economy of Modern India, 1860–1970,* ed. Gordon Johnson, C. A. Bayly, and John F. Richards, The New Cambridge History of India 3.3 (Cambridge: Cambridge University Press, 1993), 160–165. See also A. Vaidyanathan, "The Indian Economy Since Independence (1947–1970)," in *The Cambridge Economic History of India*, vol. 2, *c. 1957–c. 1970*, ed. Dharma Kumar, Meghnad Desai, and Tapan Raychaudhuri (Cambridge: Cambridge University Press, 1989), 947–995.
9. Douglas LePan, *Bright Glass of Memory: A Set of Four Memoirs* (Toronto: McGraw-Hill Ryerson, 1979), 156–157.
10. See the relevant volumes of *Documents on Canadian External Relations*, an online collection provided by the Canadian Department of Foreign Affairs and International Trade (DFAIT), located at http://www.international.gc.ca/history-histoire/documents-documents.aspx (accessed 15 August 2013). This chapter relies heavily on the repository, but the documents are something of a nightmare to cite, having long and numerous headers, subheaders, multiple titles, multiple dates, and multiple official numbers. All the documents cited in this article are from the annual chapters on Commonwealth Relations. They will be identified as DFAIT. The proper volume and document numbers, date, and a representative title are provided, which should enable scholars to find the citation online, as well as in the original paper volumes.
11. LePan, *Bright Glass of Memory*, 157.
12. LePan, *Bright Glass of Memory*, 99, 173–181. For the official account of the meeting, see DFAIT, vol. 12, 652–654, 21 January 1950, *Meeting of the Commonwealth Foreign Ministers, January 21st, 1950.*
13. LePan, *Bright Glass of Memory*, 195–196. See also DFAIT, vol. 16, 663, 11 May 1950, *Meeting of Commonwealth Consultative Committee for Southeast Asia, Sydney.*
14. For the final report, see the Colombo Plan Consultative Committee, *The Colombo Plan for Co-operative Economic Development in South and Southeast Asia: Report by the Commonwealth Consultative Committee* (London: His Majesty's Stationary Office, 1951).
15. DFAIT, vol. 16-654, 21 January 1950, *Meeting of the Commonwealth Foreign Ministers.*
16. DFAIT, vol. 16-659, 2 May 1950, *Meeting of the Consultative Committee for South and Southeast Asia, Canadian Participation.*
17. DFAIT, vol. 16-659, 2 May 1950, *Instructions for the Canadian Delegation to the Meeting of the Commonwealth Consultative Committee on South and Southeast Asia, to be held at Sydney, Australia, the 15th of May, 1950.*
18. DFAIT, vol. 16-675, 11 September 1950, *Meeting of the Commonwealth Consultative Committee for Southeast Asia, September 25–October 4.*
19. DFAIT, vol. 16-682, 18 October 1950, *Interdepartmental Committee on External Trade, Policy Document.*
20. LePan, *Bright Glass of Memory*, 149.
21. It is worth remembering that the Marshall Plan of 1948 marked the first time in history that massive economic aid had ever been freely given by one country to another. That was money given to developed Western nations to help them get back to their previous level of prosperity. Giving large amounts of money in aid to underdeveloped countries was something brand-new.
22. DFAIT, vol. 16-659, 2 May 1950, *Instructions for the Canadian Delegation to the Meeting of the Commonwealth Consultative Committee on South and Southeast Asia, to be held at Sydney, Australia, the 15th of May, 1950.*
23. For further examples of pessimism about the results of aid, see DFAIT, vol. 16-685, 24 October 1950, *Memorandum to Cabinet*, where it is argued that "in countries like India and Pakistan, however, rapid progress is impossible; indeed the countries themselves do not expect quick results. Whatever progress they make will be slow and painful." See also DFAIT, vol. 17-543, 17 January 1951, *Secretary of State for External Affairs to Minister of Finance*, where Lester Pearson writes, "It is true, of course, that even if the $3 billion can be provided from external sources and if the programme is implemented in substantially the shape that is now proposed, there will not be any dramatic improvement in standards of living in South and Southeast Asia. There will be, for example, an increase of only some 10% in the volume of food grains produced. That is certainly modest enough when the present poverty of the area and the likely increase in population are taken into account."

24. Amal Sanjal, "The Curious Case of the Bombay Plan," *Contemporary Issues and Ideas in Social Sciences 6* (2010). http://journal.ciiss.net/index.php/ciiss/article/view/78/75 (accessed 15 August 2013).
25. Tomlinson, "The State and the Economy of Modern India," 166–180; Vaidyanathan, "Indian Economy Since Independence," 949–957.
26. Jogendra Nath Sahni, *Indian Railways: One Hundred Years* (New Delhi: Ministry of Railways [Railway Board], 1953), 150.
27. Sahni, *Indian Railways*, 98.
28. Sahni, *Indian Railways*, 98–99. For a technical description of the CLC WPs, see "First of 120 Steam Locomotives for India," *Canadian Transportation*, 58 (1955): 169–170.
29. Sahni, *Indian Railways*, 99.
30. Otto Kuhler, *My Iron Journey: An Autobiography of a Life with Steam and Steel* (Denver: Intermountain Chapter National Railway Historical Society, Boulder, 1967); Robert Selph Henry and Otto Kuhler, *Portraits of the Iron Horse: The American Locomotive in Pictures and Story* (Chicago: Rand McNally, 1937); Herbert Harwood, *Royal Blue Line: The Classic B&O Train between Washington and New York* (Baltimore: Johns Hopkins University Press, 2002).
31. "Baldwin Delivers Locomotive to Indian Government," *Railway Age* 123 (16 August 1947): 295.
32. The struggle is described in LePan, *Bright Glass of Memory*, 218–222. For official documents reflecting opposition to the Colombo Plan, see DFAIT, vol. 16-689, 4 October 1950, *Meeting of Commonwealth Consultative Committee for Southeast Asia, London*; vol. 17-543, 17 January 1951, *Consultative Committee Meeting, February 12–20, 1951, Secretary of State for External Affairs to Minister of Finance*; vol. 17-546, 30 January 1951, *Consultative Committee Meeting, February 12–20, 1951, Minister of Finance to Secretary of State for External Affair*; vol. 17-548, 6 February 1951, *Consultative Committee Meeting, February 12–20, 1951, Extract from Cabinet Conclusions*.
33. See, for example, DFAIT, vol. 17-550, February 12–20, 1951 *Consultative Committee Meeting*.
34. DFAIT, vol. 17-563, 23 February 1951, *Aid to India, Pakistan and Ceylon, Minutes of Interdepartmental Meeting*; vol. 17-578, 23 July 1951, *Commonwealth Prime Ministers' Meeting, London, January 4–12, 1951, Colombo Plan Discussions Held in Ottawa June 21st to 28th*; vol. 17-580, 17 August 1951, *Commonwealth Prime Ministers' Meeting, London, January 4–12, 1951, Colombo Plan–Pakistan.*
35. DFAIT, vol. 18-610, 20 March 1952, *Colombo Plan, Arrangements for Carry-Over of Funds*; vol. 18-612, 11 August 1952, *Colombo Plan*; vol. 18-614, 2 September 1952, *Colombo Plan.*
36. DFAIT, vol. 18-650, 14 November 1952, *Colombo Group, Extract from Minutes of Meeting.* "It was reported that apart from the $5 million grant of wheat no funds have been spent or committed for projects in India during the current year."
37. Officials tried to argue that the money had been "committed," even if it had not actually been spent. DFAIT, vol. 20-397, 13 October 1954, *Next Year's Colombo Plan Contribution.*
38. Discussion related to wheat can be followed in a series of documents, including DFAIT, vols. 18-612, 18-640–18-652. See especially DFAIT, vol.19-621, 18 June 1953, *Colombo Plan Assistance to India.*
39. DFAIT, vol.18-651, 8 December 1952, *Record of Discussions with Mr. Bhattacharyya and Canadian Officials*; vol. 19-621, 18 June 1953, *Colombo Plan Assistance to India.*
40. DFAIT, vol.19-608, 27 March 1953, *Colombo Plan, Extract from Letter from Administrator of Colombo Plan to Director, International Economic Relations Division, Department of Finance.*
41. DFAIT, vol. 18-645, 8 September 1952, *Colombo Plan; Memorandum for Under-Secretary of Stale for External Affairs to Secretary of State for External Affairs.*
42. DFAIT, vol. 18-647, 13 September 1952, *Colombo Plan Wheat for India, Extract from Cabinet Conclusion.*
43. DFAIT, vol. 19-620, 26 March 1953, *Colombo Plan: Extract from Cabinet Conclusions*; vol. 19-623, 19 November 1953, *Colombo Plan, Additional Locomotive Boilers for India.*
44. DFAIT, vol. 19-622, 9 September 1953, *Colombo Plan; Programmes for India And Pakistan; Consultative Committee Meetings; Fourth Canadian Contribution.*
45. Don McQueen and William Thompson, *Constructed in Kingston: A History of the Canadian Locomotive Company, 1854 to 1968* (Kingston: Canadian Railroad Historical Association, Kingston Division, 2000), 66.
46. The calculation is given in McQueen and Thomson, *Constructed in Kingston*, 291.
47. Sahni, *Indian Railways*, 105–110.
48. LePan, *Bright Glass of Memory*, 223–224.
49. LePan, *Bright Glass of Memory*, 223.

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