Cold War by “Other Means”: Canada’s Foreign Relations with Communist Eastern Europe, 1957-1963

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Cold War by “Other Means”:
Canada’s Foreign Relations with Communist Eastern Europe,
1957-1963

by

D. Cory Scurr

DISSertation

Submitted to the Department of History
in partial fulfillment of the requirements for
the degree of Doctor of Philosophy in History

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Abstract

Following Joseph Stalin’s death in 1953, Nikita Khrushchev became leader of the Soviet Union and ushered in a liberalization campaign that reverberated outward to certain Eastern European nations. Canadian officials recognized that limited freedom of maneuver was conceded to certain Eastern European nations, in addition to Yugoslavia’s existing independent position. This proved important, as Communist Eastern Europe became a deliberate and considered factor in Canada’s foreign policy. Canadian Soviet policy thus evolved into a Canadian policy towards Communist Eastern Europe, equipped with various nuances. Specifically, this project examines Canadian policy with Yugoslavia, Poland, and the Soviet Union.

By the mid 1950s, a general strategic stasis existed in the Cold War, which led to something of a political balance; as a result, discovering strategies to engage in the Cold War by “other means” became necessary. Prime Minister John Diefenbaker’s Progressive Conservative government was committed to preventing the spread of communism, and this was an integral component of its foreign policy with Communist Eastern Europe.

This dissertation argues Canadian policy towards Communist Eastern Europe during the Diefenbaker-Khrushchev period was not solely driven by traditional geopolitical and geostrategic considerations, but was also concerned with non-military Communist tactics. As a result, Canadian officials pursued closer political, economic, and socio-cultural bilateral relations with select Communist Eastern European countries in order to challenge Soviet hegemony in that region and to combat Eastern European communism generally. Despite the differences among Poland, Yugoslavia, and the USSR, Canada’s broad policy objective was consistent: promote positive relations to expose Communist nations to Western modalities in hopes of lessening communist influence globally. The Canadian government during this period did not have a “grand strategy” that governed its policy with the region. Instead, pragmatism prevailed as a number of ad hoc developments in the fields of economic and cultural foreign relations contributed to the growing sense that Canada was engaged in Cold War diplomacy by “other means.”
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My dissertation committee has played a foundational role in this project. Dr. Alex Statiev's keen eye is always ready to reduce western bias, and his expertise on Eastern Europe and the Soviet Union has proved invaluable throughout this project. Dr. Ryan Touhey's remarkable understanding of Canada's civil service is second to none. Additionally, his encouragement throughout this project has kept me afloat on a number of occasions. A special thanks is also extended to Dr. Leigh Sarty, who graciously accepted to be my external examiner. His role as Director General for Global Affairs Canada, in addition to his expertise on Canadian-Soviet relations, is most welcome. A very special and warm thanks goes to my supervisor, Dr. Kevin Spooner, who has gone above and beyond the call of duty. Proving not only to be an expert in his field, Dr. Spooner is always ready to provide advice and guidance on a number of issues both related, and unrelated, to academia; he is a true mentor, friend, and inspiration.

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Introduction

CANADA’S COLD WAR BY “OTHER MEANS”

By the mid-1950s, Cold War tensions hardened and nuclear stalemate ensued. As historian Larry Collins writes, “victory would no longer be measured in terms of conventional warfare; winning would become too concrete a concept, so the contest would devolve into a constant striving for ‘success’ and the struggle would, in [Prime Minister] Louis St. Laurent’s phrase, become essentially a contest for the ‘minds of men.’”¹ Indeed, as historian Odd Arne Westad argues, the Cold War was an ideological struggle for competing visions of modernity.² Canadian officials believed Canada represented the quintessential good nation: politically able, economically sound, and socially and culturally promising.

It is true that John Diefenbaker was a Cold War warrior, and that Canada under his leadership remained a Cold War nation committed to what contemporaries perceived as the struggle against communism. Likewise, many of the Department of External Affairs mandarins, old and new, were Cold War warriors. In fact, the struggle between democracy and communism, even if oversimplified, was entrenched in the very core of Canada’s Communist Eastern Europe policy. In a speech to the International Junior Red Cross Study Centre, Diefenbaker outlined how advances in sciences contributed to a population boom that would constitute added challenges to mankind. He argued,

men everywhere are demanding new living standards, greater equality of opportunity and the hope of better things, rather than despair which has been the lot of so many through the ages. The greater the population, the greater the need of raising economic standards so that there will be sufficient [resources to meet] the needs of the additional multitudes of mankind.

It is under these circumstances that the battle for the minds of men is taking place between those who believe in freedom under law, and those who contend that communism is the hope of mankind.3

Imbedded in this statement are two important elements: Diefenbaker’s strident anti-communism and fear of communisms potential global spread, and his awareness of the importance of economics to the future of nations. These factors, among others, contributed to Canada’s policy toward Communist Eastern Europe during the Diefenbaker period.

This dissertation focuses primarily on the period Prime Minister John Diefenbaker’s Progressive Conservative government was in office, 1957-1963. Where appropriate, the project considers the actions of the Liberal governments that preceded and followed the PC’s tenure, either for contextual purposes or to demonstrate consistency across administrations, a theme understated within existing historiography. The time frame under examination coincides with Nikita Khrushchev’s time as leader of the Soviet Union, so the Diefenbaker-Khrushchev period will mark this project’s studied period.

Prime Minister Diefenbaker’s PC government was committed to preventing the spread of communism, and this was an integral component of its foreign policy

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3 Department of External Affairs (hereafter DEA), Statements and Speeches (hereafter S & S), 59/26, “The Aims of Capitalism.” Speech by P.M. Diefenbaker to the International Junior Red Cross Study Centre, Toronto, Ontario, 12 August, 1959.
with Communist Eastern Europe. Yet, Canadian officials were dedicated to reducing international tensions through East-West bridge building, increased communication through diplomatic, economic, and cultural contacts, consistent support for détente, and the de-ideologization of Canadian trade.\(^4\) The St. Laurent Liberal government established the general framework for this policy direction, and the Progressive Conservatives, once in power, continued its application. The global strategic stasis that emerged led to something of a political balance; as a result, discovering strategies to engage in the Cold War by “other means” became necessary.

To be certain, this period was not without conflict. In fact, the period witnessed some of the most heated global conflicts in the Cold War, as historian Michael R. Beschloss’ book \textit{The Crisis Years: Kennedy and Khrushchev, 1960-1963} attests.\(^5\) The 1958 Berlin Crisis, which led to the construction of the Berlin Wall in 1961, the 1960 U-2 incident, and the 1962 Cuban Missile Crisis are testaments to the fact that this period was replete with global political and military crises. While Premier Khrushchev and American President John F. Kennedy expressed desire to reduce Cold War tensions, they often clashed on important issues. In June 1961, the two leaders met in Vienna to discuss various issues, including the Berlin question. The talks did not go smoothly. In one instance, Khrushchev told Kennedy “in cold anger” that “American intentions [in Berlin] led to ‘nothing good.’” Khrushchev complained that the US “stripped the Soviet Union of its rights and interests in West


Germany [...] the United States could no longer follow its policy of ‘I do what I want.’” Reflecting on the meeting, Kennedy bemoaned how Khrushchev “just beat hell out of me [...] If he thinks I’m inexperienced and have no guts, until we remove those ideas we won’t get anywhere with him.” The fact that a strategic stasis existed in this period should not suggest that tensions did not run high.

As his biographer, William Taubman argues, “Khrushchev tried bravely to humanize and modernize the Soviet system.” While former Soviet leader Joseph Stalin tried to isolate the country from the West, Khrushchev “tried awkwardly to improve relations with the West. He also attempted to revitalize areas of Soviet life – agriculture, industry, and culture, among other things – that had languished under Stalin.” But, as Taubman also suggests, “too often Khrushchev made a bad situation even worse.” Despite engaging in several summits with Western leaders and co-authoring the partial test ban of 1963, “he also provoked the Berlin and Cuban crises and escalated the arms race he had set out to diminish.”

Still, the death of Soviet leader Joseph Stalin in March 1953 had ushered in a series of important changes in the Soviet Union, which reverberated outward behind the Iron Curtain; Eastern European nations experienced various degrees of liberalization. Canadian officials recognized that limited freedom of maneuver was conceded to certain Eastern European nations, in addition to Yugoslavia’s existing independent position. This proved important, as Communist Eastern Europe

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became a deliberate and considered factor in Canada’s foreign policy. Canadian Soviet policy thus evolved into a Canadian policy towards Communist Eastern Europe, equipped with various nuances.

For Canadian officials, certain Communist Eastern European nations were of more interest than others. In addition to the Soviet Union, Yugoslavia and Poland were seen as viable points where communism might be challenged through non-military means. In 1959, in a speech titled, “Coexistence, The Communist Challenge,” Robert Ford, one of the Department of External Affairs’ (DEA) foremost experts on the Soviet Union with career postings as ambassador to Yugoslavia and the USSR, stated, in the past

Any victories for communism meant victories for the USSR. But already in the present period it is becoming clear that this is no longer strictly accurate. Yugoslavia resisted the thesis that communism is synonymous with the word of Moscow, and still refuses to accept it. [...] And considerable concessions have had to be made for Poland.  

Canadian officials understood potential ramifications to global communism of bloc disintegration and any further departure by Yugoslavia and were eager to exploit any degree of schism within Communist Eastern Europe. The Canadian government pursued closer relations with Poland and Yugoslavia as a way of encouraging their autonomy vis-à-vis the USSR, hoping to provide models for other Eastern European nations to follow. Thus, as a middle power, Canada sought to exercise modest

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influence in this period in an attempt to subtly shift the international balance of power in favour of the West through non-military means.

Former diplomat and civil servant Arthur Andrew states that Canada was “the prototype, if not the inventor, of the middle power concept.” In the minds of many Canadians, the nation “had done its full share in fighting and winning the [Second World] War. All this more than justified its claim to be a ‘middle power.’” Historians Norman Hillmer and J.L. Granatstein accurately state, “if there were no formally recognized middle powers, then the meaning of the term would simply have to be adjusted to reflect what Canada was doing and could do on the world stage.” The idea of a middle power remained imbedded in the minds of Canada’s civil servants throughout the Diefenbaker period, and, as a result, they sought to utilize the concept’s flexibility in multilateral organizations and in bilateral relations with select Communist Eastern European nations.

For the purpose of this study, the Soviet Union, Yugoslavia, and Poland will be examined, since, as will be demonstrated, various Canadian officials centered out these nations as viable points for combating European communism. An investigation of the USSR is fundamental to this project since Soviet actions motivated Canadian officials to rethink their foreign policy direction in Eastern

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10 Arthur Andrew, The Rise and Fall of a Middle Power: Canadian Diplomacy from King to Mulroney (Toronto: James Lorimer & Company Ltd., 1993), x.
12 Hillmer and Granatstein, From Empire to Umpire, 163.
Europe. Additionally, Canadian officials viewed the Soviet Union as the epicenter of international communism.

Yugoslavia, while a committed communist nation, was independent of the USSR (with the Yugoslav-Soviet split in 1948) and was not part of the Warsaw Pact. Since Yugoslavia was a strong proponent of non-alignment, and, as some would argue, the unofficial leader of the movement, Canadian officials saw the nation as a “battleground” from where Canada could challenge European Communism. As Canadian officials saw it, if Canada could help “win over” Yugoslavia, other nations could potentially be influenced to follow suit, attenuating Soviet influence in that region.

Unlike Yugoslavia, Poland fit tightly within the Soviet bloc. Despite Poland’s unbridled commitment to communism, led by Władysław Gomułka, it rejected subservient dependence on the USSR. Thus, Polish authorities wielded a degree of independence that shaped their foreign policy. As a result, Canadian officials sought to cultivate closer relations with Poland to encourage that nation’s independent course. Despite the differences among Poland, Yugoslavia, and the USSR, Canada’s broad policy objective was consistent: promote positive relations to expose Communist nations to Western modalities, in hopes of lessening communist influence globally. A history that addresses this policy framework from a larger regional perspective, covering the USSR, Yugoslavia, and Poland, has yet to be written; the general aim of this project, then, is to fill this void.
This dissertation argues Canadian policy towards Communist Eastern Europe during the Diefenbaker-Khrushchev period was not solely driven by traditional geopolitical and geostrategic considerations, but was also concerned with non-military Communist tactics. As a result, Canadian officials pursued closer political, economic, and socio-cultural bilateral relations with select Communist Eastern European countries in order to challenge Soviet hegemony in that region and to combat Eastern European communism generally. The Canadian government during this period did not have a “grand strategy” that governed its policy with the region. Instead, pragmatism prevailed as a number of ad hoc developments in the fields of economic and cultural foreign relations contributed to the growing sense that Canada was engaged in Cold War diplomacy by “other means.”

This project demonstrates that, during the Diefenbaker-Khrushchev period, Canada pursued a pragmatic, yet rational, policy that marks a decisive moment in Canada’s Communist Eastern Europe policy. Moreover, it highlights how, at times, Canada nuanced its approach to the Cold War. By pursuing closer relations with select countries in this region, Canada created some room for maneuver as a middle power within the alliance constraints of the Cold War, occasionally challenging the Cold War consensus that supposedly governed international power structures. Overall, Canada’s policy towards the superpowers amounted to a sensitive synthesis. Clearly, Canada was committed to the Western bloc and actively contributed to this alliance. Yet, it was committed to moderation in both Cold War
rhetoric and in corresponding actions. By examining Canada’s foreign policy in this region, we de-centre the master narrative that has traditionally suggested the respective blocs deferentially followed the rigid trajectories of their superpower patrons. Additionally, this study suggests the Canadian government pursued a three-pronged approach in the context of its pragmatic policy by “other means,” consisting of political, economic, and cultural diplomacy.

This project builds on and extends more traditional approaches to diplomatic history. In the Canadian historical context, at least until the end of the 1960s, a focus on the foreign policy elite is entirely justified. Foreign policy was undoubtedly shaped to varying degrees by the structural realities of international politics and domestic political considerations, but the power to shape policy in Ottawa was exercised by a relatively select group of individuals. As will be shown, Canadian diplomats – particularly Canada’s ambassadors – worked to nurture diplomatic ties, even during times of Cold War tension. Given this, the study does recognize the particular importance of elaborating an intellectual history of Ottawa’s civil servants’ fundamental beliefs and assumptions. By doing so, it will be possible to

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13 Melakopides, *Pragmatic Idealism*, 42.
trace the degree to which such personal beliefs and assumptions transcended into, and survived as, foreign policy.

In *The Ottawa Men*, historian J.L. Granatstein traces the development of Canada’s civil service from 1935-1957 and argues that a gifted group of mandarins collectively shaped Canada’s policy and steered the country into a new direction by creating a sophisticated economic policy for Canada that recognized the nation needed to trade to survive. He also underscores the fact that the mandarins created a foreign policy for Canada “that was at once nationalist and internationalist, aggressive and responsible, practical and idealistic.”

Granatstein shrewdly insists that this special group of individuals were driven by openness to ideas, which set them apart from the rest of the bureaucracy and determined their reaction to the country’s problems. The study ends at 1957, presumably because that year clearly demarks the end of a long period of Liberal reign. This dissertation suggests the timeline can be extended, with new mandarins added to the list, such as George Ignatieff and Robert Ford.

The progressive thinking and pragmatic policy development that began during the post-war Liberal government continued with the Progressive Conservatives, even as the international situation changed significantly. It is important to recognize that many of the civil servants responsible for policy development during the Diefenbaker years were part of, or at least shaped by,

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16 Granatstein, *The Ottawa Men*, xi.
Granatstein’s “original” mandarins. As such, their commitment to carving out a niche for Canada in world affairs remained strong, pragmatic, and nuanced. Working to engender closer political relations with Communist Eastern Europe, while simultaneously promoting commercial links and cultural exchanges, were methods developed and executed by the Ottawa Men just as consistently before and during Diefenbaker’s time as Prime Minister.

Understanding the fact that many of these individuals believed Canada could and should go beyond traditional geostrategic and geopolitical methods for influencing global affairs is crucial. If this is accepted, then the importance of Canada’s commercial and cultural relations with Communist Europe can be foregrounded and studied as real and significant approaches used to bridge East and West. If developing political relations with Communist Eastern Europe was still in its nascent phase, doing business and pursuing exchanges with these countries was even less developed.

The Canadian government’s second foreign policy prong in this region was developing economic and commercial relations. To many contemporaries, the postwar world witnessed the solidification of the world into two broad ideological camps. On the one side, led by the United States, were nations with economies grounded in the basic tenets of capitalism and free market enterprise, countries that were generally anti-communist. The other side, led by the Soviet Union, practiced Marxism, were primarily driven by state-run economies, and were committed to the
global spread of communism.\textsuperscript{17} When considering its foreign policy objectives, the Canadian government appeared content to adopt a simplified ideological framework. It was generally understood by Canadian officials that the Cold War economy that emerged after the Second World War pitted two rival economic systems against each other, each radically different in terms of character and design. The Western capitalist order was based on (at least theoretically) cooperation, compromise, and shared mutual interests (recognizing there is an inherent contradiction between the ideas of capitalism and cooperation). Conversely, the Soviet bloc was founded on coercion, control, and dependency. While the Western model “sought to create an open, multilateral world economy, the Soviet economic order shunned international trade and foreign investment in favour of a closed, state-controlled autarkic system.”\textsuperscript{18} Yet, as the Cold War fundamentally shaped global politics, the two systems edged closer to one another.

International relations expert Ian Jackson contends that while the political, diplomatic, and security aspects of the Cold War have received substantial analysis, “the economic factors behind the Cold War have received scant attention in the literature.” Jackson further observes, “This is surprising given the centrality of economics in the ideological conflict between Western capitalism and Soviet

\textsuperscript{17} Canadian officials generally adopted a simplified perspective of Cold War divisions, often framing it as a struggle between democracy and communism. It is important to remember, however, that this perspective is simplistic and ignores the Cold War’s manifestations in the Third World and other parts of the globe, including Francisco Franco’s Spain, Antônio de Oliveira Salazar’s Portugal, Park Chung-hee’s South Korea, Chiang Kai-shek’s Taiwan, and Anastasio Somoza’s Nicaragua, for example.

Speaking on Canada specifically, historian and international trade expert Michael Hart laments how Canadian historians “tend to be fascinated by security and political events and pay insufficient attention to the trade dimensions of Canada’s international relations.” A study of Canada’s commercial relations with Eastern Europe can helpfully supplement historical attention already paid to summit meetings and East-West crises, by addressing some of the many other “battlegrounds” on which the Cold War was engaged.

The role ideology played in the Canadian government’s approach to its commercial dealings with Communist Eastern Europe is significant. When dealing with the Soviet Union, Canadian officials adopted a dualistic approach. While Soviet progress in trade and industrial output was viewed as an “economic offensive,” to be regarded cautiously and even suspiciously, when the Canadian government sought new markets for the country’s growing surpluses of wheat, ideology seemed less important, and the USSR, as well as other Communist Eastern European nations, were welcomed as customers. In other words, this region, particularly the Soviet Union, was seen as both a competitor and customer. There is a link between these

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21 To date, the subject of American economic domination in Canada has been well researched – the account by Liberal Finance Minister Walter Gordon, *A Choice for Canada: Imperialism or Colonial Status* (Toronto: McClelland and Stewart, 1966), is a fine testament of contemporary thinking. Essentially, Gordon argues that Canada had become free from Britain’s colonial influence only to fall prey to American economic imperialism. See also, Stephen Azzi, *Walter Gordon and the Rise of Canadian Nationalism* (Montreal: McGill–Queen’s University Press, 1999). The significance of understanding Canadian history through colonial or neocolonial frameworks has been well established. This perspective, however, is only part of the equation, admittedly an appropriately important part.
two perceptions. When engaged in commercial dealings with the USSR, Yugoslavia, and Poland, the Canadian government hoped doing business with this region would expose it to Western economic protocols, highlight the benefits of the capitalist system, promote bridge building, and generally weaken European Communism. Thus, doing business with the region represents a pragmatic component of the government’s economic statecraft.

While Canadian commercial relations may not have improved dramatically during the Diefenbaker era, they did slowly develop in new and promising directions. Of course, relative to Canadian-American foreign economic relations, trade with Communist Eastern Europe paled in quantitative terms. However, it is important to remember that improving bilateral relations with communist countries was more about the broader political context within which these interactions occurred. So, Canada’s economic relations with the region were political, ideological, and economical. The same principle can be applied to Canada’s efforts in the field of cultural diplomacy.

The final strategy of Canada’s Cold War policy by “other means” during this period was cultural diplomacy. A growing number of scholars are recognizing the important contribution of cultural diplomacy to traditional geopolitical agendas in an historical context. Increasing awareness in Canada of the merits of cultural diplomacy developed from the mid-1950s onward and was largely spearheaded by Ottawa’s civil servants. As the Cold War became more a competition to win the hearts and minds of individuals, the use and abuse of hard power – the ability to
coerce through military and economic might – was no longer the primary driving force of the international system. A growing number of scholars (mainly those who have contributed to the rich and extensive American historiography on cultural diplomacy) argue that the Cold War conflict was fought less with weapons that could kill, and more with words, ideas, and exchanges.

Political scientist Andrew Cooper argues that cultural diplomacy “is intended to serve a variety of purposes [...] and that] a degree of promotion and support of international cultural relations by a government is an essential element of cultural diplomacy.” Corroborating this, historian Graham Carr adds:

... like classic foreign relations, cultural diplomacy supports “objectives which have been defined through normal policy channels.” However, it is less focused on immediate outcomes and aims instead to broadly “influence the elite or mass public opinion of another nation for the purpose of turning the policies or views of that target nation to advantage.”

And this was precisely what many in the DEA strove to do. Spearheaded in particular by Canadian ambassadors, Canada’s foreign policy elite promoted cultural relations, scholarly exchanges, and various media communications as a means of engendering closer ties between regions and exposing Communist Eastern Europe

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24 Andrew Fenton Cooper, *Canadian Culture: International Dimensions* (Centre on Foreign Policy and Federalism, University of Waterloo/Wilfrid Laurier University & The Canadian Institute of International Affairs, 1985), 3-4.

to Western modalities, thus bridging the ideological divide with the hopeful expectation of slowly, but ultimately, undermining global Communism.

Similar to other international history scholars, this perspective is inspired by the cultural turn in diplomatic history. This particular aspect of the dissertation explores how Canadian authorities pragmatically engaged in ongoing efforts to assess how Canada should associate with Communist Europe in ways that would effectively employ its middle power position to modestly influence global affairs. Cultural diplomacy was still in its embryonic phase in Canada and proved potentially useful because of the major changes that had occurred east of the Iron Curtain, but also because of the forward thinking attitudes of Canada’s foreign policy elite. This element of the dissertation further supports the notion that this period was a key moment in Canada’s foreign relations with Communist Eastern Europe.

A full assessment of Canada’s ultimate success in the non-military realm of the Cold War would require an in-depth examination from the immediate post-war period through to the collapse of the Soviet Union in 1991, a time frame well beyond the scope of this project. This dissertation, focusing as it does primarily on the Diefenbaker-Khrushchev years, nonetheless provides an in-depth examination of Canada’s Cold War by “other means” during a key time when the possibilities of middle power engagement in cultural and economic diplomacy with Communist Eastern Europe were beginning to be realized. It is certainly not suggested that the Diefenbaker government’s policy toward this region contributed directly to the collapse of communism and the eventual downfall of the Soviet Union. But, as many
historians have shown, the non-military fronts proved to be vital “battlegrounds” during the Cold War, ones that undoubtedly influenced the conflict’s eventual outcome. Arriving at a definitive, quantifiable conclusion regarding the longer-term impacts of Canada’s Communist policy during the Diefenbaker government would be an overly ambitious goal for this study, but it will be shown that Canada’s pursuit of closer ties with select Eastern European nations and the Soviet Union itself helped to bridge the divide between East and West.

CONCEPTUAL FRAMEWORKS

On the international front during the Cold War, the Soviet Union weighed more heavily on Ottawa’s mind than did Canada on the Kremlin’s. Yet, Canada’s strategic position was never ignored by the USSR, primarily, “as the record suggests, because of its proximity to the USSR’s principal rival, the United States.”26 As expected, the US figured prominently in the formulation of Canada’s Soviet policy. As Leigh Sarty argues, Canadian-Soviet relations can be understood “as one side of a larger triangle, in which ties between Moscow and Ottawa were shaped by their respective concerns” with the West’s leading power, the United States.27 In other words, “international relations between Canada and the Soviet Union were shaped by developments elsewhere in the international system, and in particular by the two sides’ respective dealings with Washington.”28 This framework is useful because it acknowledges that while Canada and the USSR recognized the strategic importance

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of one another, even if the recognition was lopsided, their relations were still governed by broader global Cold War trends.\textsuperscript{29} This framework also proves valuable for recognizing and analyzing any idiosyncrasies in the general trend of Canadian-Soviet relations, and it corresponds with the well-established notion that Canada utilized international organizations, such as the United Nations (UN) and the North Atlantic Treaty Organization (NATO), to mitigate the asymmetrical nature of its bilateral relations with the US. This framework effectively showcases how, at times, Canadian-Soviet relations contradicted the more global political trends of the Cold War. Yet, it omits the fact that other geographical regions contributed to Canada’s Soviet policy and suggests a degree of passivity that is somewhat unwarranted. This project reveals that Canadian officials were acutely aware of changes occurring behind the Iron Curtain and pursued a policy based on those changes. In addition to the impact of American-Soviet relations on Canadian foreign policy during the Cold War, Canadian officials were aware of developments within the USSR, or between the Soviet Union and other Communist Eastern European nations, and this also guided their policy decisions as they determined policy directions.

Complementary to Sarty’s framework is historian Costas Melakopides’ study \textit{Pragmatic Idealism: Canadian Foreign Policy, 1945-1995}. One of Melakopides’ principal arguments is that “post Second World War Canadian foreign policy has been marked by impressive consistency, in both style and substance.” This consistency, he argues, was a result of a conscious and sustained pursuit of a

coherent set of foreign policy ends and means, and can be best designated as Canadian internationalism, “which should be understood as a balanced synthesis of idealism and pragmatism or as pragmatic idealism.” One of the central values of Melakopides’ definition of idealism, and crucial to this project, is Canada’s belief in “the importance of moderation, communication, generosity, and cooperation in international affairs.” Regarding pragmatism, Melakopides suggests that one of Canada’s major foreign policy goals since 1945 “has been to satisfy Canada’s interests in the context of broader interests.” As a result, “the pragmatic – that is, flexible, adaptable, and workable – pursuit of Canada’s interests and values should suffice to show that Canadian internationalism” exhibited calculated and sensible foreign policy goals. Specifically, Melakopides examines Canada’s role in peacekeeping and peacemaking, arms control and disarmament, human rights, ecological concerns, and foreign development assistance. The pragmatic idealism framework, however, can be extended. In fact, it provides a useful lens to examine Canadian political, cultural, and commercial policy with Communist Eastern Europe. As this project demonstrates, Canadian officials understood the importance of open lines of communication, moderation, and cooperation in the political, cultural, and commercial realms, and proved willing, and indeed eager, to modify their policy direction as international currents changed. Utilizing this perspective contributes effectively to the notion that the policies of Prime Minister John Diefenbaker’s Progressive Conservative (PC) government were less an aberration in the history of Canadian foreign policy than has been typically argued by historians.

30 Melakopides, Pragmatic Idealism, 3-5.
HISTORIOGRAPHY

To date, Jamie Glazov’s *Canadian Policy Toward Khrushchev’s Soviet Union* remains an authoritative work on Diefenbaker’s foreign policy with the Soviet Union and is closest in subject matter to this dissertation. Yet, Glazov acknowledges his work is not intended to be an examination of Canadian-Soviet bilateral relations. Generally, Glazov focuses primarily on traditional geopolitical aspects of the history. His work also does not examine socio-cultural dimensions of Canadian-Soviet relations. By covering the whole Khrushchev period, he examines foreign policy towards the Soviet Union under both the St. Laurent (1948-1957) and Diefenbaker (1957-1963) governments. Glazov builds on Larry Collins’ thesis that Canada’s guiding principle was containment without ostracism: “[Canada] maintained that lines of communication must be kept open to avoid exacerbating the conflict’s intensity.” Collins summarized Canada’s policy toward the Soviet Union as “containment with a ‘human face.’” In step with Collins’ assertion that as international tensions increased Canadian sovereignty waned, Glazov proposes that Canada adopted a policy of “containment with accommodation,” serving as an intermediary in the East-West conflict that was “in league with middlepowerism.”

Reinforcing much of the scholarship on post-WWII Canadian foreign policy, Glazov’s interpretation of Diefenbaker’s Soviet policy unfavourably compares the dismal failures of the Progressive Conservative leader to the so-called ‘golden age’ of Canadian foreign policy shaped by preceding Liberal governments. Early

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31 Collins, “Canadian-Soviet Relations During the Cold War,” 44.
32 Glazov, *Canadian Policy Toward Khrushchev’s Soviet Union*, XIII.
scholarship laid the groundwork for such interpretations, and few scholars have subsequently challenged this orthodox view.\textsuperscript{33}

Scholars are correct to recognise the major international changes that occurred during the 1940s and 1950s, changes that resulted in a new, unprecedented global context within which Canada might expect to play a role commensurate with its middle power status. The focus of these histories, however, is less on the new international climate that allowed for Canada to play such a role. Instead, they examine and trumpet the achievements of a Department of External Affairs that rapidly expanded in numbers and stature to enable the Canadian government to assume a more pronounced role in international affairs from the mid-1940s through to the late 1950s,\textsuperscript{34} contributing to the conception of the golden age in Canadian foreign policy.

Initial scholarship on Canada’s early Cold War diplomacy also tends to pay less attention to the global context that created the very conditions that allowed for Canada’s diplomatic and political elite to shine. Political scientist Denis Stairs notes the irony in how “the mandarins’ realist praxis [had] left them with an idealist reputation.”\textsuperscript{35} According to historian Adam Chapnick, at the outset of the Cold War, America was “unusually open to ‘developing an extensive network of alliances


\textsuperscript{34} For example, see John Hilliker and Donald Barry, \textit{Canada’s Department of External Affairs: Volume 2, Coming of Age, 1946-1968} (Montreal and Kingston: McGill-Queen’s Press, 1995).

throughout the free world,’ […] enabling a temporary and disproportionately effective team in Ottawa to engage actively at the most senior of international levels.”

“As the idea of a golden age entrenched itself within the Canadian foreign policy lexicon,” Chapnick suggests, “academics and policy practitioners began to add rigour to the standard understanding.” Before long, the histories of Canada’s golden age cast a tall and dark shadow on most foreign policy subject matter that fell outside the confines of this period.

By the time Diefenbaker gained power in 1957, Canada’s international influence appeared to be waning, and not necessarily for reasons entirely under the government’s control. Juxtaposed against the golden age, Diefenbaker’s foreign policy has been portrayed, somewhat unjustly, in an overly negative light. It appears that many scholars paid little consideration to Trevor Lloyd’s, *Canada in World Affairs, 1957 – 1959*, where he argues Canada’s fall from grace was natural and unavoidable. To understand the received interpretation of Diefenbaker’s foreign policies, one need only look to the chapter titles of some of the works that address his time in office: “The Demented Decade, 1957-1968;” “Nuclear Nightmares, 1957-

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38 Trevor Lloyd, *Canada in World Affairs, 1957 – 1959* (Toronto: Oxford University Press, 1968). Lloyd states that the factors that perpetuated the inevitable decline of Canada’s international influence were: Europe’s economic recovery, the fact that Khrushchev had altered the Cold War dynamic to the detriment of smaller states, the ending of domestic political stability that was provided by the long-governing Liberal party, that the Canadian economy was losing strength, morale in the Civil Service was deteriorating, and that popular expectations of Canada’s role in the world were growing too great for any leader. References from Lloyd’s work cited here are found in Chapnick’s “The Golden Age: A Canadian Foreign Policy Paradox”, 209-210.
- 1963;”40 “Crisis Years, 1957-63;”41 “The Time of Troubles, 1957 – 1968;”42 “The Unraveling: Conflicts of Interest in Diefenbaker’s Policy after 1961.”43 Significantly, with the exception of all but the last, these chapters appear in monographs that examine Canadian-American relations or Canada’s Cold War history, and focus primarily on issues related to nuclear weapons, the Cuban Missile Crisis, Diefenbaker-Kennedy relations, and continental defence generally.44 Geostrategic and geopolitical focuses dominate the history. Specific examination of Canadian-Soviet, and Canadian-East European, relations is much less common. Moreover, these histories do not cover the Diefenbaker period exclusively; rather, they typically portray the Progressive Conservative government as a six-year interlude in an otherwise lengthy Liberal era.45

To some degree, it was a case of unfortunate timing for Diefenbaker because he assumed power just as important developments in international politics at that time threatened to curtail any middle power prominence Canada had earlier achieved. It is not inconceivable that Diefenbaker has disproportionately shouldered the blame for Canada’s declining international stature. There is certainly a discrepancy in how many historians have harshly and fervently criticized his policy,

43 Glazov, *Canadian Policy Toward Khrushchev’s Soviet Union*.
44 Kevin A. Spooner, *Canada, the Congo Crisis, and US Peacekeeping, 1960-64* (Vancouver: UBC Press, 2009). Spooner recognizes that much of Diefenbaker’s tainted legacy is due to his struggle to define a clear position on continental defence, 2.
45 For perhaps the most explicit example, see Peter Regenstreif’s *The Diefenbaker Interlude: Parties and Voting in Canada, an Interpretation* (Toronto: Longmans Canada Limited, 1965).
even as others caution that it “is well to remember [...] that many of the changes that came over Canada after 1957 were not of that government’s making, or even in the control of Canadians.” Indeed, this is a key inconsistency in the historiography that this dissertation probes. Consider, in 1963, just months before the PC government was voted out of office, diplomat and scholar John Holmes stated,

To be quite frank, I will say that, having served both Liberal and Conservative governments, I am less inclined to [...] regard 1957 as a watershed in our foreign policy. However important internal changes may seem, external changes had been more important.

Specific examinations of Canadian-Soviet relations have received relatively little attention, and the vast majority, with the exception of Glazov’s monograph, comes in the form of edited collections. Balawyder’s *Canadian-Soviet Relations, 1939-1980*, explores a number of themes, driven by the common argument that the relationship between Canada and the USSR followed the general pattern of broader Cold War trends and East-West relations. Balawyder maintains that Canada’s relationship with the Soviet Union went through five phases; phase four, from 1955 to 1968, encompassing the Diefenbaker years, marked a transition period when relations between the countries slowly began to improve on many fronts. Unfortunately, this theme goes underexplored.

The gap is helpfully filled to some degree by John English’s “Lester Pearson Encounters the Enigma,” in *Canada and the Soviet Experiment*. English asserts

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47 Trinity College Library (hereafter TCL), John Holmes Papers, Series 2, Box 6, File 13, “Canadian Foreign Policy: The Role of a Middle Power.” Address by John Holmes, Extension Series, Canadian Institute of International Affairs and University of Alberta, 22 January 1963.
Pearson was vehemently anti-communist in the 1930s, referring to the Soviets and their dictatorship as sub-human.\textsuperscript{48} America’s strident and public anti-communism, however, led Pearson to want to keep lines of communication open between East and West generally, and Canada and the USSR specifically.\textsuperscript{49} Essentially, while Pearson’s 1955 visit to the USSR marked the beginning of the transition period in Canadian-Soviet relations, much is left to be said about this period. Broadly speaking, David Davies’ edited volume (in which English’s chapter appears) argues Canada “discovered Russia following the revolution, and viewed the country as both an opportunity and a threat, and that Canada’s (and Canadians’) perception and conception of Russia has been in constant flux, depending on the circumstances and situation.\textsuperscript{50} In the end, Davies’ overall thesis reinforces existing claims about Canadian-Soviet relations.

In his essay titled “Trade, Aid, and Economic Warfare,” Robert Mark Spaulding reinforces the importance of economic factors to Cold War power structures: “Subsidized trade with client states was a form of aid, but embargo trade between the blocs became a type of economic warfare; foreign aid programs were a form of East-West competition that was also seen as a variety of economic warfare.” Adding further nuance, Spaulding stresses, “all this economic activity went hand-in-hand with geopolitical and cultural strategies of competition between rival powers. Communist and capitalist governments often deployed trade, aid, and economic


\textsuperscript{50} Davies, ed., \textit{Canada and the Soviet Experiment}, 17.
warfare to reinforce incentives and dissuasions designed to influence foreign behaviours.”\textsuperscript{51} Canada was no exception, yet its tactics have gone virtually unnoticed within the historiography.

While the importance of economics to Cold War dynamics are slowly entering the Cold War master narrative, so too are other important factors. That said, understanding how the Cold War by “other means,” including cultural diplomacy and the role of non-state actors, contributed to Canada’s Cold War lags behind current historiographical trends. By comparison, the exploration of American cultural diplomacy during the Cold War is receiving considerable attention in the United States.\textsuperscript{52}

Equivalent scholarship to address the Canadian context is lacking, with some notable and valuable exceptions. Hector Mackenzie\textsuperscript{53} and Graham Carr’s\textsuperscript{54} innovative work on Canadian pianist Glenn Gould’s 1957 concert tour of the Soviet Union are two notable examples. Janice Cavell’s “Canadiana Abroad: The Department of External Affairs’ Book Presentation Programmes, 1949-1963” highlights the DEA’s modest ability to create and nurture “the first sparks of


\textsuperscript{52} For instance, Yale Richmond’s \textit{Cultural Exchanges and the Cold War: Raising the Iron Curtain} (Pennsylvania: The Pennsylvania State University Press, 2003) explores how exchanges in culture, education, information, science, and technology aided in the collapse of communism, due to increased Western influence among the Soviet intelligentsia.\textsuperscript{52} Jessica C. Gienow-Hecht and Mark C. Donfried, in \textit{Searching for a Cultural Diplomacy} (New York: Berghahn Books, 2010), cast the net wider and examine regions outside of the more common transatlantic circuit.


\textsuperscript{54} Graham Carr, ”'No Political Significance of Any Kind': Glenn Gould’s Tour of the Soviet Union and the Culture of the Cold War,” \textit{The Canadian Historical Review}, Vol. 95, No. 1 (March 2014): 1-29.
international interest in Canadian books.” Much is still to be written on the history of Canadian cultural diplomacy and how it contributed, even if only modestly, to Canadian foreign policy objectives. What scholars must do, however, is pay less attention to the degree to which cultural diplomacy impacted relations and, instead, recognize it as part of Canada’s pragmatic strategy for containing communism; the precise impacts of cultural diplomacy are not easily quantified. Similar to conventional foreign relations, cultural diplomacy supports “objectives which have been defined through normal policy channels.” Immediate outcomes, however, are not the force driving cultural diplomacy. Rather, it aims to broadly “influence the elite or mass public opinion of another nation for the purposes of turning the policies or views of that target nation to advantage.” It is important to integrate cultural diplomacy as one component of the historical narrative, and as one of Canada’s non-military strategies, alongside other policy practices.

CHAPTER SUMMARIES

The project is broken down into three case studies, examining the Soviet Union in chapters one and two, Yugoslavia in chapters three and four, and Poland in chapters five and six. Chapter one summarizes the Canadian-Soviet relationship from the Second World War to 1957, when Diefenbaker’s Progressive Conservatives took office. Then, it examines how changes behind the Iron Curtain caused a reexamination, and ultimately a reevaluation, of Canada’s policy direction. Due to

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the strategic stasis that existed between the Cold War superpowers, Canadian officials viewed the Soviet Union not exclusively as a potential military threat; they also saw the USSR’s non-military advances, particularly its economic offensive, as dangerous to Western democracy. Canadian officials cultivated closer bilateral ties with the Soviet Union in an attempt to disrupt Soviet hegemony in Eastern Europe and to contribute to the West’s fight to contain communism. This chapter also highlights the growing awareness amongst Canadian officials that perhaps Canada could utilize its middle power position to effectively build bridges between East and West and fight communism from behind the Iron Curtain.

During the Cold War, Canada was entrenched firmly within the Western bloc and politically supported its NATO allies. However, it also carved out a more independent position towards the USSR in the economic and cultural realms; this is the subject of chapter two. On the domestic front, surplus Canadian wheat accumulated as a result of the United States’ PL 480 program. New markets were sought, and the Soviet Union proved an expedient customer of Canadian wheat, as seen with the renegotiation of the 1956 trade agreement in 1959. Despite the relative commercial insignificance of the trade agreement, it was an important bridge-building exercise for the two nations, with economic ties proving important to Cold War political relations. Cultural exchanges also served to advance Canada’s interests in exposing Soviet society to Western modalities and cultural life, and this chapter also explores the benefits and difficulties associated with Canadian-Soviet cultural diplomacy.
Chapter three focuses on Canadian-Yugoslav diplomatic relations. Ongoing tensions between Yugoslavia and the Soviet Union provided a fortuitous opportunity for Canada to cultivate closer ties with Yugoslavia. Canadian officials, particularly Canada’s ambassadors in Belgrade, utilized Canada’s middle power status to find common ground and entice Yugoslavia out of isolation, hoping to lure it closer to the Western camp, despite its commitment to non-alignment. The visit to Ottawa by Yugoslavia’s Foreign Minister Koča Popović highlights the importance each country attributed to personal contacts on their mission to improve bilateral relations. In addition, the visit demonstrates the challenges of pursuing foreign policy objectives that were at odds with some domestic Yugoslav minority communities.

Chapter four examines the various cultural exchanges and commercial relations between Canada and Yugoslavia. While not numerous, artistic, academic, and research exchanges helped bridge political and ideological divides. Trade between the two nations was also relatively small, with the sale of Canadian wheat accounting for the majority of exports to Yugoslavia. Nevertheless, Canadian officials understood the political significance of such dealings, and trade with Yugoslavia became an important factor in Canada’s economic statecraft.

Canadian-Polish diplomatic relations are the subject of chapter five. Poland’s national art treasures were hidden in Canada following the Nazi invasion of Poland, and disputes surrounding their return were a constant issue between the Canadian and Polish governments. Once the treasures were returned to Poland, diplomatic
relations improved. Canada cautiously sought to expose Poland to Western modalities, and each nation sought to minimize Cold War political hostilities. The nexus of middlepowerism ultimately governed Canadian-Polish relations, as each nation sought to navigate the often contentious Cold War atmosphere.

Finally, chapter six examines Canadian-Polish cultural exchanges and commercial relations. Cultural relations between the two nations were modest, but the importance of exposing Poland to Western modalities made exchanges an important component of Canadian policy. This chapter explores how the activities of the Canadian Broadcasting Corporation-International Service (CBC-IS) Polish Division dovetailed with External Affairs’ policy of increasing Polish autonomy vis-à-vis the Soviet Union. Expanding commercial relations with Poland was also an important component of Canada’s Polish policy. Among other things, Canada agreed to sell Poland wheat under Section 21 of Canada’s Export Credit Insurance Act, which highlighted the Canadian government’s ability to be pragmatic in its dealings with Communist Europe.

A NOTE ON PRIMARY SOURCES

Research for this dissertation relied on archival materials from Library and Archives Canada (LAC) in Ottawa. Because LAC has undertaken a reorganization of its collection, some materials normally accessible and that might have proved useful to the dissertation were closed pending processing, the Arthur Andrew Fonds for instance. While I was able to review many government files on Canadian relations with the Soviet Union, Yugoslavia, and Poland, access was at times inconsistent, with
various restrictions still imposed on many files. Private collections, including the papers of G. Hamilton Southam, Canada’s ambassador to Poland from 1960-62, also have textual material embargoed by varying restrictions, for reasons that are unclear. Put simply, gathering material on these three countries was an ongoing challenge. Additional insights may be possible, if and when archival materials are released in future.

Other Archives, including the Diefenbaker Canada Centre (DCC), University of Saskatchewan, Saskatoon, and Trinity College Library (TCL) were consulted. While the John Holmes papers at TCL yielded some useful material, the personal papers of George Ignatief were not especially helpful for this dissertation. At the beginning of this project, I was eager to consult the rich archival collection of Soviet sources of the Centre for Research on Canadian-Russian Relations (CRCR). I was both surprised and disappointed to learn that the collection, previously located at Georgian College, Barrie, Ontario, had been boxed up and shipped to the University of Alberta, Edmonton. Given the complexity of organizing the collection, four years later, it remains unavailable. Admittedly, this was one of the project’s major disappointments.

In addition to archival materials, this project uses various government publications, including *Documents on Canadian External Relations* (DCER), *Statements and Speeches*, and House of Commons debates. *Foreign Relations of the United States* (FRUS) was also consulted to provide American context. Various contemporary newspapers were also consulted.
Chapter 1

Changes Behind the Curtain, the Soviet Economic Offensive & Canadian-Soviet Diplomatic Relations

As author Larry Collins suggests, “in a world dominated by hostile great powers, small states must always conduct their foreign affairs with due regard for their uniquely vulnerable positions.”¹ In fact, the vulnerability of a small state may not always stem solely from ideological nemeses, but also from close allies. Prime Minister John Diefenbaker trumpeted Canadian independence in international affairs – especially in the face of American encroachment – and adjusted his policies accordingly. Assessing Canadian reactions to Soviet non-military offensive activity in the Cold War provides an opportunity to acknowledge the varied dimensions of this global conflict and allows the Cold War to be understood with greater complexity and in more nuanced ways, particularly beyond the strictly military and strategic fields.

To understand Canadian-Soviet relations, we must first examine how Canadian officials perceived the situation east of the Iron Curtain. Canadian decision makers recognized the limitations of their foreign policy initiatives, but still understood well developments that occurred within the USSR. This knowledge, in conjunction with broader Western policy, drove their initiatives. Canadian diplomats and other officials closely assessed the motivations and actions of Russian authorities and derived policies commensurate with Canada’s middle power

position; their analyses were driven less by rigid ideological imperatives, particularly when compared to the United States, and more by political and ideological changes that occurred throughout the Communist world.

As Stalinist agendas that had traditionally dominated Eastern Europe were replaced with more liberal Khrushchevian policies, Canadian officials knew the region had to be reassessed. Their findings indicated that Eastern Europe needed to be seen as less homogenous than previously perceived. Inevitably, this complicated Canada’s Soviet policy by adding another important dimension to consider when developing regional policy towards Communist Eastern Europe generally.

A NEW CONCEPTUAL FRAMEWORK

Writing in the early 1980s, Collins suggested Canada’s guiding principle in policy toward the Soviet Union was containment without ostracism. Canada, Collins argued, “maintained that lines of communication must be kept open to avoid exacerbating the conflict’s intensity.” He summarized Canadian policy toward the Soviet Union as “containment with a “human face.”” Building on Collins’s assertion, historian Jamie Glazov proposes that Canada adopted a policy of “containment with accommodation.” Glazov presses his argument further, however, and asserts that Diefenbaker single-handedly distorted Canadian Soviet policy with his noted 1960 UN General Assembly address, a speech that Glazov maintains “shattered the Canadian strategy of accommodation.” Further analysis, however, suggests that this

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2 Collins, “Canadian-Soviet Relations During the Cold War,” 44.
4 Glazov, Canadian Policy Toward Khrushchev’s Soviet Union, 105.
interpretation goes too far. Collins' initial interpretation – which argues that continuity prevailed despite Diefenbaker's UN address – remains valid and, in fact, is reinforced when various other dimensions of Cold War foreign policies, such as cultural and economic relations, are integrated into the overall analysis. If we set aside Glazov's argument that Diefenbaker shattered Canada's accommodationist strategy, his label “containment with accommodation” still has merit. This interpretation does, however, suggest a degree of Canadian policy passivity. As this project demonstrates, Canadian policy makers and civil servants proffered and implemented quite pragmatic approaches to cultivating closer political, economic, and cultural ties to build bridges between East and West. So, the interpretative label can be extended: Canada's policy toward the Soviet Union and Communist Europe during the Diefenbaker-Khrushchev period might best be described as 'containment with accommodation, through pragmatic cultivation'.

CONTEXT: CANADIAN-SOVIET RELATIONS FROM WWII TO THE 1950s

From the beginning of the Second World War, Canadian-Soviet relations typically mirrored broader Western and shifting trends with the USSR. When Nazi Germany and the Soviet Union signed the Nazi-Soviet Non-Aggression Pact in 1939, Canada had two ideological adversaries. Nazism marked the extreme right and the Soviet Union occupied the extreme left of the political-ideological spectrum. Standing firmly with its British ally, the Canadian government and Canadians viewed the Soviet Union and domestic communists, by extension, as enemies. Just under two years later, however, the Nazis turned on their once expedient ally; Canada and the Soviet Union became allies. At once, the former communist menace
became the juggernaut of freedom, confronting the tremendous Nazi onslaught on the Eastern front. Canadians generally and sincerely admired Soviet heroics. Such positive views quickly evaporated with the conclusion of hostilities in Europe, Soviet cipher clerk Igor Gouzenko’s defection to Canada, and his revelations of an extensive spy network operating in North America. The once adversary-turned-ally was, once again, an enemy.

Historian David Bercuson recognizes that it is difficult, and somewhat risky, to summarize the views of a group as diverse as Canadian officials in the Department of External Affairs (DEA). Overall, though, the Ottawa mandarins who dominated DEA policy certainly to the time of Stalin’s death in 1953 viewed the Soviet Union as inherently aggressive and driven by both historical imperatives and communist ideology to obtain global domination. Escott Reid, then assistant under-secretary of state for external affairs, and Hume Wrong, then associate under-secretary of state for external affairs, believed Soviet policy to be essentially self-interested and nationalistic. According to Bercuson, Wrong asserted that Soviet leaders were “‘unmoved by [...] humanitarian considerations.’” Neither Reid nor Wrong feared imminent war, but only because of the relative weakness of the Soviet Union.” Reid produced one of the first comprehensive studies of American-Soviet relations and the implications of the Cold War for Canadian foreign policy. He argued that the Cold War was a conflict between “‘two governing classes,’ and


6 Bercuson, “‘A People so Ruthless as the Soviets,’” 90.
though operating under incompatible economic and political structures, [the United States and Soviet Union] each sought security through expansion.”7 Expansion, of course, was not strictly territorial and military, but also political, commercial, ideological, and cultural. From abroad in the mid 1940s, Canadian Ambassador to the Soviet Union Dana Wilgress, who had spent ten years in the USSR before the war and spoke Russian, shared the so-called ‘hard line’ endorsed by American Chargé d’Affaires in Moscow George F. Kennan. Wilgress described the Soviet Union “as hard, opportunistic, and ready to take advantage of any sign of Western weakness.”8

Bercuson considers the American military to have been “periodically more radical in its assessment of Soviet intentions than was the Canadian,” primarily because the US Chiefs of Staff “held the whole burden of defending the West on their shoulders.”9 Clearly, though, Canadian officials also viewed the Soviet Union in a negative light; their assessments could be just as one-sided and alarmist, and their antidotes for combating ostensible Soviet aggression just as tough as their US counterparts.

The mid-1940s witnessed frustration on the bilateral Canadian-Soviet front. For instance, when the Soviet military attaché in Ottawa requested permission to visit the Arctic, or Soviet officials wanted to visit metallurgical laboratories and mining operations, or Soviet scientists requested technical data, Canadians requested reciprocity. Much to the frustration of Canadian officials, they were

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7 Collins, “Canadian-Soviet Relations During the Cold War,” 44.
8 Bercuson, “A People so Ruthless as the Soviets,” 91.
9 Bercuson, “A People so Ruthless as the Soviets,” 100.
turned down or more often ignored by their Soviet counterparts. How much information Canadian officials would have granted the Soviets is unknown. Information and technology were sources of power and tools to be wielded to propel the nation forward in its quest to advance society.

While bilateral Canadian-Soviet relations in this period were complicated, so too were multilateral relations between the two countries. Historian William McGrath accurately argues, “Canadian-Soviet relations in the UN reflected and contributed to the general trends in East-West relations, through the Cold War and Détente decades.” During the early post-war years, both countries had reservations. For instance, the Soviets were wary of potential control of the UN by the Americans and British, who were expected to have the support of their allies and client states. While Canada undoubtedly shared policy objectives with its key western allies as the Soviets expected, it was nonetheless keen to enable middle powers to play an effective role at the UN, knowing the organization would be dominated by the great powers. Historian Adam Chapnick argues the main goal of Canadian representatives at the UN’s founding San Francisco conference was to highlight the importance of the “functional principle,” which rationalized that states with the capacity and willingness to contribute would receive influence commensurate with their contributions.

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From the very outset, the Canadian-Soviet relationship in the UN was troubled when the Soviets vetoed Lester Pearson as the first Secretary-General. This was not, however, the most significant Canadian disappointment. With the onset of the Cold War, Canadian officials quickly recognized the UN would not be the effective international institution they had imagined. The UN Charter was largely based upon an assumption of great power unanimity, which disintegrated almost immediately.\textsuperscript{13} Confidential commentary prepared for the delegation to the UN's first General Assembly reveals the Canadian government was generally unhappy with the Security Council. The Council was seen to have "done little more than provide additional means of publicly expressing differences between the great powers," and the Soviet Union was particularly blamed. The Canadian delegation was advised, "The Security Council has been used, especially by the Soviet Government, as an instrument in the war of nerves. It was not meant to be such an instrument or to be an arena for gladiatorial contests between national champions."\textsuperscript{14} Western-Soviet, and therefore Canadian-Soviet, relations at the UN continued in a strained manner. Whether issues were about political security, economic or social problems, or organizational matters, the Great Powers typically disagreed.

In August 1949, the Soviets joined the Americans in the exclusive thermonuclear club, and Cold War political tensions were amplified and widened

\textsuperscript{13} McGrath, "Canada and the Soviet Union at the United Nations," 86.
into the economic realm. Just months prior, the North Atlantic Treaty Organization (NATO) was formed, and Canada played a notable role in its creation. As a founding member, Canada participated in multilateral Western efforts to regulate exports to the Soviet Union and its allies, through the NATO Coordinating Committee (COCOM). Two years prior in 1947, the *Export and Import Permits Act* provided authority for an export controls list to ensure that “articles having a strategic nature or value will not be made available to any destination wherein their use might be detrimental to the security of Canada.” In other words, through the strict control of exports, a form of economic warfare was adopted by the NATO alliance and used against the USSR and the socialist camp.

Anxieties continued to escalate until Joseph Stalin – the Soviet dictator who had ruled the country with an iron fist since the mid 1920s – died in March 1953. In the immediate period following Stalin’s death, there were many questions surrounding Soviet motivations and intentions. Secretary of State for External Affairs (SSEA) Lester B. Pearson visited the Soviet Union in 1955, keen to discover what he could about Soviet intentions. This proved to be a watershed year in Canadian-Soviet relations. “The prospect of improved trade relations was an additional but decidedly secondary motive,” according to George Ignatieff, who accompanied Pearson on his visit. Associate Deputy Minister of Trade and Commerce, Mitchell Sharp, and diplomat John Holmes and Ray Crépault of External

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Affairs also accompanied Pearson. The visit proved especially significant because it marked the inauguration of Canadian wheat sales to the Soviet Union, which continued steadily, albeit in varying degrees, thereafter. Yet the most memorable, and perhaps comical, event of the visit was the extraordinary drinking party that occurred when Pearson and his party joined Premier Khrushchev and Chairman of the Council of Ministers Nikolai Bulganin for what has been described as “the most extraordinary personal encounter between Canada and the Soviet Union during the Cold War.” While the visit brought trade advantages and possibly advanced an agenda of scientific, technical, and human exchange, Pearson was convinced that not much had changed regarding Soviet aims. The USSR’s main objective remained “security for the Soviet Union and the triumph of communist ideology in a world of communist states controlled and dominated by Moscow.” Overall, the visit did not alleviate Canadian fears; it may have heightened them. According to historian John English, Pearson “returned more concerned, even fearful of the future. […] If the visit’s aim was to allay fears, build confidence, and respect, it failed to do so. He came home knowing that the Cold War would not soon lose its chill.” It is quite possible that Pearson’s visit to the USSR set a precedent for Canada’s political elite to visit in the future not only the USSR, but other select East European nations as

well. According to Soviet specialist Leigh Sarty, Pearson’s visit entrenched in the Soviet leadership “a certain appreciation of the qualities that defined Canada’s favourable self-image as a ‘middle power’ in this period.” Moreover, it appeared that the Soviet leadership recognized the role of Canada as an “honest broker,” which could “usefully contribute to a reduction in East-West tensions.”

CHANGES BEHIND THE CURTAIN

Little attention has been paid to how Canada’s Soviet policy was shaped by its relations with select Eastern European states. Even less attention has been given to Canadian officials’ awareness of the domestic conditions of certain Eastern European countries (including the USSR), and how changing political trends within these countries impacted Canadian policy toward these nations, as well as the USSR. While the Kremlin controlled the Eastern bloc tightly during Stalin’s reign, these countries increasingly regained various degrees of autonomy after Khrushchev came to power; this is in addition to Yugoslavia’s independent position. As a result, Canadian officials began envisioning new policy directions, taking into consideration the new conditions spreading across the region.

The Twentieth Party Congress of the Soviet Union convened in February 1956. Emissaries from fifty-five Communist workers’ parties attended, including the leaders of all Eastern European Communist countries, except Yugoslavia. Since this was the first congress since Stalin’s death, “the gathering presumably was to clarify the post-Stalin party line, including the posthumous status of Stalin himself.”

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Foreshadowing what was to come, “when delegates first entered the hall, they saw a large statue of Lenin in its usual place of honour. But there was not even a picture of Stalin.” According to Taubman, “the foreign policy section of Khrushchev’s speech broke significantly with Stalinist dogma.” Khrushchev stated that a new world war was “not fatalistically inevitable,” and that “different countries could take different roads to socialism.”

In March 1957, following the dismantling of the Soviet conservative old guard and just months before the election of John G. Diefenbaker’s Progressive Conservative government, the DEA’s European Division issued a memorandum titled “The Canadian Attitude Toward the Soviet Satellites,” which reiterated how important effective control over the Eastern European satellites was to the USSR’s power position. Fundamentally, the memo questioned the very foundations of Canada’s Soviet policy. In the previous four years, since Khrushchev’s rise to power, it was recognized that a “more liberal policy has caused various Soviet blocs to develop a more nationalistic and less pro-Soviet orientation.” Treating the various blocs as a uniform appendage of the Soviet Union, the memo asserted, was counterproductive; instead, “it would be in [Canada’s] best interest to recognize and encourage hopeful trends in these countries without encouraging violence, and to modify our attitudes toward each state as the situation seemed to warrant.” In other words, Canada should no longer simply view the USSR as the overarching

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policy steward of the Eastern European region. In fact, various communist nations should be encouraged to follow their own foreign policy initiatives. Awareness that the Eastern bloc was less homogenous than once believed continued under the Diefenbaker government, and this perception began to shape policy.

A few months following the European Division’s memorandum, a new assessment was conducted on the impact of recent Soviet events (namely the changing of the old guard) on the satellite states. The change to the Soviet balance of forces caused a ripple effect throughout the Eastern bloc countries. However, the shift in Soviet leadership was not exactly mirrored in the Soviet satellites, as had typically occurred under Stalin. Traditionally, if Stalin modified the power structure, “like water flowing between inter-connected vessels,” the satellites would have followed suit. But, since the Twentieth Party Congress, the former automatic adjustments had been “subject to some modification.” Ultimately, for the Eastern bloc satellites, Khrushchev’s solidification of power meant “an affirmation of the new, more independent relations between the USSR and the satellites.” The memorandum concluded:

The proof that the satellite leaders are no longer the complete puppets they were under Stalin is demonstrated by the varied reactions in each satellite to the defeat of the conservative leaders in the USSR, and in particular, by the expulsion of moderates in Bulgaria while extremists in Rumania were dismissed. The establishment of collective

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leadership in the Soviet Union has greatly limited the personal
dependence of satellite leaders.\textsuperscript{25}

The European Division’s recognition that the satellites acquired at least some autonomy became integral to future policy development towards that region as a whole. Effectively, Khrushchev’s relaxation of control of the Eastern bloc prompted Canada to nurture closer ties with select Eastern European countries and the Soviet Union itself.

In a reexamination of the international balance of power, Robert Ford,\textsuperscript{26} who at this time was Canadian ambassador to Colombia but still a preeminent authority on the Soviet Union, explained that Canada was actually entering an era of greater flexibility in the international arena, since the “very overwhelming power held in equal strength by the two superpowers in a way balances out and permits greater independence to the second rank powers,” Canada included. Echoing the European Division’s view, Ford argued, “the only area where [Canada has] a good chance of regaining ground is in Central and Eastern Europe, and this may prove to be the area of the greatest importance in the struggle with Soviet communism.”\textsuperscript{27} This train of


\textsuperscript{26} Historian Charles A. Rudd describes Ford as “a man of sharp and clear-headed judgments.” While Soviet experts elsewhere saw “the USSR as a world power with growing capabilities and the will to spread communism,” Ford’s overall assessment “was that the Soviet Union – even when it appeared its most powerful – was in political, social, and moral decline. [...] He saw in the behaviour of the leadership poor judgment, rooted in Russian psychology and Marxist ideology, and the distortions and misunderstandings of thinking because of isolation from the rest of the world.” Rudd explains that Ford, “by having direct contact with Russians and a close study of Russian and Soviet history, was able to explain Soviet actions that often seemed baffling to the West.” To Ford, the superpower was not “a riddle wrapped in a mystery inside an enigma,” as it had been described by former British Prime Minister Winston Churchill in 1939. Charles A. Rudd, The Constant Diplomat: Robert Ford in Moscow (Montreal & Kingston: McGill-Queen’s University Press, 2009), vii-viii.

\textsuperscript{27} DCER, Vol. 25. 515. Ambassador in Colombia to Secretary of State for External Affairs, “A Re-Examination of the Balance of Power”, Bogota, October 18, 1957. DEA/50128-40. Ford was the
thought was embraced by civil servants and ministers alike. Addressing the subject of exchanges between Canada and the communist bloc, SSEA Sidney Smith advised Cabinet to consider these on their merits. He suggested, “On exchanges with Poland and Yugoslavia, the government should be as forthcoming as possible, in order to weaken the ties of these countries with the Soviet bloc and to increase their political and commercial links with the west.” Crucially, Poland and Yugoslavia were singled out as countries to pursue, for reasons the present work will explore below. Importantly, the recognition that Communist Europe was increasingly heterogeneous clearly had reverberated up through the Department to the Minister, who now also espoused this view.

It is important to understand that Canada’s Soviet and Eastern European policy was driven by events and developments east of the Iron Curtain, either within individual countries or between the USSR and other socialist states. While broad East-West Cold War events and trends did influence Canadian policy, Canadian officials’ awareness of the domestic trends occurring within Eastern European states also contributed to their policy choices. The forces driving Khrushchev’s foreign policy, such as the change in Soviet leadership, were clear to Canadian officials. Behind the scenes, the European Division critically and rationally examined the changes occurring in the Soviet Union and paid particular attention to transformations within the top political apparatus. They recognized changes

occurring as a result of Khrushchev’s slow liberalization and believed the Soviet Union was no longer governed by unyielding Stalinist ideology. In a memorandum to Smith, Under-Secretary of State of External Affairs (USSEA) Jules Léger discussed the changes in the Soviet Presidium and Council of Ministers and their impact on Soviet foreign policy. Many of Stalin’s conservative old guard – namely Vyacheslav Molotov, Lazar Kaganovich, and Georgy Malenkov – and others, including Dmitri Shepilov, Maksim Saburov, and Mikhail Pervukhin, were removed from positions of power and charged with obstructing the fulfillment of the decisions of the Twentieth Party Congress, where Khrushchev denounced Stalin’s dictatorship. According to a Kremlin communiqué, they were “guilty of obstructing the development of peaceful co-existence, opposing decentralization of Soviet industry, opposing the granting of material incentives in agriculture, and opposing the abolition of all manifestations of the cult of personality.” Molotov was singled out because he opposed the idea that a reduction of tension in international affairs could be achieved by personal contacts between Soviet and Western leaders.

By mid-1957, Khrushchev had secured power after a transitional phase of jockeying among party leaders. As a modernizer, he ushered in a new phase in Soviet foreign policy and laid the ideological, institutional, and policy foundations

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29 Formerly the Politburo.
for Soviet international behaviour up to and including the Gorbachev period.\footnote{Erik P. Hoffmann, “Soviet Foreign Policy Aims and Accomplishments, from Lenin to Brezhnev,” in Frederic J. Fleron Jr., Erik P. Hoffmann, and Robbin F. Laird, eds., Classic Issues in Soviet Foreign Policy: from Lenin to Brezhnev (New York: Aldine de Gruyter, 1991), 60.}

Under-Secretary Léger believed Khrushchev’s motives to be not only political and ideological but also economic:

We can expect an unrestrained effort to accomplish the economic ends which Khrushchev has made clear are close to his heart – at home, equality with the United States in per capita production, especially in agricultural products; abroad, competitive co-existence until world socialism is achieved. [...] The foreign policy which we have come to associate with Khrushchev during the past three years, and which was interrupted by Hungary, will probably continue.\footnote{DCER, Vol. 25. 514. Memorandum from Under-Secretary of State of External Affairs to Secretary of State of External Affairs, Ottawa, July 9, 1957. DEA/50170-40.}

Marginal notes recorded, “PM has read and remarked that this is an excellent paper”,\footnote{DCER, Vol. 25. 514. Memorandum from Under-Secretary of State of External Affairs to Secretary of State of External Affairs, Ottawa, July 9, 1957. DEA/50170-40.} suggesting Diefenbaker shared Léger’s opinion. Frequently, historians have argued that Diefenbaker was continuously at odds with the DEA, particularly at the beginning of his term, but this suggests otherwise; here, his stance regarding the new Soviet direction aligned with that of the Department.

Diefenbaker and DEA officials also shared the view that Khrushchev was different from his predecessor. Khrushchev welcomed competition with the US throughout the world, because he truly believed in the moral and eventual material superiority of his socioeconomic system.\footnote{Erik P. Hoffmann, “Soviet Foreign Policy Aims and Accomplishments,” 62.} According to historian Vladislav Zubok, Khrushchev “genuinely thought that the Soviet Union could catch up with and surpass the United States in the fields of science, technology, consumer goods, and
overall living standards.”\textsuperscript{36} Oleg Troyanovsky, Khrushchev’s assistant for foreign affairs, states that immediately following Stalin’s death in 1953 the international situation was so tense that “another turn of the screw might have led to disaster.”\textsuperscript{37} Yet, the screw initially loosened following Khrushchev’s ascension to power, and international tensions lessened temporarily. Troyanovsky argues, “Khrushchev was the driving force behind the effort to move the world away from the edge of the abyss, where it stood at the beginning of 1953.”\textsuperscript{38} Whether Khrushchev actually moved the world away from the edge of the abyss in the late 1950s is secondary to the point that he was unlike his predecessor, a fact Canadian officials had recognized.

Some within the DEA were concerned that because Khrushchev’s position was not as authoritative as Stalin’s, his policy aims were also not as unshakeable and definite. If Khrushchev’s grip on power ultimately proved not as tight as Stalin’s, there could be negative repercussions. In a note on Soviet intentions prepared for a summit meeting in 1958, Assistant Under-Secretary of State for External Affairs John Holmes, who also served briefly in the USSR in the late 1940s, warned that Khrushchev “must also listen to, and in some cases give way to, powerful economic interests and to lobbies or cliques within the Central Committee or among Ministers.

\textsuperscript{36} Vladislav M. Zubok, \textit{A Failed Empire: The Soviet Union in the Cold War from Stalin to Gorbachev} (Chapel Hill: The University of North Carolina Press, 2007), 175.


We can never be sure, therefore, whether the pure Khrushchevian conception will triumph at any particular moment.” Somewhat optimistically, Holmes stated,

there is a certain amount of good evidence for accepting, at least to some extent, the interpretation of Khrushchev as the force of liberalism which is given to us by Tito and Gomulka. In spite of the crudities of his propaganda and the vehemence of his language, there is in Khrushchev a certain rationality and sober common sense with which one might come to terms.

In the end, however, Holmes preached prudence. He was nervous that, in its study of Soviet intentions, the DEA could not know the extent to which Soviet intentions were firm or transient. “Khrushchev is probably quite sincere in his desire for peaceful co-existence,” stated Holmes. But the real trouble had less to do with Khrushchev’s intentions and more to do with the fact “that Khrushchev might so easily be pushed aside by someone else equally sincere but with an even less attractive interpretation of the interests of the Soviet Union.” To drive the point home, Holmes presented a cautionary rhetorical question:

What if we were to accept Khrushchev’s intentions as fixed Soviet policy and reach with him an agreement which would be a perfectly satisfactory agreement so long as Khrushchev’s policy maintained, only to find out that the man in whose conception of Soviet interests we had placed our trust was deposed a few months after a Summit meeting or had lost his influence to a group which would exploit the settlement in a different way?

In other words, while Holmes may have been willing to cautiously trust Khrushchev's policies and intentions, he did not necessarily trust the capricious political dynamic – whether real or perceived – that existed in Soviet Russia.

Canadian officials’ awareness of the changing dynamics behind the Iron Curtain resulted in a renewal of existing policy, originating from the European Division. A firm understanding that the region was no longer dominated like it once was under Stalin led officials to see the benefits of pursuing bilateral foreign relations with the USSR as well as select Eastern European nations, particularly Poland and Yugoslavia. This highlights how, during this earlier period, Canadian officials were pragmatic in their thinking. It also suggests that Canadian officials’ attempt to reduce Soviet hegemony over Eastern Europe was not simply an afterthought related to broader East-West trends, but rather a calculated move pursued by the government to exercise influence as a middle power against Eastern European communism.

By studying the dynamic between Canada – a secondary power – and certain Eastern European countries – secondary powers relative to the USSR – we see how the Cold War was not simply a rigidly binary contest between two superpowers. Instead, conflicts played out in a much more fluid and complex manner, with countries pursuing policies that, at times, could be driven more by their own needs and less by stiff dualistic conceptions of ideological division. This highlights the importance of middlepowerism to the Cold War conflict, and illustrates how some secondary powers calculated changing trends within other similarly powerful states.
THE ECONOMIC OFFENSIVE

The recognition of changing tides behind the Iron Curtain contributed to the perception of the Soviet Union as more than simply a political and military threat. For Canadian officials, Soviet non-military actions were also considered real challenges to Western democracy and normal international commercial relations. In particular, Soviet advancements in trade and commercial relations were viewed through an ideological lens. Consequently, Soviet economic competition became inextricably associated with the global spread of communism. Canadian officials, adopting contemporary Cold War parlance, deemed this competition an economic offensive. The so-called economic offensive was seen as a direct challenge to Canada and the West’s economic, political, and social systems. When expedient, however, Canadian officials viewed the Soviet Union not only as a potential economic threat, but also a commercial possibility. Said differently, the USSR was seen as both a competitor and customer. “Canadians, more so than any other people in the world,” stated Holmes,

depend on trade for their national prosperity. [...] So we must be energetic in promoting our commerce and exploiting our resources. We must take a very earnest interest in international trade and monetary organization, encourage investments, and keep sweet our general political relations with countries all over the world – whose habits and governments we may not like but with whom we have to buy and sell.42

To fully understand Canadian-Soviet relations during this period, the significance of the so-called Soviet economic offensive must be woven into the fabric of our understanding of Canadian-Soviet diplomacy, just as fears of Soviet military expansionism and their nuclear capabilities were recognized as integral to the

political discourse of the late 1940s and early 1950s. Concern over Soviet non-military advances was rooted not simply in political ideology, but was also related to Canadian officials’ pragmatic approach to Cold War diplomacy with respect to political and foreign economic relations and to their recognition of Canada’s position as a middle power in the fight against Soviet communism.

The fact that the fear of Soviet non-military advancements was widespread among officials and politicians alike in Ottawa is an important factor in appreciating the significance of what they perceived to be a real and potential threat to Western democracy. In 1954, Robert Ford argued in a paper titled, “Relations with the USSR: A Reassessment,” that the “primary Soviet threat was not military; it was one of economic and political disintegration.” Shortly after the Twentieth Party Congress in February 1956, the Soviet government released 100,000 copies of Yu. B. Borisov’s booklet, “On Peaceful Coexistence and the Co-operation of Two Systems.” It optimistically explained that socialism would win a complete victory on an economic battleground, and that new countries emerging from colonialism would adopt the Soviet model. Moreover, Borisov stressed how peaceful co-existence was not only possible, but also necessary to ensure international socialism’s success.

As leader of the opposition in 1956, Diefenbaker recognized that the hydrogen bomb brought equality in military preparedness and argued that the USSR would not try and overrun the world by force. In the House of Commons, he reasoned,

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43 Rudd, The Constant Diplomat, 39.
the USSR has changed its course to an economic offensive. [...] They have changed from a reliance on military force to a reliance on economic infiltration. [...] In other words, this new scheme shows a flexibility of policy under the present leaders that Stalin never achieved or never tried to achieve.\textsuperscript{45}

Diefenbaker recognized the shift in Soviet policy from the hardline Stalinist position to Khrushchev's more pragmatic policies and emphasized that it was the Soviet market, not Soviet missiles, that posed a threat to Canada. Once in office, he did not stray from his belief that the Soviets were a clear economic competitor. In a speech delivered in Montreal, addressing the challenges of Soviet technology, Diefenbaker discussed Russia's successful launch of the first artificial satellite. He stated that one lone scientist pouring over his books or working with a few associates in a laboratory did not accomplish the feat. Diefenbaker emphasized the "vast combination of scientific institutions and factories, carrying out the ideas of an army of the most highly trained scientists, engineers, and technicians."\textsuperscript{46} Diefenbaker highlighted the Soviet arsenal of people pushing forward what was perceived as the juggernaut of Soviet industry; he recognized that the industrial and economic footing was vast, strong, and continuing to develop. While the launch of a space satellite certainly showcased Soviet missile delivery capabilities, Diefenbaker chose to emphasize the industrial and technological capacity required behind the scenes for such an impressive accomplishment that would contribute to the further development of Soviet industry.


\textsuperscript{46} DEA, (S & S), 57/36, "The Challenge of Soviet Technology." Address by P.M. Diefenbaker at McGill University's Convocation, Montreal, Quebec, 7 October 1957.
Canadian officials generally believed that Khrushchev was sincere about peaceful co-existence. The general consensus was that the Soviets were pushing to outflank, and ultimately overtake, the West through economic tactics. Assistant Under-Secretary for External Affairs J. B. C. Watkins, who also served as Ambassador to the Soviet Union from 1954-56, stressed the military stalemate that confronted the US and USSR. With a dash of dark humour and bleak candidness Watkins stated,

[b]oth the US and the USSR now had enough hydrogen bombs to annihilate each other if either one of them had a sufficiently strong suicidal impulse to attack, or if somebody on either side made a mistake. The Russians are as much the prisoners of this new situation as the Americans. In NATO parlance, they are "interdependent" — with a vengeance. While it is fairly obvious that neither particularly relishes this constrained bedfellowship, so to speak, the Russians seem to have adjusted to it more quickly than the Americans, possibly because they seem to have been thinking on the basis of an atomic stalemate at least since 1954, and the full implications of the new weapons have had more time to penetrate.48

As Canadian officials began conceptualizing the USSR as an economic threat, they began seeing firsthand the potential impact of Soviet commercial advancements.

47 Watkins’ death during an interrogation by the RCMP for alleged espionage with the Soviet Union sometimes overshadows the life and career of the diplomat. Despite the allegations, contemporaries described him as “a gentle, sociable man who took as much pleasure in good food, fine wine and tobacco as he did in an evening of cultured conversation.” Historians Dean Beeby and William Kaplan explain that colleagues fondly remembered Watkins’ despatches and letters from Moscow. “Even his RCMP interrogators,” Beeby and Kaplan explain, “took delight in reading the hundreds of despatches and letters they had to study for evidence of disloyalty. The documents acquired a reputation, years after they were written, as literary gems that one read as much for pleasure as for information.” Similar to Robert Ford, Watkins was deeply aware of the internal struggles of the Soviet Union, and his despatches “offer a glimpse of a vast country struggling, under the tyranny of Joseph Stalin, to rebuild after the devastation of the Second World War.” No evidence was ever found linking Watkins to aiding the Soviets in any capacity. John Watkins, Moscow Despatches: Inside Cold War Russia, eds. Dean Beeby and William Kaplan (Toronto: James Lorimer & Company Ltd., 1987), xvi-xvii.

Even Commonwealth connections were not impervious to Soviet economic competition. Historian Ian Drummond explains that Canadian-Soviet competition always related to “fabricated materials inedible” (FMI). These goods are comparatively simple manufactures, like lumber, plywood, paper, aluminum, and other non-ferrous metals. During the late 1950s and 60s, Canadian exporters began to meet new Soviet competition in several of these commodities, including aluminum for the first time. The competition was especially noticeable in the United Kingdom, a comparatively open market that had traditionally imported most of its lumber and aluminum. Minister of Trade and Commerce Gordon Churchill addressed Canadian aluminum exports specifically, in the House of Commons:

[w]e have looked into that threat. We have made representations to the United Kingdom, one of the great buyers of our aluminum, asking them to continue to purchase the Canadian product despite offers that might be made by the Russians at a much lower figure. [...] We are fully aware of the threat posed by the economic warfare of communist countries.”

By this time, Canadian exporters were complaining that Soviet competition was “unfair,” that Soviet producers “did not know what their goods cost,” or even that Soviet exporters deliberately dumped commodities so as to disorganize world markets. These views were less frequently voiced as time passed, and according to Drummond, “there can be little doubt that Soviet competition became less ‘unfair’ with each succeeding year.” Besides, Soviet producers and exporters certainly knew,


in ruble terms, whether or not they were making a profit or a loss on each export
transaction.51

Drummond explains that Soviet aluminum exports were part of a broader
export drive in Western Europe, but from the Canadian point of view, the export
drive seemed to be concentrated on FMI, and especially on aluminum and softwood
lumber. From 1957 to 1959, Soviet sales of aluminum to Western Europe rose by 40
percent, and to the UK by approximately 70 percent.52 One year after Churchill’s
statement to the House of Commons, the Commonwealth Liaison Committee
reported that the USSR had agreed to limit its sales of aluminum to the UK. The
report warned, however, that the threat was not abated, since “there is a continuous
danger that bloc exports of this commodity could be channeled from the Eastern
European satellites.”53 Moreover, the USSR sought to export aluminum to West
Germany, India, and Spain, all important markets for Canadian aluminum.54
Canadian forest exports also faced competition, since the USSR had “substantially
increased its softwood lumber exports to the United Kingdom.”55 Soviet economic
advances, then, directly challenged exports in Canadian resources. Even long-
standing Commonwealth connections were at times in jeopardy due to the enticing

Drummond also points out that because Soviet internal prices were often irrational, the full cost of
the inputs was certainly not always charged. But the same could have been said of capitalist
manufacturers, especially, perhaps, in such FMI industries as forest products and aluminum. 146.
53 LAC, RG6, File 10-33/119 box 123, Report Commonwealth Liaison Committee, “Trade with the Sino-
Soviet bloc,” 5 March 1959.
with the Sino-Soviet bloc,” 27 October 1958.
with the Sino-Soviet bloc,” 27 October 1958.
prices offered by the Soviet bloc. Essentially, the Soviet drive to increase exports represented potentially dangerous political and ideological leverage on a global scale.

Liberal Leader of the Opposition Lester Pearson also recognized the competition posed to Canadian trade by Soviet economic advancement and asserted that the Soviets were dumping goods onto the world market for more than simply economic reasons. Pearson summed up the situation by stating, “experience in Europe during recent months has shown that with respect to commodities such as lumber, pulp, aluminum, oil, and rails, [the Soviets] are putting these goods into the market at a price with which on this side we cannot compete.”56 The economic offensive was not just a propaganda ploy used by the Diefenbaker government to justify its foreign policies or to raise fear; rather, Canadian politicians, regardless of political party, perceived the Soviet economic offensive as a real challenge to Canadian commercial relations.

The increased Soviet presence in global markets was reinforced with refined and insistent business tactics. The Russians were not only advanced weapons makers, but also shrewd businessmen. In the House of Commons, Conservative MP Joseph Van Horne asserted the Soviets have “more aggressive and more expert selling agents and the impression they give to buying countries is this: ‘We want the business and we will do what we have to do to get it.’”57 Van Horne explained that while on a business trip in Paris, he and Commercial Attaché Robert Campbell Smith

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visited the presidents of two of the largest buyers of pulpwood in France. Each previously purchased the product from Canadian companies and had done so for many years, but they had switched to purchasing pulpwood from the Soviet Union. According to both French businessmen, the quality of Russian wood was good, contracts were carried out to the letter, and no complaints arose about the quality or quantity involved. In the end, “they get a better deal from [the Soviet Union] than they get from Canada.” Van Horne added, “Russia will accept [France’s] currency while we sit back and insist on dollars. Russia does business how and where it can be done.”

In the House of Commons, Secretary of State for External Affairs Sidney Smith asserted that “[b]y economic penetration, by barter systems and loans and other means [the Soviet Union is] making advances. [...] To me, that might mean that they will win the victory without ever firing a shot. I regard this as one of the most urgent aspects of our foreign relations.” Soon afterwards, Smith warned the Cabinet Defence Committee that “Soviet economic strength and the use made of that strength throughout the world, poses a threat to the West as formidable as is the Soviet military threat.”

By the late 1950s, anxiety over what contemporaries considered the Soviet economic offensive was reinforced in a number of ways: by Soviet Deputy Premier Kozlov’s visit to American industrialists; by the five-year Anglo-Soviet trade

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60 DCER, Vol. 25. 74. Memorandum from Secretary of State for External Affairs to Cabinet Defence Committee, Ottawa, August 14, 1958.
agreement, which called for greatly expanded trade; by the global dip in tin prices as a result of increased Soviet sales; by the USSR’s agreement to loan $100 million to Ethiopia, another $100 million to Argentina, and $378 Million to India; and by 4,000 Communist bloc technicians who “roam the world.” Since Canada and Russia share similar geographical and natural environments, the export of natural and manufactured resources was of particular concern to Canadian officials and exporters. A 1958 report by the Commonwealth Liaison Committee stated that the very nature of the Soviet bloc economic system could destabilize global markets. Considerations of price and cost and the pressure of private interests that are normal to a capitalist system could largely be ignored by these countries. As a result, these tactics were expected to prove particularly problematic for Canadian exports. The fear of the economic offensive was political and ideological with respect to the global spread of communism, but these Canadian concerns demonstrate how global commercial relations are rarely isolated from international politics.

In 1959, the prime minister delivered a speech titled “A Re-Assessment of Soviet Attitudes,” in which he highlighted his understanding that Khrushchev had altered his foreign policy course from Stalin’s: “Mr. Khrushchev is a realist. He knows that modern warfare is self-defeating and cannot be employed in the traditional way to back up the aims of foreign policy. The thought of nuclear war is

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61 Ramond F. Mikesell and Donald A. Wells, The Soviet Economic Offensive (Toronto: Canadian Institute of International Affairs, 1959), 1.
no less appalling to Mr. Khrushchev than it is to the West.”  

Diefenbaker understood that Khrushchev had recognized world domination could no longer be achieved at the barrel of a gun, or the tip of a missile. Diefenbaker’s statement also reinforces the importance the Canadian government attached to the changes in the power dynamic among Soviet leaders. Diefenbaker was correct to assume that Khrushchev did not want nuclear war. As historian Kitty Newman observes, “Khrushchev was acutely aware of the terrible impact of atomic warfare on the human race.”

Undersecretary Norman Robertson shared the view that the Soviets conceived of communism’s ultimate victory not necessarily in military terms, primarily as a consequence of the nuclear stalemate. In a memorandum to his minister, Robertson stated,

[t]here is no doubt in my mind that the Soviet leaders still believe in the inevitable supremacy of Communism. They believe also that their political and economic systems are better than those of the free nations. The evidence is, however, that they no longer think war between themselves and the capitalist countries to be an inevitable or even necessary step in their attempt to communize the world. Moreover, they seem to recognize that a major war would result in their own destruction.


64 Kitty Newman, Macmillan, Khrushchev and the Berlin Crisis, 1958-1960 (New York: Routledge, 2007), 9. As early as 1954, when Khrushchev was working to solidify his power in 1954, a report prepared by eminent Soviet scientists, including the Director of the Soviet nuclear effort since 1943, Igor Kurchatov, warned Khrushchev that mankind would face an enormous threat of extermination of life on earth if nuclear war was waged. V. Zubok and C. Pleshakov, Inside the Kremlin's Cold War: From Stalin to Khrushchev (Cambridge, MA: Harvard University Press, 1996), 188-194.

Howard Green became secretary of state for external affairs following Smith’s sudden death in 1959. When assessing Green’s legacy in External Affairs, historians have typically highlighted his gladiatorial efforts in the realm of nuclear disarmament. Yet, Green was also fundamentally aware of the USSR’s growing non-military advancements and what these could mean to the world at large. With regard to Canada specifically, Green warned that the USSR’s drive to expand export markets was of particular concern, since many items were competitive with Canada’s. In a speech to the Vancouver Board of Trade, Green made clear that while NATO was initially created for the main purpose of providing security in the face of growing Soviet military advancements, the “Soviet challenge was in the process of change – that we are entering upon a new phase of international relations in which [...] competitive co-existence in the economic and ideological spheres will continue unabated.”66 In comparison to the potential threat of Soviet aggression, for which the alliance was initially created, Green maintained that the Soviet economic offensive was no less demanding and that all NATO member nations realized this fact.67

The fact that the Soviet Union was growing economically was not solely viewed as a threat, however. For instance, Green suggested it could be advantageous to Canada: “Trade is [...] a two-way business, and increased exports from the Soviet group of countries can mean increased opportunities to sell our goods to them.

Without in any way minimizing the risks of East-West trade, I would say that there is no need for any suggestion of defeatism about our prospects.” In other words, Green viewed the USSR as both a competitor and customer. Green’s logic was rooted in his understanding that the USSR was inclined to improve its domestic standard of living. As a result, the Soviet Union could “absorb large imports of many goods from Western countries in return for Soviet exports.” The Soviet effort to increase integration within a competitive international market, Green believed, could benefit Canadian industries with a surplus of goods to sell. Essentially, Green believed in the need to preserve a balance between optimism and caution when it came to potential benefits and downfalls of the so-called economic offensive. Canadian officials’ beliefs that the Soviet Union no longer wanted war but that it posed an economic offensive were intrinsically linked. Though it is hardly surprising the Soviet Union sought and pursued economic expansion and international trade, the ideological fear of the spread of communism led Canadian officials to see these efforts as an “offensive” in the Cold War.

CANADA, NATO, AND THE USSR’S NON-MILITARY ADVANCEMENTS

The belief that war was not inevitable is an important ideological shift that occurred during the Khrushchev years, and speaks to the fact that Canada’s Soviet and Eastern European policy was largely impacted by internal political developments east of the Iron Curtain. Ideology aside, the economic and political “threats” posed by Soviet communism were clearly entrenched in the minds of

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Canadian officials long before the Diefenbaker government arrived in office, and the efforts to counter these threats in a multilateral framework can be dated to NATO’s creation. During negotiations to establish the alliance in the late 1940s, Canadian delegates pressed for more than simply a military coalition. Then Prime Minister Louis St. Laurent and External Affairs Minister Lester Pearson hoped that the treaty would also establish a basis for the gradual political and economic unification of the North Atlantic community.\(^69\) Many mandarins at External Affairs shared this perspective. For instance, Norman Robertson was not insensitive to the dangers posed by the Soviet Union, but his major interest in the proposed alliance was with the economic and political problems it might help to resolve, and he saw the usefulness of it as an instrument of Canadian economic foreign policy.\(^70\) As a result of this thinking, Canadian negotiators argued for what became Article 2, close collaboration within the alliance on cultural and social issues, and specifically economic cooperation.

In the end, however, Article 2 proved more useful as a tool for domestic politicking in Canada than as real grounds for alliance cooperation.\(^71\) Escott Reid, a self-proclaimed radical mandarin, was disappointed that NATO did not make real efforts to achieve economic, social, and cultural cooperation or to promote

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71 For instance, St. Laurent and Pearson felt that Article 2 needed to be strengthened in part because an election was close on the horizon and they understood that the public would want a strong non-military commitment and a promise for a strong social, economic, and cultural mandate. James Eayrs, *In Defence of Canada: Volume IV, Growing Up Allied* (Toronto: Toronto University Press, 1980), 121.
democracy within member states.\textsuperscript{72} Enthusiasm for Article 2 seemed to evaporate once the Treaty was signed and ratified; despite the efforts by Canadian officials to incorporate it into the Treaty, little was done to translate the Article’s aspirations into practical accomplishments.\textsuperscript{73} It is important to note that even during the early phases of the Cold War, as divisions were solidified and alliances formed, plans to counter non-military advances were also a crucial component of Canadian officials’ thinking. Yet, despite the NATO alliance’s theoretical appreciation that a unified counteroffensive against Soviet non-military advances may be advantageous, the lack of alliance cooperation on this front persisted.

In 1959 Ford asserted, “[t]he Russians wanted to expand the areas of Communist influence and undermine the [NATO] alliance, not by force but by means of ‘ideological drives, trade, and aid’ and by using skillful diplomacy consisting of ‘peace, disarmament, and normalcy, including the possibility of gradually breaking up the NATO alliance.’”\textsuperscript{74} To the USSR and Soviet bloc countries, the NATO alliance was more than a military threat as well. Yet, when it came to each other’s respective alliances, both East and West typically chose to emphasize publicly military threats over potential economic perils. Perhaps both the Canadian and Soviet governments believed that society generally found it easier to imagine their cities being leveled by nuclear bombs than to comprehend the possible threat of a shifting global economy.

\textsuperscript{73} Eayrs, \textit{In Defence of Canada}, 175.
Diefenbaker expressed concerns similar to those of Ford and Cabinet colleagues regarding the Soviet threat to the NATO alliance. Khrushchev's restructured foreign policy of conciliation, he warned, “offers a better prospect of driving wedges into the ranks of his diplomatic adversaries, of creating splits among members of NATO.” Just as he believed Khrushchev wanted to splinter the NATO alliance, Canada wanted to help pry apart the Eastern bloc from the clutches of the Soviet Union, while simultaneously promoting further divisions between the USSR and other communist nations, such as Yugoslavia. Indeed, the NATO alliance viewed Soviet economic advancement as an issue to be kept at the forefront of its agenda. A 1960 press communiqué noted that the Permanent Representatives were instructed to follow up previous studies in order to enable them to “watch the developments of the Communist economic offensive and to concert the necessary defensive measures.” While the alliance would not formulate a cohesive, collective response against the economic advancements of the Eastern bloc, its members were willing to discuss the matter with one another and to discuss openly how the economic advances might impact the alliance.

In 1960, a Canadian statement on East-West relations delivered to the Chairman of the NATO alliance noted the differing opinions expressed on the advisability of Western leaders engaging in a preliminary discussion of trade with the USSR at an upcoming summit meeting. Canada believed the alliance should be

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prepared to do so, since the “current Soviet trade programme has special significance for Canada because many of the main exports of the USSR compete with Canadian commodities.”

Further, the statement affirmed that Canada believed growing East-West trade relations “must be a part of any broad efforts to reach peaceful settlement of outstanding problems between the Soviet bloc and the West.” This meant, broad discussions between Soviet Russia and Western representatives of NATO could be pursued, but specific and detailed discussions on particular economic and trade developments should not take place at the summit. Individual countries should, along with the proper, national organizational bodies, engage in bilateral conversations with Soviet bloc countries.

On the whole, Canadian representatives felt that NATO had a continuing role to play as a forum for confidential consultation on the economic field, “but not as an agency for Western action.” Combating Soviet economic advancements directly was not the job of NATO. Rather, it was the Canadian position that “the Communist economic challenge must be met by pursuing effective policies in the international specialized bodies concerned with economic questions and in bilateral relations with other countries” (emphasis added). Canada did, however, believe that NATO should remain broadly vigilant of the Soviet economic challenge and keep it “under close examination.”

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Overall, the Canadian position held that NATO’s main role should be to keep a “close watch over developments, domestic and external, in communist economic policies, pointing [out] danger areas which deserve special attention” since the communist economic challenge “is bound to become increasingly serious and widespread.”\(^{80}\) When it came time to take active measures against the Communist economic challenge, Canada recognized the limitations inherent in Article 2 of the Treaty and asserted, “it was never intended that NATO should be an instrument for the implementation of economic policies.”\(^{81}\) The fact that the Canadian government wanted NATO only to provide general and broad oversight suggests Canada considered its own direction and policy for combating the Soviet economic offensive would be more effective and would better serve its own national interests.

**BILATERAL SUMMITRY**

Changing political dynamics behind the Iron Curtain prompted Canadian officials to reconsider their Eastern European policy and promoted open political-diplomatic discourse. While Soviet economic expansion was certainly perceived as a potential threat to Canadian commercial endeavors, this did not inhibit Canadian-Soviet political dialogue. Frank and open discussions were a favourable course of action pursued by the Diefenbaker government, a continuation of the approach pursued by the previous Liberal government. In the end, however, because Canada was tightly ensconced within NATO, progressive and meaningful bilateral political


dialogue was inherently limited. Middle power influence could not easily be exercised in bilateral relations with the Soviet Union because Canada was also constrained by its military alliance.

Despite fundamentally different political and ideological positions, official representatives from Canada and the USSR were willing to promote a cordial and professional political relationship. Much has been made of the series of high-level visits in 1959, including British Prime Minister Macmillan and Vice-President Richard Nixon’s visits to Moscow, and Mikoyan’s visit to the US, for instance. This bilateral summitry, as Diefenbaker’s foreign policy steward and liaison between the Prime Minister’s office and the DEA Basil Robinson suggests, contributed to a significant reduction in East-West tensions.\textsuperscript{82} Meetings between the great and middle powers, however, have remained relatively unexamined, despite their contribution to international political relations.

The significance of great power-middle power bilateral meetings must not be over-exaggerated. At the same time, they should not be ignored, since they highlight the very real role middle powers played. The news that Khrushchev was going to visit the United States in 1960 raised immediately the question whether he should be invited to Canada. According to Basil Robinson, Diefenbaker kept weighing the arguments for and against this possibility. On the positive side, such visits made for good publicity; they were consistent with his well-advertised belief in the value of personal contacts; and public opinion, on the whole, favoured an invitation to

\textsuperscript{82} Basil Robinson, \textit{Diefenbaker’s World: A Populist in Foreign Affairs} (Toronto: University of Toronto Press, 1989), 101.
Khrushchev. And on a much more personal note, if Diefenbaker were to be involved in a meeting with Khrushchev, he would, in Robinson’s words, “be entering into an exclusive fraternity of leaders who had gone into the ring with Khrushchev. Such an occasion would, in theory at least, consummate his standing on the world stage and would match, if not surpass, anything Pearson had done publicly in relations with the Soviet government.” As for potential negative consequences, many of the East European groups in Canada – Hungarian, Ukrainian, and those from the Baltic regions – would be bitterly opposed to any gesture which might be interpreted as conciliatory towards the USSR.83

In a memorandum to Diefenbaker regarding the possibility of Khrushchev visiting Canada, additional positive consequences not mentioned by Robinson were outlined. For instance, since one of the underlying considerations of President Dwight Eisenhower’s invitation to Khrushchev was the view that the visit would provide a means of correcting Khrushchev’s profound misconceptions of political, social, and economic life in the United States, a visit to Canada would presumably heighten whatever influence his visit to North America might have in this respect, particularly by providing Khrushchev with the opportunity to become acquainted with the Western way of life as pursued by a middle power. Also, a visit could possibly correct the misconception regarding the relationship between Canada and the United States. A visit to Canada coming after his stay in the US would provide an opportunity for Khrushchev to gain a better understanding of the quality of this relationship than if he was to only visit the US. Lastly, discussions in Ottawa with

83 Robinson, Diefenbaker’s World, 101-102.
Khrushchev on outstanding East-West issues would provide him with an indication of the solidarity of Western views and at the same time permit him to view the West’s position from a different perspective than may have been the case in Washington.84

In the end, while Khrushchev never came to Canada, other high level Soviet officials did. For instance, in November 1959, on a stopover flight to Mexico and the US, Deputy Chairman of the Council of Ministers Anastas Mikoyan visited Halifax. His welcoming party included the Premier of Nova Scotia, Robert Stanfield, the federal Minister of Fisheries, Angus MacLean, and the Chief of Protocol of the DEA, H.F. Feaver. Minutes before landing, Mikoyan was greeted with a radio message from Diefenbaker welcoming him to Canada.

Much to the surprise of the visiting delegation and their Canadian hosts, a large number of journalists and radio and television operators awaited them; Mikoyan promptly agreed to go to C.H.N.S. radio station for an interview. According to Feaver, Mikoyan “was very adroit, evasive, amusing, forceful, voluble and friendly.” After his interview, Mikoyan went to some effort to make a good public impression as he seized the opportunity to talk to two groups of people. To one group, comprised mostly of women, he had this to say:

I bring you a message from the women of the Soviet Union. They send greetings of friendship to you women of Canada and want me to tell you that their greatest wish is for peace throughout the world so that they - and the women of all countries - can live in happiness with their families.

Later, a dinner was held in Mikoyan’s honour. In the end, Feaver concluded, “the stop-over visit can be regarded as successful from both the Canadian and the Soviet viewpoints.”

According to Canada’s ambassador in the USSR, David M. Johnson, Mikoyan’s brief visit to Halifax “received very full coverage in the Soviet press.” Both Pravda and Izvestia carried full stories. According to Johnson, they paid particular attention to Mikoyan’s discussions with “ordinary Canadians, in particular Canadian women, and with trade union leaders from the Atlantic.” It is likely that Mikoyan engaged with the Canadian crowds for propaganda purposes, not because he was a communist, but simply a politician. Regardless, Mikoyan’s brief stop-over visit suggests that each country was willing to encourage political cooperation, and the willingness to cooperate filtered down from those in positions of high power.

Although Khrushchev never visited Canada and never formally met Diefenbaker face to face, the two leaders did exchange letters in late 1958, on Khrushchev’s initiative. Khrushchev’s letter to Diefenbaker was part of a larger letter writing campaign to various Western leaders. In April 1958, Khrushchev explained to Diefenbaker that the Soviet government “has decided to stop, unilaterally, the testing of all types of atomic and hydrogen weapons from March 31, 1958.” Khrushchev then called upon the Canadian government to support its


initiative. According to Basil Robinson, while brainstorming ideas with Diefenbaker about the direction and tone of his response, the Prime Minister insisted on reversing the Soviet tactic of forcing Western governments into a position of having to answer questions “by asking certain questions of Mr. Khrushchev.” While Robinson stressed to the Under-Secretary that Diefenbaker was just “throwing out ideas for consideration and that he was open to official recommendations,” it was also clear that the Prime Minister was emphatic on the decision to “take the offensive in the correspondence with the Soviet Government” and was “attracted by the tactic of asking questions of Mr. Khrushchev.”

The DEA and SSEA Smith agreed. Smith stated, “if we the take the offensive in our reply it undoubtedly creates a good balance in exchanges with the Soviet Union.” Smith then warned that it would be “unprofitable at this stage to carry this approach to the point where we might encourage the Soviet leaders to prolong their letter writing campaign...” In other words, Smith agreed that an “offensive” approach to the reply was good, if a more conciliatory tone could be simultaneously pursued. Importantly, Smith reiterated the well-established DEA policy that “initiatives should be developed within the NATO Council.” He lamented that imaginative approaches in this context could be difficult, but suggested,

Canada can exercise a considerable influence in an indirect way by helping to develop programmes of action through NATO and we [the DEA] believe that this is preferable to the taking of any special initiative

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in dealings with the Soviet Union which Canada might find it difficult to carry further alone.  

Smith’s statement that Canada could best influence global affairs within the confines of its alliance network, a hallmark of Canadian foreign policy, is evidence that Canadian-Soviet political relations were inherently limited. In the end, the response to Khrushchev balanced conciliation with posing questions, the approach favoured by both Diefenbaker and the DEA.

In his reply, Diefenbaker stated that Canada’s reaction to Khrushchev’s announcement to stop nuclear testing has been cautious, “and that a sense of uneasiness has modified the satisfaction we were tempted at first to entertain.” Diefenbaker explained, “it is axiomatic that disarmament, to be significant in these times, must be the product of negotiations and agreement among nations. The world can hardly be expected to repose confidence in the potential results of a decision which could be reversed overnight, and without consultation, by your government.” He then asked Khrushchev to clarify his “position with regard to the establishment of an international system for the verification of nuclear tests. Assuming that you are willing to exchange views on this problem with other governments, I should be interested to know what type of practical measures you have in mind to ensure that tests of nuclear weapons were not being conducted anywhere in the world.” Diefenbaker then reminded Khrushchev of his government’s refusal to carry out mutual inspection of Arctic regions and again offered “to make available for

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international inspection or control any part of [Canada's] territory, in exchange for a comparable concession on your part.”

A few weeks later, Mikoyan explained to Ambassador Johnson that Khrushchev believed Diefenbaker’s letter was based on “a misunderstanding of Soviet policy,” yet, “appreciated the spirit in which it was written.” Khrushchev did, in fact, write back to Diefenbaker. In a rather long nine-page letter, Khrushchev responded by focusing mainly on the United States’ position and its past actions. For instance, to the Prime Minister’s accusations that unilateral cessation of nuclear tests is essentially meaningless, Khrushchev rebutted by discussing in detail US bomber flights close to the Soviet border. In light of such actions, Khrushchev insisted, it is unfair to suggest that unilateral cessation of nuclear tests is “somehow reduced.” Regarding Diefenbaker’s proposal for arctic inspection, Khrushchev explained that such actions would “not even promise to completely stop the flights of bombers with atomic and hydrogen bombs toward the Soviet Union” since it only “relates to one sector of the external border of the Soviet Union and does not concern other areas from which an attack on the USSR can be made and where American air bases are located.”

In a discussion with Soviet Ambassador, Dimitri Chuvahin immediately after reading Khrushchev’s letter, Diefenbaker “expressed pleasure with the tone of the

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opening paragraphs and affirmed his belief in the value of a frank exchange of views.” In essence, the general appeal for political openness is what characterized Canadian-Soviet political relations during this period, although both governments remained skeptical of the other’s motives. Canadian officials, including Diefenbaker, were hesitant to present ideas and suggestions to the USSR outside the NATO framework. The belief that outstanding international issues, such as arms control, must be pursued by a united Western front remained at the core of Canadian policy. As a result, bilateral political relations between Canada and the Soviet Union would remain limited, never going beyond a rather confined exchange of broad ideas, couched within the context of Cold War alliances. This, then, highlights the importance of other fields in Canadian-Soviet Cold War relations, particularly commerce and culture. This understanding may also help re-contextualize certain other diplomatic episodes that have been critically scrutinized, specifically, Diefenbaker’s 1960 United Nations General Assembly address.

Diefenbaker considered his speech to the United Nations on September 26, 1960 an important moment in Canadian Cold War diplomacy, but it was less prodigious in its impact on Canadian-Soviet relations, despite one historian’s claim that the “speech can be seen as a watershed in Canada’s Soviet policy that shattered the Canadian strategy of accommodation.” Other scholars have focused on the speech-writing (or editing) process that endured for four long days to highlight the

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turbulent relationship between the prime minister and the DEA.\textsuperscript{95} Consistently underlining all perspectives is the undisputed fact that Diefenbaker’s speech was motivated by his desire to speak on behalf of what were deemed the “captive nations.” In fact, Robinson states Diefenbaker “simply insisted on our helping him to find dramatic language in which to attack Khrushchev, with particular reference to Soviet domination of Ukraine and the Baltic states. That was Diefenbaker’s primary aim.”\textsuperscript{96}

Diefenbaker used the speech to launch a Cold War rhetorical assault on Khrushchev and the Soviet Government, much like the one he accused the Soviet leader of having delivered: “Mr. Khrushchev, in a gigantic propaganda drama of destructive misrepresentation,” declared Diefenbaker, “launched a major offensive in the Cold War.” Diefenbaker then continued in full Cold War tenor:

I turn now to a subject dealt with at great length by the Chairman of the Council of Ministers of the USSR, the subject of colonialism. [...] [Khrushchev] has spoken of colonial bondage, of exploitation and of foreign yokes. Those words, uttered by the master of the major colonial power in the world today [...] I pause to ask this question: How many human beings have been liberated by the USSR? [...] How are we to reconcile the tragedy of the Hungarian uprising in 1956 [...]? What of Lithuania, Estonia, Latvia? What of the freedom-loving Ukrainians and many other Eastern European peoples which I shall not name for fear of omitting some of them? [...] There can be no double standard in international affairs. I just ask the Chairman of the Council of Ministers of the USSR to give to those nations under his domination the right to

\textsuperscript{95} For detailed accounts of the context surrounding Diefenbaker’s UN address and various reactions afterward, see Robinson, \textit{Diefenbaker’s World}, 151-156; Denis Smith, \textit{Rogue Tory: The Life and Legend of John G. Diefenbaker} (Toronto: Macfarlane Walter & Ross, 1995), 372-377; and Glazov, \textit{Canadian Policy Toward Khrushchev’s Soviet Union}, 99-105.

\textsuperscript{96} Robinson, \textit{Diefenbaker’s World}, 153.
free elections—to give them the opportunity to determine the kind of
government they want under genuinely free conditions.Western leaders heralded Diefenbaker’s speech a major success, and
congratulations flowed in. American Ambassador to the UN James Wadsworth called
it “truly magnificent.” Both President Eisenhower and British Prime Minister
Macmillan warmly approved Diefenbaker’s efforts, and “the whole episode gave
[him] a burst of exhilaration.” Not only that, “there was a general enthusiasm for the
speech from all parties, most daily newspapers, and the ethnic press.”
Diefenbaker’s biographer, Denis Smith explains, “Macmillan’s advisors told
Robinson ‘that Diefenbaker’s hard line with the Soviet Union had made it easier for
Macmillan to try to adopt a statesmanlike pose and thus preserve for himself some
chance of exerting a mediatory influence on Moscow.’” In the end, however, it was to
no effect, since, as Smith explains, the Soviet Union “had given up on negotiation
with the West.” Khrushchev was waiting for the change of American leadership…”
Similarly, Diefenbaker’s address did not effectively alter the course of Canadian-
Soviet relations. Given that Diefenbaker and Macmillan confronted the same
international context and that Canadian-Soviet relations were fundamentally
shaped by Canada’s position within NATO, a fact readily recognized by the USSR,
Diefenbaker’s disparaging speech was merely attributed to its position within its
alliance system. While Khrushchev had not attended Diefenbaker’s speech, Soviet
representative Valerian Zorin had and walked out of the General Assembly halfway

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97 John G. Diefenbaker, “Soviet Colonialism”, Address before the United Nations General Assembly,
September 26, 1960, in Arthur E. Blanchette, ed., Canadian Foreign Policy 1955-1965: Selected
98 Smith, Rogue Tory, 376-377.
99 Smith, Rogue Tory, 377.
through. Jamie Glazov explains, “Pravda claimed that the Prime Minister was mouthing the ‘chimers’ of American bourgeois propaganda, while Izvestia charged that his statements were ‘slanderous’ and ‘a cheap masquerade.’” As Collins aptly states, Diefenbaker’s “attack was biting, perhaps strident, but represented no departure from well-established themes in Canadian-Soviet relations.” While dramatic, the speech was not nearly as pivotal as has been suggested by both historians and Diefenbaker.

CONCLUSION

Until Stalin’s death in 1953, Canadian officials generally viewed the Soviet Union as a hostile entity, worthy of skepticism. The changing of the Kremlin’s old guard, however, ushered in a new era of Canadian-Soviet relations and, subsequently, Canadian-Eastern European relations, as the USSR reduced its hegemonic dominance over the region. Political developments east of the Iron Curtain, then, significantly shaped the international context of Canadian foreign policy and caused the Canadian government to reevaluate its relations with the Soviet Union. The increased autonomy acquired by a number of Eastern European states placed these nations on the foreign policy agenda of Canadian officials and soon began to impact Canadian-Soviet relations, adding new dimensions and complexities to potential policy directions.

Additionally, the Canadian government increasingly paid attention to the Soviet Union’s non-military Cold War endeavors, particularly what was deemed the

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100 Glazov, Canadian Policy Toward Khrushchev’s Soviet Union, 102.
101 Collins, “Canadian-Soviet Relations During the Cold War,” 57.
USSR’s economic offensive. Fear of the Soviet Union’s non-military capabilities dates to the late 1940s, as was seen with the Canadian government’s desire to incorporate Article 2 into the NATO treaty. Yet Khrushchev’s slow liberalization process, as well as his emphasis on “peaceful co-existence,” meant that the Soviet economic offensive was at least perceived as less threatening than the policies of the Stalinist regime. Certainly, Khrushchev’s strategic motivations and intentions were not entirely trusted, but the reality of nuclear stalemate led Canadian officials to believe the Soviet Union would pursue global communist domination not by force, but by other means. By cultivating closer bilateral relations with Eastern European nations, as well as with the USSR itself, Canadian officials thought they could disrupt Soviet hegemony in the region and ultimately contribute to the West’s fight to contain, and even combat, Soviet communism. Moreover, this policy approach reflected a developing awareness amongst Canadian officials that it might be possible to carve out a niche for a middle power to effectively fight communism from behind the Iron Curtain.
Chapter 2

**Foundations of International Friendship: Commercial Relations and Cultural Exchanges between Canada and the USSR**

An early sign that the USSR took Canada seriously as a player on the international scene was the appointment of Dr. A. A. Aroutunian as Soviet ambassador to Canada in late 1958, replacing Dimitri Chuvahin. According to Assistant Under-Secretary of State for External Affairs, John Watkins, “the request for the appointment of [Aroutunian] as Ambassador [...] can only be interpreted as Soviet recognition of the growing importance of Canada in international affairs and particularly, perhaps, in the economic field.” Watkins’ opinion about Aroutunian was confirmed by Canada’s ambassador to the Soviet Union, David M. Johnson who stated, “he indulged in less propaganda than most other Soviet diplomats.” Johnson explained that most Western colleagues shared his high opinion of Aroutunian.¹

By profession, Aroutunian was an economist and lawyer who worked in the Economics Department of the Foreign Ministry before being promoted to Head of the First European Department. Fluent in both English and French (in addition to Russian and Armenian, his native republic), Aroutunian was described as an amicable civil servant with a sharp mind. Watkins ended his memo by asserting, “that in sending to Canada one of its most brilliant and personable diplomats, the Soviet Government sincerely wishes to improve relations, increase cultural

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exchanges, and expand trade.” Watkins proved correct. In his conversation with the Head of the DEA’s European Division, Henry Davis, Aroutunian explained that he considered good trade relations and cultural exchanges two important foundations for international friendship. The development of these two crucial cornerstones is the subject of this chapter. By pursuing commercial and cultural relations with the USSR, the Diefenbaker administration continued forth in the direction pursued by the previous Liberal government. While Canadian and American policy regarding cultural relations was closely aligned, reflecting consistency within the Western alliance, it was American commercial policy that led Canada to pragmatically search for new markets behind the Iron Curtain. This shows how at times Canadian interests diverged from the American government. This chapter also highlights the dualistic nature of Canada’s Soviet policy, and how the USSR was viewed both as a Cold War competitor and an expedient customer.

**AMERICA’S PL 480 PROGRAM**

Room for political maneuver between the two nations was limited by Canada’s firm position within the NATO alliance. Additionally, the strategic stasis that had developed between the superpowers affected Canada’s approach to the Soviet Union, leading it to engage in the Cold War by other means. The general Cold War order that governed global politics should not be overstated, however, since other factors also impacted the Canadian-Soviet relationship. Remarkably, the effects of America’s Agricultural Trade Development and Assistance Act of 1954,

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commonly referred to as PL 480 or Food for Peace, is largely absent from the history of Canada’s Soviet Policy. Arguably, aggressive giveaways by the United States under PL 480 provoked Canada to pursue wheat sales behind the Iron Curtain. William E. Morriss’ work, *Chosen Instrument: A History of the Canadian Wheat Board: the McIvor Years*, is an important analysis that helps contextualize Canada’s broader agricultural policies and provides a crucial framework for understanding Canada’s economic policy toward Communist Europe specifically.³

As Morriss explains, PL 480 was the most pervasive of the programs instituted by the Americans to dispose of surplus agricultural products. “The Americans,” asserts Morriss, “were about to turn the whole pattern of world grain trade around and assume a dominant position from which they would not retreat.”⁴ The Canadian Wheat Board’s 1954-1955 annual report stated, “[t]he effect of the United States’ disposal program [...] was to considerably narrow the range of markets for Canadian wheat and to substantially reduce the level of our wheat exports.” In mid-1956, the Canadian Wheat Board’s chief commissioner, George McIver, wrote to Marvin McLain, undersecretary of agriculture in Washington, outlining the extent of the incursion by the Americans into Canadian markets:

> We have recently examined our position in fourteen countries which have been in receipt of wheat under your disposal program. In these countries our exports so far recorded in our crop year were at the level of 31 per cent of our exports to the same countries in 1953-54,

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³ William E. Morriss, *Chosen Instrument: A History of the Canadian Wheat Board: the McIvor Years* (The Canadian Wheat Board, 1987). This is a remarkable book that details the first twenty-five years of the Canadian Wheat Board (1935-1960) during which time it grew from a temporary instrument of income stability in a critical period of economic distress and environmental disaster in Western Canada to a major competitive force in the world grain trade.
⁴ Morriss, *Chosen Instrument*, 218.
while the United States has increased its exports to 258.4 per cent of the 1953-54 level. This is the sort of thing that continues to disturb us, especially when we can and are maintaining our position in markets where ordinary competitive conditions prevail.5

The American concessional sales program was seriously jeopardizing Canadian wheat exports; it appears the Soviet economic offensive was not the only commercial threat to Canada. PL 480 caused a major backlog of Canadian grain, as silos began to bulge. The mood in Western Canada was unsettled by tensions over international trade in wheat and the subsequent backlog of wheat; Canada was compelled to find other markets. Historian Michael Hart explains that by 1962 “the world’s grain trade had clearly fallen into a pattern of commercial, concessional, and communist sales. The International Wheat Agreement (IWA) covered commercial sales; US PL 480 covered concessional sales; and the Canadian Wheat Board6 had become the main player in sales to communist markets.”7 Yet, wheat agreements between Canada and Communist Europe actually originated almost a decade earlier.

As early as 1952, Canadian officials had made tentative forays with European communist countries, with modest success selling wheat and barley to

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6 The Canadian Wheat Board was formed in 1935, during the Great Depression, as a means of stabilizing farm incomes. One of its main efforts was to negotiate bilateral and multilateral wheat agreements. While World War II helped stabilize many sectors of the economy, wheat prices remained low, so in 1943 the government stepped in to use its emergency powers to suspend trade in wheat and add to the powers of the Wheat Board, making it the exclusive marketing agent for the wheat farmer. The Wheat Board announced the prices it would pay, bought the grain, stored it, and marketed it abroad. Once established, these powers remained the core of government policy through the 1990s. By the second half of the 1950s, the Wheat Board exercised not only control over trade in wheat, oats, and barley, but also over any product containing more than 25 percent of these grains by weight. In 1957 and 1958, importers needed licenses and Board permission to import a wide range of products, including pastas, cake mixes, and animal feed. Michael Hart, *A Trading Nation: Canadian Trade Policy from Colonization to Globalization* (Vancouver & Toronto: UBC Press, 2002), 189 – 191.

Poland, Czechoslovakia, Yugoslavia, and Hungary, often on credit terms. The sale of wheat to the Soviet Union and Eastern Europe became possible only after Stalin’s death, since he would have preferred to starve millions of people, as he did in 1932 and 1947, instead of purchasing foreign wheat. Spending hard currency to avert famine was a significant shift in Soviet political culture. As discussed in chapter one, a real breakthrough in Canadian-Soviet relations occurred in 1955, when Secretary of State for External Affairs Lester Pearson visited the Soviet Union. Although the prospect of improved trade was of secondary importance to this diplomatic mission, as George Ignatieff, a DEA official at the time, suggested, the visit nonetheless set in motion “a pattern for negotiation with other state-trading nations, notably those of Eastern Europe.” Canada and the Soviet Union reached a bilateral trade agreement that extended most favoured nation (MFN) status to the USSR. On February 29, 1956, Soviet Deputy Minister of Foreign Trade S. A. Borisov exchanged letters with Pearson, covering the purchase of wheat. It was announced that the Soviet Union agreed to purchase 1.2 million to 1.5 million tonnes of wheat within the next three years, in annual amounts ranging from four to five hundred thousand tonnes. Essentially, the agreement linked the granting of MFN tariff treatment to Soviet goods entering Canada with Soviet commitments to purchase Canadian wheat.

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8 Hart, A Trading Nation, 229.
9 See chapter one, page 49.
10 Morriss, Chosen Instrument, 235.
11 Soviet state trading procedures (by which imports are determined centrally according to plan targets specified in physical terms, rather than through market-price mechanisms) limited the significance of Soviet preferential treatment extended in reciprocity for Canadian MFN privileges. In these circumstances, Soviet requirements for Canadian grains provided mutually advantageous quid pro quo for MFN treatment. Carl H. McMillan, “Canada’s Postwar Economics Relations with the USSR—An Appraisal,” in Aloysius Balawyder, ed. Canadian-Soviet Relations, 1939-1980 (Oakville: Mosaic Press, 1981), 132.
This proved to be an important moment in Canadian-Soviet commercial, and for that matter political, relations.

The adverse effects of America’s wheat disposal program continued during the Diefenbaker government. As did the notion that commercial sales to Communist countries could very well provide fortuitous political returns. In July 1958, Finance Minister Donald Fleming forwarded to Diefenbaker a memorandum prepared by his department on the subject of the American surplus disposal policies. The ominous undertones confronted by the previous Liberal government were echoed:

Exports of wheat from the United States in the 1956-57 crop year were the highest on record and accounted for 43 per cent of world export trade in wheat. Disposals under US government programmes were 29 per cent of world exports. Despite this achievement, North American stocks of wheat increased because of a decline in Canadian exports and an increase in Canadian carryover. The conclusion is inescapable that the US record was reached partly at the expense of the Canadian wheat grower.¹²

No ideological lens was applied to the impact of America’s PL 480 program on Canadian sales, otherwise the term “American economic offensive” might have been fitting. Not only did America’s aggressive tactics push Canada to seek markets behind the Iron Curtain, they highlight, from an historical perspective, that cold hard economic and political gains were at times pursued at the expense of Cold War alliance commitments.

RENEWING THE 1956 CANADIAN-SOViet TRADE AGREEMENT

Four months following Fleming’s memorandum, Cabinet discussed the renewal of the Canada-USSR trade agreement of 1956. A joint memorandum from

the Minsters of Trade and Commerce and External Affairs asserted that renewing the trade agreement would be beneficial for a number of reasons. From a domestic agriculture point of view, a renewed agreement would be of “considerable importance to Canada and to Western wheat producers.” Significantly, the ministers also highlighted the political benefits:

A continuation of the Agreement would appear desirable also from the political point of view. Political considerations played an important part for both sides when the present agreement was negotiated in 1956. It was the view of the Canadian Government that a trade agreement could help to establish mutual trust and reduce suspicion. Trade agreements provide one of the few points of mutually advantageous contact between East and West, and may help to influence the Soviet leaders away from their isolationist approach. Renewal of the Canada-USSR Agreement would not be without value in this direction. On the other hand, its expiration would be more consequential and might well be interpreted as a deterioration in our political relations with the Soviet Union.13

The fact that the Canadian government viewed such agreements as a means to establish mutual trust and simultaneously reduce suspicion, as well as Soviet isolationism, was foundational to Canada’s policy toward Communist Eastern Europe. In essence, these beliefs drove the government’s policy direction. Concern that Soviet officials would interpret the agreement’s expiration to be a sign of deteriorating relations is further evidence that political considerations influenced commercial relations with the Soviet Union. Good relations with the Soviets were important to Canadian officials because a sound relationship created opportunity for Canada to exercise some middle power influence through East-West bridge-building.

Ultimately, Canadian-Soviet commercial relations between 1957 and 1962 remained relatively small. While Canadian policy towards Communist Europe during this same period may be described as decisive in relation to foreign policy generally, this observation applies less to Canada’s commercial exports to the USSR. Instead, Canadian-Soviet commercial relations during this period can be seen more as a means to improve political relations. Negotiations still continued with the 1956 Canada-Soviet trade agreement renewed in 1960, but exports to the Soviet Union were minimal at best and virtually non-existent in 1960 and 1962.\textsuperscript{14} Regardless, the fact remains that the two nations continued negotiating and, as a result, sustained a commercial dialogue important to the overall Canadian-Soviet relationship.

\textbf{A BALANCING ACT}

Viewed from the Soviet perspective, a renewal of the trade agreement was not to be taken for granted. One of the underlying issues complicating a renewed agreement was that the Soviets were unhappy with the large trade imbalance between the two countries. The ongoing negotiations were indicative of the differences between the Soviet state-trading system and Canada’s market capitalist system. Because the Soviet government directly controlled imports and exports, it was able to enter into agreements that committed to specific amounts of imports. In return, the Soviets sought a more firm commitment regarding the amount of

Canadian imports from the Soviet market.\textsuperscript{15} Given the Western capitalist system, this was not feasible. Although Canadian officials knew the Soviets were uneasy about the trade imbalance and wanted this addressed, initially the Canadian position was firm. An Aide Mémoire to the Soviet Embassy reassured the Soviets that the agreement was seen as important and stressed the desire “to encourage the further development of mutually advantageous trade relations between Canada and the USSR.” But, the Canadians maintained that they

have noted, however, that [a previous] Soviet Aide Mémoire makes no reference to the exchange of letters of the present agreement under which the Soviet Union undertook to purchase annually specified minimum quantities of Canadian wheat.

In the Canadian view this undertaking is fundamental to the present trade arrangements and the Canadian Government attaches particular importance to the inclusion of similar Soviet commitments in any renewal or extension of the present Agreement.\textsuperscript{16}

Simply put, Canada wanted a Soviet commitment to purchase wheat in quantities similar to those under the 1956 agreement, and it was willing to push the Soviet Union to obtain such a commitment.

To potentially allay Soviet apprehensions about the trade imbalance, USSEA Norman Robertson recommended that, if the Soviets undertook good purchase obligations, Canadian officials could indicate certain steps would be taken by the government to encourage sales to Canada. Specifically, Robertson recommended that Canada issue a government statement in support of expanded two-way trade; officially support a trade mission to the USSR, in which the government would


participate; and promise the assistance of the Canadian trade commissioner service in seeking out markets, in Canada, for Soviet products.\textsuperscript{17} These were so-called “presidential” promotions.

Prime Minister Diefenbaker also supported renegotiation and encouraged Canadian-Soviet trade. In discussion with Soviet Ambassador Aroutunian, Diefenbaker expressed his understanding that the USSR wished to increase two-way trade. He explained to Aroutunian that the Alberts Group – a select group of prominent Canadian businessmen who represented the directorates of 160 Canadian companies – had recently visited the Soviet Union and were “very much impressed by many aspects of Soviet society.”\textsuperscript{18} This was indeed true. In fact, not long before meeting with Aroutunian, Diefenbaker was debriefed by the group. The men were sincerely enthralled with certain qualities of the Soviet Union, including advances in its steel industry, electrical engineering, and research and development. Beyond industry, the Canadian businessmen also positively noted “the brightness and intelligence of Soviet children.” Still, some members of the group warned that the “Soviet authorities are gathering information about the economy of the free world and are entering into an economic war with an integrated programme.” Overall, however, the group maintained that Canadians had much to learn from their Soviet counterparts and, in fact, had a duty to learn from Soviet advances if Canada was to stand a chance in ongoing commercial competition. They also


maintained that the Russian people appeared not to harbour any animosity towards Canada; yet, it appeared that many Canadians held negative perceptions of the Soviet Union. According to one group member, this was because “most people in Canada relied on newspapers for information.” Regardless, Diefenbaker encouraged the group to express their ideas to various circles, expecting that “the presentation of their views to the public would stimulate profitable discussion.”\textsuperscript{19}

In addition to informing Aroutunian about the Alberts group, Diefenbaker indicated that Canada was prepared to appoint a trade commissioner to Moscow.\textsuperscript{20} Clearly, Diefenbaker tried to impress upon Aroutunian the Canadian government’s desire and willingness to expand trade with the Soviet Union, or at the very least, export its surplus grain.

Despite Canadian officials’ assurance that steps would be taken to promote Soviet imports to Canada in a “presidential manner,” Soviet officials were not willing to continue the obligation to purchase a minimum quantity of Canadian wheat annually.\textsuperscript{21} By mid-1959, negotiations seemed at a stalemate. Finally, in October, following a visit to Canada by five Supreme Soviet deputies – including Mr. Kobanov, a former Soviet Minister of Foreign Trade – discussions resumed. This time, it was the Soviets who were firm. The Soviet counterproposal called on Canadian officials to do everything in their power to ensure the value of Canadian imports from the

\textsuperscript{19} Diefenbaker Canada Centre (hereafter DCC), File MG1/XII/A/6, “Prime Minister’s Meetings with the Alberts Group,” n.d. 1958. Microfilm, 000144 – 000147.
USSR would annually amount to no less fifty percent of Soviet purchases. If Canadian imports fell below this level, the Soviet undertaking to purchase Canadian goods would be proportionally reduced. This became known as the 1:2 ratio.

The reason the Soviets were less eager to commit to purchasing Canadian wheat had little to do with the political and commercial dynamics between the two countries. Instead, the explanation for Soviet reticence relates to the notion of self-sufficiency embedded within Soviet policy. Spearheaded by Premier Nikita Khrushchev, in 1953 the Soviets embarked on the “Virgin Lands” campaign. This was an audacious attempt to open Kazakhstan to the plow, which would, it was hoped, alleviate the USSR’s food shortages and once again turn the nation into an exporter of wheat. The success of the campaign was sporadic. 1958 and 1959 were particularly good years, and happened to coincide with Canadian-Soviet renegotiations. It is likely that the success of the Virgin Lands campaign had a direct impact on the renegotiations during this time. Productivity steadily decreased following the 1959 harvest. Productivity would never match a 1956 record. By 1963, the Canadian government would reap the benefits of the ailing campaign, a development discussed below.

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25 Taubman, Khrushchev, 516.
26 Interestingly, 1956 was the most successful year of the Virgin Lands campaign, which was also the year the first Canadian-Soviet Trade agreement was reached. 1955, however, saw severe drought in the region and the crop yield was poor.
Nevertheless, negotiations continued and while discussions were cordial, both sides were unwilling to stray from their firm policy position. To recapitulate, the Soviets had taken the stance that the purchase obligation was one-sided and could not be repeated. On the Canadian side, the government maintained it would not undertake a purchase commitment; since Soviet MFN treatment had little or no value, a necessary equivalent for the extension of MFN treatment by Canada was a purchase commitment on the Soviet side. In response, the Soviet government issued the 1:2 ratio proposal. This proposal did not involve a purchase obligation for the Canadians but did maintain one for the Soviets. The main difference was that the obligation would be proportional (or double) that of Canadian imports from the Soviet Union. Still unhappy with the Soviet counterproposal, Canadian negotiators countered once more. Again, they attempted to obtain an unqualified Soviet purchase commitment by setting out in greater detail the kind of “presidential assistance” Canada might be able to give to the efforts of Soviet export agencies to increase their sales in Canada. Soviet officials rejected this offer.27

Canadian officials did not want to lose the Russians as an importer of Canadian goods. A memorandum to Cabinet from the SSEA, supported by the Ministers of Finance and Trade and Commerce, noted how “the USSR is beginning to play a much more active part in world trade, both as an exporter and an importer, and many of our most important trading partners (including the United Kingdom) have already tried to ensure themselves a share of growing Soviet trade by signing

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trade agreements with the Soviet Government.”\textsuperscript{28} Put differently, Canada should do what it can to ensure a renegotiation of the trade agreement in order to keep the Canadian fork in the Soviet pie for potential future indulgence.

Negotiations did continue, and an agreement was eventually reached. Essentially, the new Canadian-Soviet trade agreement was a modified version of the 1956 agreement, with the 1:2 ratio at its core. The Soviets agreed to import $24 million worth of Canadian goods, and in exchange Canada agreed to import $12 million worth of goods from the USSR. In addition, the Canadian government would take necessary steps to encourage and assist Soviet exporters to find Canadian markets. The agreement was far from spectacular. In fact, from the Canadian vantage, it must have been disappointing, especially in the face of continuous pressures from the United States’ PL 480 program, which showed no sign of abating. The Canadian government, however, would have to wait a further three years before a new agreement could be negotiated with the Russians.

Minister of Trade and Commerce, Gordon Churchill went to Moscow to sign the Protocol agreement. Before he left Canada, Churchill was rather skeptical of the Soviet Union and viewed it through a darkly tinted ideological lens. His visit, however, had a profound impact on his perception of the Communist superpower. Upon his return to Canada, he wrote Diefenbaker a letter detailing his “revised opinion of the Russian leaders.” Personal contact with Soviet leaders Frol Kozlov and Anastas Mikoyan, Canadian Ambassador David Johnson, and the Indian and

French Ambassadors shaped Churchill’s new attitude. He came away convinced the USSR genuinely sought peace and friendly relations and was further impressed with Mikoyan’s honest acknowledgement that he “did not expect [the USSR] to become self-sufficient,” which explained the desire to develop trade.

Churchill said that he doubted “very much many of the stories we have read about Russia,” and he believed the Indian ambassador’s hypothesis that the “West is still thinking of the Russia of Stalin’s day.” Also illuminating is Churchill’s confession that he entertained “doubts also of American opinion concerning Russia and our impressions of Russia are likely derived largely from American accounts.” He suggested to Diefenbaker that Canada occupied a unique position in international opinion and could “play a very important role in easing the tensions between Russia and the United States.” He then urged Diefenbaker to seriously consider visiting the USSR. Churchill’s concluding remarks are revealing: “I freely admit that this is a changed point of view for I have been anti-Russian, but I have so many reservations in my mind concerning American foreign policy and Big Four meetings that I consider that something further should be done.”

Churchill’s letter to Diefenbaker deserves careful analysis. As the only Cabinet minister in the Diefenbaker government to visit the USSR, he was in a unique position to advise the Prime Minister. Moreover, as Minister of Trade and Commerce, he saw firsthand the effects of America’s PL 480 program and how it impacted Canadian grain exports. Perhaps most telling is his change of heart

regarding the USSR and his inherent suspicion of the United States. Churchill’s views are a reminder that the West was not entirely homogenous, despite outward appearances of bloc solidarity. Clearly, Churchill felt superpower diplomacy was flawed and believed Canada had an opportunity to ease tensions by using its position as a middle power. While Churchill’s appeal to Diefenbaker to visit the Soviet Union came to naught, Canada was still able, in a modest and roundabout way, to exert influence on the USSR by cultivating positive relations.

The new trade agreement committed the government to finding ways to promote Soviet imports. During his time in Moscow, Churchill was approached about opening a trade office in Montreal. The DEA and the Department of Trade and Commerce agreed that this could prove advantageous, and in keeping with the Canadian obligation to help facilitate greater two-way trade, recommended that Canada agree. Concerns that the Soviets would use the trade office as a footing to engage in “subversive or intelligence activities” were raised, but were not considered sufficiently serious to derail the idea. Diefenbaker argued that this would be to “Canada’s advantage in light of the two to one Soviet purchase obligation,” and Cabinet agreed to allow the Soviets to establish a trade office in Montreal.30 Interestingly, and for reasons that are unclear, the Soviets did not reply

to Canada’s offer to establish the Montreal trade office in 1960,\textsuperscript{31} and it is unclear whether the office was ever actually established.

After the major 1956 trade agreement, trading with the Soviet Union staggered along. In 1961, for instance, Canada exported to the USSR $24 million worth of goods. This represented only 0.5 per cent of Canada’s total export sales. And despite the 1960 trade agreement that outlined the 1:2 ratio, Canada imported only $2.7 million from the Soviet Union, truly an insignificant amount given Canada’s total imports of $5.8 billion.\textsuperscript{32} Major changes, however, were about to take place. In September 1963, under the new Liberal government of Lester Pearson, the Canadian Wheat Board made its largest single sale to date to the Soviet Union. The Canadian government agreed to sell 5.3 million long tons of wheat and 500,000 tons of flour over the following ten and a half months.\textsuperscript{33} In that year, Canada’s exports to the USSR rose from $3.3 million to $150 million, almost entirely due to the sale of wheat.\textsuperscript{34} Wheat sales to the Soviet Union thereafter continued to be an integral part of Canada’s exports.\textsuperscript{35} Although quantities fluctuated in subsequent decades, they generally followed an upward trend.\textsuperscript{36}

\textsuperscript{32} Drummond, “Canadian-Soviet Trade and Competition,” 142.
\textsuperscript{33} Morriss, \textit{Chosen Instrument}, 254.
\textsuperscript{34} Drummond, “Canadian-Soviet Trade and Competition,” 142.
\textsuperscript{35} This, of course, is in addition to the sale of wheat in massive quantities to Communist China, which began in 1960.
While wheat exports to the USSR during this period were more a bridge-building exercise than a decisive moment, in terms of direct impact on Canadian-Soviet political relations, they are not without significance. Broadly speaking, the fact that wheat sales were limited due to good harvests within the Soviet Union – partly due to the intermittent success of the Virgin Lands campaign – corroborates the notion that Canadian relations with the Soviet Union were significantly influenced by, and partly at the mercy of, events and trends within the USSR itself. Additionally, the renegotiation of the 1956 trade agreement highlights the fundamental differences between the economic systems in the two nations. Soviet officials were never overly eager to renew the agreement, at least not when it involved a purchase obligation comparable to the 1956 agreement. In turn, they tried to negotiate an import commitment by Canada, something a government cannot easily implement in an open, capitalist system. Surely, Soviet officials were aware of this. On reflection, it is likely Soviet officials were playing the role of shrewd businessmen, simply trying to obtain the best possible means to level out the trade imbalance. On the Canadian side, officials sympathized with the Soviets and agreed to promote Soviet imports to Canada in a “presidential manner.”

Perhaps most interesting are Churchill’s revelations following the signing of the 1960 agreement. His change of heart is a testament, as he freely admitted, to the influence that both the popular media and the United States at large had on Canadian perceptions of the Communist superpower. Additionally, Churchill’s visit highlights the importance of personal contact. Both Canada and the USSR believed in the power of personal contact as a means to reduce mutual suspicion. In an attempt
to minimize tensions, each country pursued exchanges of various types, and they became an integral part of Canadian-Soviet relations. While each country believed that exchanges could be advantageous, no agreement existed between the nations in the cultural field, and rather surprisingly, no official agreement was ever signed. Still, even without a formal agreement between the two nations, the exchange of peoples, ideas, and cultures came to be more fully integrated into Canadian-Soviet relations.

**CULTURAL PURSUITS**

In 1955, the USSR started a proactive mission of cultural exchanges with the creation of the Soviet All-Union Society for Cultural Relations with Foreign Countries (VOKS). Slowly, Soviet officials realized that conventional Soviet propaganda strategies that relied heavily on anti-Americanism were not working in the United States; this led the Soviets to rely less on negative propaganda and more on cultural diplomacy. The high point in Soviet-American cultural relations was the signing of an official cultural agreement between the two governments in January 1958. The USSR and the United Kingdom also signed a cultural agreement in 1959. Khrushchev, then, promoted a policy that focused less on denouncing

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37 In fact, beginning in the early 1920s, the Soviet Union adopted, in addition to classic instruments of foreign policy such as diplomatic and consular systems, an entire network of so-called “cultural” organizations. The purpose of this network was to attract members of intellectual professions and progressive bourgeoisie from Western nation-states. Jean-François Fayet, “VOKS: The Third Dimension of Soviet Foreign Policy,” in Jessica C. E. Gienow-Hecht and Mark C. Donfried, eds., *Searching for a Cultural Diplomacy* (New York: Berghahn Books, 2010), 33.


39 Magnúsdóttir, “Mission Impossible?,” 50.

Western ideology and more on promoting Soviet achievements in science, technology, sports, and culture.\textsuperscript{41}

The cultural diplomacy prong of Canada’s foreign relations with Communist Europe was being developed before Diefenbaker came to power. According to historian Graham Carr, how Canada could best respond to Soviet cultural initiatives came at a watershed moment in a national discussion about public policy and the arts. The \textit{Report} of the Royal Commission on National Development in the Arts, Letters, and Sciences (1949-51), known as the Massey Report, had conveyed a new vision for Canada’s cultural development in which the state would play a vital role. The final chapter of the \textit{Report} advocated a more robust international presence for the arts and stressed the value of cultural exchanges.\textsuperscript{42}

In general, the DEA supported the initiative, at least in theory. Lester B. Pearson’s visit to the USSR in 1955 confirmed for him the Soviet desire to place culture high on the international agenda. Pearson was exposed to Russian cultural life and “concluded that it was precisely because ‘the Russians come vividly to life in an artistic or cultural atmosphere,’ that sending Canadian performers was the ‘best way to reach Communist peoples’ and ‘lower the curtain.’”\textsuperscript{43} Later, in a highly detailed memorandum, Pearson explained to Cabinet, “the Canadian reaction, both official and unofficial, has been to welcome any genuine improvement of the

\textsuperscript{41} Carr, “No Political Significance of Any Kind,” 8.


\textsuperscript{43} LAC, MG26, Vol. 52, N1, file 6, Lester B. Pearson, extract of diary included in \textit{Memorandum for the Prime Minister}, November 1, 1955, as quoted in, Carr, “No Political Significance of Any Kind”, 9.
atmosphere which might be created by increased exchanges.” He then outlined the possible benefits to Canada; this approach was readily adopted by the Diefenbaker government and is, therefore, worthwhile examining in detail.

Pearson explained that increased contacts and exchanges would have many advantages: first, they might help to remove the Soviet misconception that Canada is a member of an aggressive Western alliance that intends to attack the Soviet Union and would help put new ideas into the minds of people who in general have been kept in complete ignorance of the outside world for several decades; second, in scientific and technical fields, in which the Soviet Union was ahead, Canadian research and industry could gain information and learn of new innovations; third, from an intelligence standpoint, Canada stood to gain in almost every field, since Soviet knowledge of Canada so greatly exceeded Canadian knowledge of the Soviet Union; lastly, as far as visits to Canada were concerned, while Canadians may not be able to convert from Communism the sort of people selected to come to the country, it was possible to at least show them the nation, have Canadians and Russians interact, and explain to them Canadian policies in ways that must improve their understanding of Canada and what freedom means, which could then have some effect on others when they returned. Any potential negative ramifications associated with exchanges related to the possibility of espionage and the fact that “Soviet visitors may be used to select persons and intelligence targets for subsequent exploitation by the Russian Intelligence Service.” Pearson, however, explained that these risks could be “kept within bounds if the Canadian public is made aware of
them, and if our internal security service is given sufficient resources to carry out its task.”

The benefits, in the end, exceeded any potential risk.

The memorandum also distinguished between the exchange of information and visits. Action regarding the exchange of information, Pearson explained, had been satisfactorily settled. Essentially, unclassified information could be given only when some useful return could be anticipated. The decision in each case was a departmental or agency responsibility, and reports were to be submitted twice a year to the Secretary of the Security Panel summarizing the information sent. If private organizations in Canada requested advice on the subject, they were also requested to seek reciprocity as much as possible.

Decisions regarding the exchange of visits posed more difficult problems and was, Pearson admitted, still evolving. He asserted, “It is not sufficient for us merely to reciprocate visits proposed by the Soviet Government. We must take the initiative ourselves in fields of special interest to us, in order, among other things, to forestall undesirable initiatives from them.” It was recommended that the actions pertaining to the exchange of information, as outlined above, become official policy. Additionally, Pearson recommended that an Interdepartmental Panel on the Exchange of Visits with the Soviet Bloc be established to implement policy. The Panel was to be responsible to Cabinet through the Secretary of State for External

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Affairs, and was to consist of high-ranking officials. Among other things, the Panel was to establish liaison with appropriate Government departments and agencies; to deal with such unofficial organizations and persons and to advise the Government of forthcoming unofficial visits in either direction and, as appropriate, to advise on and assist with arrangements; to ensure that the Security Panel and the Joint Intelligence Committee are informed of such visits; to initiate proposals for official or unofficial visits to and from Soviet bloc countries; and to keep under continuous review the subject of exchange of visits with Soviet bloc countries. Foremost, the Government considered that exchanges "should be based on the principle of reciprocity, and that there should not be a marked imbalance of visits in either direction."

Recommendations for a more liberal exchange policy came to a sudden halt when the Soviets crushed the Hungarian Uprising in November 1956. Advising Pearson, USSEA Jules Léger suggested in light of Soviet actions in Hungary, that no immediate initiatives regarding exchanges with the USSR be taken and that the government defer any Soviet proposals in the field. Interestingly, Léger recommended the government “give most careful consideration to adopting a more liberal exchanges policy towards the satellites in the light of the changing situation in that area.” He believed much could be gained by encouraging more contacts with

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45 Specifically, the Chairman of the Panel was to be the Under-Secretary of State for External Affairs. Its permanent members were to consist of the Secretary of the Cabinet and the Commissioner of the R.C.M. Police. The Chairman of the Joint Intelligence Committee was to attend meetings, and Deputy Ministers and Heads of Agencies were to attend when visits of interest to them were discussed. However, the foregoing officials were permitted to be represented by senior members of their staffs.
“a country such as Poland, which had made considerable progress in breaking away from complete domination by Moscow.”\textsuperscript{48} Pearson agreed, as indicated by three separate marginal notes.

It was not until April 1957 that the Canadian government resumed discussions on exchanges, just ahead of the change in governments from St. Laurent to Diefenbaker. It was still the view that Canada should pragmatically pursue exchanges with Poland, while avoiding all exchanges with Hungary.\textsuperscript{49} By this time, a number of Soviet requests remained outstanding, and the Canadian Department of Transport was eager to exchange information on northern affairs and to arrange visits related to icebreaker construction.\textsuperscript{50} While exchanges on icebreaker construction had to wait, the Soviet Foreign Ministry agreed to a regular exchange,

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  \item \textsuperscript{48} DCER, Vol. 23. Part II 518. \textit{Memorandum from Under-Secretary for External Affairs to Secretary of State for External Affairs}, “Exchange of Visits with the Soviet Union”, Ottawa, December 20, 1956. DEA/12230-40.
  \item \textsuperscript{49} DCER, Vol. 23. Part II 519. \textit{Memorandum from Under-Secretary for External Affairs to Secretary of State for External Affairs}, “Exchange of Visits with the USSR and the Satellites”, Ottawa, April 17, 1957. DEA/12230-40.
  \item \textsuperscript{50} Another sore spot for Canada proved to be its inability to pursue an exchange of visits regarding icebreaker construction. Since mid-May 1956, the Department of Transport was planning to build several icebreakers and was eager to pursue exchanges on this front with the USSR. According to the DEA, the “Soviet Union occupies a recognized position in the field of icebreaker construction, and has recently launched an atomic-powered vessel of this type.” In late 1956 an exchange in this field was suggested to the Soviets and, in fact, agreed to. In light of the events in Hungary, however, and the subsequent deterioration of relations, the exchange was temporarily deferred. In April 1957, the Department of Transport asked that the request be resumed, and the Visits Panel agreed that exchanges could be “cautiously resumed.” In December 1957, the Department of Transport indicated that it was officially ready to proceed with the request, and in early 1958, SSEA Sidney Smith recommended that cabinet approve the exchange, “which is clearly in the interests of Canada.” Cabinet, however, and for reasons that are disappointingly unclear, did not believe that it was an appropriate time to authorize the visit. An exchange in this field was not referred to again during the Diefenbaker government, and the topic was summarily dropped. LAC, RG2 B2, Vol. 2742, File No. C-20-5, \textit{Memorandum to the Cabinet from Secretary of State for External Affair}, “Exchange of Visits with the USSR on Icebreaker Construction,” January 22, 1958; Cabinet Document 28/58; Cabinet Conclusions. \textit{Exchange of Visits with the USSR on Icebreaker Construction}. 30 January 1958. RG2, Privy Council Office, Series A-5-a, Volume 1898. Item Number 16801. http://www.bac-lac.gc.ca/eng/discover/politics-government/cabinet-conclusions/Pages/image.aspx?Image=e001098232&URLjpg=http%3a%2f%2ffcentral.bac-lac.gc.ca%2fitem%3fop%3dimg%26app%3dcabinetconclusions%26id%3de001098232&Ecopy=e001098232.
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with the Canadian Department of Northern Affairs, of special publications on Northern development, produced by the Soviet Arctic Scientific Research Institute.\textsuperscript{51}

But arguably the most remarkable event in Canada’s cultural diplomacy in 1957 was pianist Glenn Gould’s tour of the Soviet Union, which took place in May. Gould became the first North American pianist to perform in the USSR, giving eight concerts in Moscow and Leningrad.\textsuperscript{52} According to historian Graham Carr, Gould’s tour was a huge success, and while the state played no role in the organization of the tour, Gould’s performance showcased Canadian talent and cultural maturity. “Pianists were the gladiators of the cultural Cold War,” states Carr, and the press praised his performances, stressing that he was able to accomplish “what statesmen failed to do by softening the Russians.”\textsuperscript{53} Indeed, “Gould’s tour reflected the growing importance of cultural diplomacy as a way to exercise Cold War foreign policy by ostensibly non-political means.”\textsuperscript{54} As well, it demonstrated to Canadian officials the positive impact non-state actors can have on international relations and the importance of cultural diplomacy to Canada’s foreign relations with Communist Europe. Canadian performing artists that followed in Gould’s precedent-setting footsteps, during the Diefenbaker years, are discussed below.

**THE CULTURAL AGREEMENT DEBATE**

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\textsuperscript{52} For a full, rich history of Gould’s tour and how it contributed to Canadian cultural diplomacy, see Carr, “No Political Significance of Any Kind.”

\textsuperscript{53} “Triumphant Glenn Slips Home Again,” \textit{Telegram} (Toronto), 18 June 1957, as quoted in Carr, “No Political Significance of Any Kind,” 19.

\textsuperscript{54} Carr, “No Political Significance of Any Kind,” 29.
Although Canadian officials recognized the importance of cultural exchanges, Canada and the USSR never actually signed a formal agreement, in contrast with the United Kingdom and the United States, despite the efforts by individuals on both sides of the Iron Curtain. While discussions between Canadian and Soviet officials from 1958 to the end of 1959 suggested an agreement might actually be reached, there were still signs both Canada and the USSR remained hesitant. By the end of 1959 and early 1960, an agreement appeared much less likely. Oddly, and for reasons that remain disappointingly unclear, discussions on the matter appear to have abruptly stopped.

In February 1958, Soviet ambassador Chuvahin met with SSEA Sidney Smith, and they discussed how the two nations might increase cultural exchanges. At this point, however, Smith explained that the government, for “purely domestic purposes” wished to move slowly on cultural and scientific exchanges. Smith assured Chuvahin that should “the Conservative Government [return following the federal election], it would continue to favour expanded cultural contacts, [...] but] pressure from the Soviet side on these matters during the pre-election period would be embarrassing.” In other words, the Conservatives did not want to appear to be schmoozing with the Soviets during an election. Chuvahin then asked if Canada would consider the possibility of a cultural agreement similar to one recently concluded in Washington, to which Smith explained that he “personally was

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55 The preamble of the agreement reads as follows: “... As a result of these negotiations, which have been carried on in a spirit of mutual understanding, the United States and the Soviet Union have agreed to provide for the specific exchanges which are set forth in the following sections during 1958 and 1959 in the belief that these exchanges will contribute significantly to the betterment of relations between the two countries, thereby contributing to a lessening of international tensions.” New York
inclined at present to favour *ad hoc* arrangements” since with formal arrangements there was a “tendency to consider proposals on the basis of how they fitted into the terms of the agreement rather than on their individual merits.” The discrepancy in opinion regarding the most effective way to pursue cultural exchanges is evident in Smith and Chuvahin’s discussion, and these differences were never reconciled.

Two months later, the DEA revisited the topic of cultural exchanges with the USSR. Léger reminded Smith that in his letter to Nikolai Bulganin, the Soviet Chairman of the Council of Ministers, the Prime Minister expressed the willingness of the Canadian government to develop the exchange of visits with the USSR. Léger also clarified that “on several occasions the Soviet authorities have made it clear that they regard our policy on the exchange of visits as less than satisfactory and have sought to associate this with the development of trade with Canada, including the purchase of wheat.” For Smith’s approval, the Under-Secretary submitted a Cabinet memorandum intended to solidify Canadian policy. While the Liberals were in office, Léger was the chief architect for the draft outlining Canada’s cultural exchange policy, approved by St. Laurent’s Cabinet. Two years later, again Léger was presenting, largely verbatim, the same policy, which meant an *ad hoc* approach to cultural exchanges with as much reciprocation as possible. Like the Liberals, the Progressive Conservatives saw the value in exchanges, from both political and technical vantages. One stark difference was the new government’s desire to limit

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publicity in the short term, given the Soviet intervention in Hungary in 1956. Nonetheless, as was the case two years earlier under the Liberals, the Diefenbaker Cabinet approved the proposed policy.\textsuperscript{58}

Perhaps aware of the Cabinet’s recent policy decision, Chuvahin followed up in July with Assistant Under-Secretary of State for External Affairs J. B. Watkins and passed along a copy of an agreement the USSR had recently signed with Norway. The Soviet ambassador suggested that Canadian officials consider “something along the same lines.”\textsuperscript{59} The Soviets were clearly eager to get an official cultural agreement. The Canadians, however, remained less enthusiastic. For instance, when discussing a note to be sent to the Soviet ambassador, Léger pointed out that the phrasing was “intended to discourage Soviet interest in a cultural agreement, at least at this stage.”\textsuperscript{60} This did not mean that Canadian officials were uninterested in exchanges. Quite the opposite was true. The government gave the Soviets a substantive list of proposed exchanges in seven different fields: an exchange of official delegations in the field of northern affairs; the Department of Transport wished to arrange an exchange of specialists in icebreaker design; the Department of Fisheries wished to arrange an exchange of fisheries experts; the Department of Mines and Technical Surveys wanted to arrange an exchange of experts in the fields of mining and metallurgy; the Associate Director of the National Gallery of Canada wanted to visit Soviet museums; the National Research Council was prepared to


\textsuperscript{60} DCER, Vol. 25. 504. \textit{Memorandum from Under-Secretary of State for external Affairs to Secretary of State for External Affairs}, “Exchange of Visits with the USSR,” Ottawa, August 22, 1958. DEA/12230-40.
consider exchanges of delegations of scientists in the fields of chemistry, physics, biology, mathematics, and technology; and the DEA proposed a visit by a Canadian hockey team to play a series of games in the USSR.\footnote{DCER, Vol. 25.  504.  \textit{Memorandum from Under-Secretary of State for External Affairs to Secretary of State for external Affairs}, Note No. 35, “Exchange of Visits with the USSR,” Ottawa, August 19, 1958. DEA/12230-40.} The variety of fields in which Canada was interested demonstrates broad intradepartmental interest in the exchanges policy. Various Canadian ministries and agencies appeared keen to gather and share information with the Communist superpower.

The Soviets did not relent in their pursuit of an official cultural agreement. In early 1959, the Soviet Ambassador, Aroutunian met with the Head of the European Division, Henry Davis. During their conversation, Aroutunian stressed that cultural relations were “the other important foundation for international friendship” (in addition to commercial relations). He then pointed out that the Soviet Union had three different types of cultural arrangements. First – and Aroutunian’s most preferred – was a general cultural agreement, like the one recently concluded with Norway and already proposed to Canadian officials as a model (as noted above). The second type was an agreement relating to a stated programme of exchanges over a specific period, which was the type concluded with the United States. The third, and the Soviets least preferred, was an \textit{ad hoc} arrangement on specific visits.

Davis, however, explained to Aroutunian the reasons why Canada was not attracted by the proposal for a general agreement. First, Canada had no general cultural agreement with any country. Davis stressed that Canada’s “constitutional position was such that the Federal Government lacked authority in many fields
which a cultural agreement would normally cover.” Second, no federal agency existed for developing cultural exchanges, nor were any funds devoted to promoting them. For these reasons, Davis explained, officials did not believe a cultural agreement would contribute on the Canadian side to the development of cultural contacts. Moreover, Davis defended Canada’s position by stating how an agreement might actually “be misleading, and hence damaging to [Canadian-Soviet] relations,” particularly since the government “was in no position to take any initiative.”

Arunoutian explained that “he understood the point [Davis] had made,” but insisted that a general agreement would be useful. The Ambassador assured Davis that an agreement “could be proposed in terms which would take account of the Canadian situation.” While Davis gave no commitment to an agreement, he expressed the government’s willingness to at least examine a Soviet proposal should one be forthcoming.62

After Davis’ discussion with Aroutunian, it seemed likely that the Soviets would present some kind of draft agreement. None came, however, and Canadian officials were rather unimpressed, as outlined in Norman Robertson’s despatch to Canadian Ambassador Johnson in Moscow: “Although we consider that a reasonable balance has been maintained in the official visits exchanged thus far, […] our note of August 19 constitutes the first official initiative taken by the Canadian Government […] and we regard the Soviet Government’s failure to respond to it as an inexcusable delay.” Robertson then instructed Johnson “to take the first opportunity available at

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a senior Foreign Office level [...] to clarify our position as outlined above.” Furthermore, Ambassador Johnson was to note that Canada might be prepared to consider an agreement along the lines of the USSR-USA agreement, if the Soviets cared to present such a proposal. Regardless, Canadian officials “expected to get an early and adequate response from the Soviet Government to the exchange proposals put forward in our note of August 19, 1958.”

Shortly after, Johnson replied to Ottawa and divulged a fascinating revelation. After talking with Mikoyan and Mr. Belokhvostikov, Johnson learned that it was not the Soviet Foreign Ministry,

but [Yuri] Zhukov, the Chairman of the State Committee for Cultural Relations with Foreign Countries, who is anxious to conclude an agreement with [Canada]. Neither Mikoyan nor Belokhvostikov seemed to know much about the subject when I spoke to them. Mr. Zhukov, I am told, thinks that his future career depends upon the number of cultural agreements he can conclude. Johnson’s explanation perhaps reveals more about the Soviet bureaucracy than it does about Canadian policy initiatives. The fact that Mikoyan, the Deputy Chairman of the Council of Ministers, knew little about a Canadian-Soviet cultural agreement reveals a real likelihood of lack of coordination between Soviet departments. Moreover, Zhukov’s belief that his future career depended upon the number of

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64 The author is unaware of who this official is, but assumes he worked in the Soviet Foreign Ministry.
agreements signed by the USSR highlights a persistent issue during the Soviet period: the notion that quantity often trumped quality.66

The final sign that a cultural agreement could come to fruition came from Davis. In a memorandum to the DEA’s Information Division, he explained that he finally had the chance to talk with Aroutunian about the status of “negotiations,” if that is in fact what they could be called. By no means was he optimistic. Davis was convinced Soviet officials intentionally avoided agreeing to exchanges proposed by Canada that would balance those that were of prime importance to them. He cited, for instance, their continued attempt to organize visits in which they were interested through direct contact with Canadian agencies, such as the Engineering Institute of Canada. Davis then reiterated the constitutional limitations that affected the Canadian position, but emphasized the government’s willingness to explore “general statements accompanied by an agreed programme for a stated period.” He then detailed what this might mean from the Canadian perspective:

The programme could be in two sections, one agreeing to official visits and the other section taking note of projected non-official visits. In respect of the latter the governments would agree to facilitate the exchanges and this would mean, as I saw it, that they would issue the necessary visas and, for example, in the field of education, the Canadian Government would permit professors or students to come to Canada and for its part the Soviet Government would give visas for the Canadians to go to the USSR.

Davis and Aroutunian then agreed a first draft should be developed, in consultation with the Soviet Embassy. According to Davis, “the Ambassador was anxious that at

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66 If Canadian officials seemed uninterested in pursuing a formal cultural agreement, and in addition a draft agreement was not receiving the necessary support from the Foreign Ministry, then perhaps Zhukov was quick to give up a notch on his cultural agreement belt. This, however, is mere speculation by the author.
the outset our work would be ‘private,’” because Aroutunian “did not want to have to go to Moscow for every detail.” Why Aroutunian wanted to keep the work “quiet” is unclear. But these discussions reveal an openness to enter into a possible agreement, despite inherent limitations on the Canadian side. Canadian officials’ willingness to accommodate Soviet insistence on some kind of agreement is telling; they were prepared to work within a rather confined constitutional framework, if it meant pleasing Soviet officials and achieving some balance in exchanges. Of course, Canada’s position was not entirely altruistic, given the expectation that exchanges would expose Soviet visitors to Western modalities, build bridges between East and West, and ultimately reduce Cold War tensions.

Davis’ memorandum, rather frustratingly, is the last piece of available evidence of the negotiations surrounding a potential Canadian-Soviet cultural agreement. While it is certain that no agreement ever came to fruition, it remains unclear exactly why it was abandoned. Still, even without an official agreement, by 1960 Canada and the USSR began engaging in more consistent exchange programs, but these, too, were not without their frustrations.

EXCHANGING PEOPLE AND IDEAS

Similar to the Russian frustrations regarding the trade imbalance between the two countries, by 1960 Canadian officials were aggravated with an imbalance in the initiation of exchanges between the two countries. Soviet authorities enjoyed

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68 Note on sources: Despite the author’s best efforts, documents surrounding this topic remain restricted by law, and only “partially open.” It is assumed that the documents that remain restricted may very well reveal why specifically negotiations fell apart.
the advantage of initiating exchanges of interest to them by approaching private Canadian groups and individuals directly, while simultaneously refusing to entertain Canadian proposals for official exchanges in fields of interest to Canada. “On balance,” one report asserted, “Canada is not obtaining reciprocity in exchanges with the Soviet Union.”

One particular sore spot for Canadian officials was the Soviet refusal of an official exchange in northern affairs. Opening the north was a major first step in the National Development Program envisioned by the Minister of Northern Affairs and National Resources, Alvin Hamilton. To Hamilton, “the North represented a new world to conquer, [...] a great vault, holding in its recesses treasures to maintain and increase the material living standards which our countries take for granted.”

According to Hamilton’s biographer, research was the first step in his plan to develop the north. And given his department’s eagerness to engage in exchanges in northern affairs with the USSR, the Russians, it was hoped, would play an important role in this phase. Hamilton was suggested as head of a Canadian delegation. Since the USSR earlier had noted its desire to increase exchanges on a ministerial level, Canadian officials thought that if a minister led the delegation, Soviet officials would be much more inclined to accept it.

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71 Kyba, *Alvin*, 126. For a detailed account of Hamilton’s National Development Program and strategy, see Kyba, *Alvin*, 122-149.

Despite Aroutunian’s efforts, Soviet officials in Moscow remained hesitant. Aroutunian indicated that he had been unsuccessful in allaying suspicions aroused in Moscow that Canadian proposals in the field of northern affairs were connected with the Prime Minister’s suggestion for Arctic inspection (of nuclear weapons) and were not genuine projects for the exchange of scientific information, but more specifically related to security intelligence.\(^{73}\) Aroutunian admitted that his superiors were mistaken in their assumption that Canada’s desire for an exchange in northern affairs was a guise for intelligence gathering; he attempted to correct the misapprehension in order to get the visit accepted, but to no avail.\(^{74}\) Canada’s inability to have an exchange in northern affairs accepted by the Soviets represents an ongoing issue faced by Canadian officials during this period. The lack of reciprocity and the continued imbalance of exchanges was a constant thorn in the side of Canadian officials who wanted additional exchanges arranged. The situation highlights, in some ways, the limited control Canadian officials had in the realm of cultural exchanges. In 1962, Canadian Ambassador in Moscow Arnold Smith lamented, “I doubt if Canada can expect, for many years to come, to achieve one hundred per cent reciprocity, since the USSR is a vastly bigger country with correspondingly greater cultural and artistic wealth to offer.” Smith then concluded,

\(^{73}\) DCER, Vol. 27. 513. *Under-Secretary of State for External Affairs to Deputy Minister of Northern Affairs and National Resources*, Ottawa, February 7, 1960. DEA/10438-V-14-40.

\(^{74}\) DCER, Vol. 27. 512. *Memorandum by Head, European Division*, “Possible Canadian-Soviet Exchange of Visits on Arctic Affairs,” Ottawa, February 16, 1960. DEA/10438-V-14-40. Interestingly, in 1965, a Canadian delegation led by Minister of Northern Affairs and National Resources Arthur Laing visited the Soviet arctic, with special emphasis on Eastern Siberia. For a detailed account of this exchange, see Lev Golubev, “Profitable Exchanges and Contacts between USSR and Canada, *Arctic*, Vol. 18, No. 4 (Dec., 1965), 207-212. Whether the persistent efforts by officials to arrange an exchange in Northern affairs during the Diefenbaker government had any impact on the 1965 exchange is unclear. Perhaps it was simply the change in government from Diefenbaker to Pearson that caused the Soviets to lower their guard with respect to Canada’s interest in the Soviet North.
“the degree of reciprocity thus far achieved has been, in my judgment, far from satisfactory,”75 highlighting Canada’s constant struggle to achieve a balanced exchange program with the USSR.

Despite the difficulties faced by the Canadian government, and the ongoing lopsidedness of exchanges in favour of the Soviets, Canada was still able to pursue worthwhile exchanges. The realm of science and technology was one fruitful avenue. For instance, the exchange of letters between the National Research Council of Canada (NRC) and the Academy of Science of the USSR proved to be of mutual benefit to both nations’ scientific communities. In 1958, the Canadian Council and Soviet Academy put forward suggestions for exchanges of scientists in order to become familiar with the organization and state of research in the fields of physics, mathematics, chemistry, biology, and technology in each country. As a result, a group of senior Soviet scientists toured Canadian Government research establishments, universities, and industrial laboratories in mid-1959. In return, a group of Canadian scientists representing the Council toured the USSR, as guests of the Academy. During the course of the visit to the USSR, NRC President Dr. E.W.R. Steacie and President of the Academy, Alexander Nesmeyanov exchanged letters, setting out the basis of an exchange program between the Academy and the NRC.76

Both parties agreed that rather than pursuing an agreement at the government level, an exchange of letters essentially allowed the contracting parties


to represent their specific institutions and did not directly represent their respective governments. The exchange of letters was signed on October 28, 1959. Overall, the Soviet scientific community impressed the NRC, and it believed Canadian scientists had much to gain from an exchange program. Unlike the imbalanced nature of Canadian-Soviet exchanges generally, the NRC and the Academy’s exchange program was quite reciprocal. For instance, with the exception of one scientist, the Academy accepted all the proposals for visits from Canadian scientists for the 1960-61 academic year, and the NRC assessed the agreement as “entirely satisfactory.” Additionally, the NRC explained, “all of the Canadian visitors to the USSR have returned to Canada feeling that their visit has been well worthwhile and that they have gained in their own fields a valuable knowledge of Soviet scientific developments.” Having Soviet scientists in Canada working daily with Canadian researchers also had “a direct benefit to Canadian science.”

Exchanges between Soviet and Canadian scientists would have played an important role in bringing the nations closer together and in improving Canadian-Soviet relations generally. While very little, if anything, has been written on Canadian-Soviet scientific exchanges during this period, American scholarship on American-Soviet scientific exchanges does exist, and the importance of such interactions has been well established. Traditionally, the scientific and academic communities have been the most pro-Western segments of Russian society, and the

79 Ibid.
most prominent calls for democracy and human rights have come from their ranks.\textsuperscript{80} A former US science attaché in Moscow, John M. Joyce, stated that in what was considered basically a conservative Soviet society, “the most outward-looking people, the people most susceptible to external influence, are the scientists.”\textsuperscript{81} Exchanging researchers and scientists, then, would have fit well with Canada’s policy of exposing the USSR to Western practices, while also gaining knowledge of innovative ideas. In 1959, the US National Academy of Sciences and the Soviet Academy signed a similar agreement to the one entered into by the NRC and the Soviet Academy. The general terms of the agreement were virtually identical to the Canadian-Soviet exchange of letters, and provided “for short-term exchanges of scientists to deliver lectures, conduct seminars, and gain familiarization with scientific research, as well as long-term exchanges for scientific research and advanced study.”\textsuperscript{82} As historian Yale Richmond aptly points out, the scientific exchanges “served to establish the first postwar linkages between American and Soviet scientists, helped to increase American knowledge of Soviet science, and prepared the way for an expansion of [science and technology] exchanges during the détente years.”\textsuperscript{83} Piggybacking on Richmond’s observations, it is not an unreasonable leap to suggest that similar conclusions could be drawn about the Canadian context.


\textsuperscript{82} Richmond, \textit{Cultural Exchanges and the Cold War}, 68.

\textsuperscript{83} Richmond, \textit{Cultural Exchanges and the Cold War}, 69.
Also to the West’s advantage was the fact that Soviet exchange participants appear to have been instructed to disseminate widely the results of their travel and study abroad and did so through lectures and published papers. It is safe to assume, therefore, that these academics “must have told their educated and perceptive audiences much about the world beyond Soviet borders.”  

Canadian-Soviet scientific exchanges proved to be beneficial not only from the academic perspective, but also from political and ideological vantages. While the Canadian government played a limited role in academic exchanges, scholarly interaction encouraged East-West bridge building and nurtured ties between Canadian and Soviet academic communities.

**FROM ICE RINKS TO CONCERT HALLS**

While the spirit of academia is based on cooperation and collaboration, the two nations were not afraid to harness the competitive edge of sport to promote national pride and patriotism. Hockey proved to be a popular pastime for both countries, as each side sought to display their respective national vitality and prestige. As one historian puts it, “sport can serve as an unobtrusive form of propaganda.”  

Politics may bleed into sport. According to sociologist, Alex Nathan, “international competitive sport has become an arena for ideologies, mirroring the same tensions as are seen throughout the world on the purely political plane.”  

Rightly so, the 1972 Summit Series between Canada and the USSR has captivated

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84 Richmond, *Cultural Exchanges and the Cold War*, 74.
Canadians, and the series represents the ultimate expression of “hockey diplomacy.” Yet, Canadian-Soviet hockey matchups preceded the Summit Series. While their significance may not match the 1972 series, Canadian-Soviet games played during the late fifties and early sixties indeed remained politically and ideologically charged, and were important opportunities for both sides to project national greatness. Canada, in particular, could boast middle power prowess if victorious over the Communist superpower, while simultaneously utilizing “its position [...] as a ‘peacekeeper’ to mediate the tensions between East and West.”

On the eastern side of the curtain, sports in general, and certainly hockey in particular, became one of the best and most comprehensible means of explaining to the masses the advantages of socialism over capitalism.

At the very least, the matches, as well as the lead up to the games, were a sign that the Soviets viewed Canada as a formidable hockey opponent. Not only that, the Soviet media used commentary from Canadian players and coaches as a means to highlight the West’s positive perception of the USSR in general, and its advanced sporting infrastructure in particular. For instance, one article reported the Canadian Coach of the Kelowna Packers hockey team as praising the Moscow Sports Palace as “One of the best I’ve ever seen. [...] Excellent ventilation, good ice and, what is even more important, soft lighting which never disturbs the players during the game.”

The Soviet article spent much time detailing the Canadians’ leisure time, describing

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89 Riordan, “Soviet Sport and Soviet Foreign Policy,” 322.
the athletes’ positive impressions of the Bolshoi Theatre, the two-tiered bridge across the Moscow River, the Kremlin, and the Circus. Additionally, the article made a point of highlighting the skills of the Soviet players as seen through Canadian eyes. The coach was quoted saying, “In the first place, the excellent physical fitness of Soviet players should be noted, [...] we have acquainted ourselves with the training system of Soviet teams and consider it to be perfect.” The article certainly praised the Soviet hockey system over its Canadian counterpart, but it is revealing that so much emphasis was placed on the positive views of the Soviet system held by Canadian athletes and coaches. In other words, because Canadian hockey was seen as world class, the Soviets used Canadians praise as leverage to bolster their own excellence. At the same time, however, it may have elevated Canadian hockey status by indirectly acknowledging the importance of Canadian opinions.

Self-affirmation was not the only tactic the Soviets adopted during their reporting on Canadian-Soviet hockey matches. In fact, in March 1959, one despatch from the embassy in Moscow to the SSEA highlighted how “by and large, Soviet newspapers have been quite complimentary to the team with respect to their ability as hockey players.” In fact, after one game where the Belleville MacFarlands beat the Soviet team at the World Championships in Prague, Ambassador Johnson explained how “the Soviet press continues to praise [the Canadian team] and to admit their superiority over the Russian team.” The despatch then pointed out how an article in Sovetskaya Rossiya made this view clear when it reported, “to speak objectively,

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even before the game we could see that the Canadians surpassed our team in technique and speed.” The Canadians, indeed, were seen as a formidable force on the ice.

The popularity and spectatorship surrounding Canadian-Soviet matchups was highlighted when the 1960 Allan Cup Champions, the Chatham Maroons, visited the USSR to play a series of games with various Soviet teams. The Maroons had a tough seven game lineup, and even prior to their arrival the Soviet press referenced the impending visit by noting, “publicity material adorned many of the billboards throughout [Moscow].” The first two games witnessed the Maroons facing-off against the Soviet National All-Star team. The games were split one win apiece, with Chatham winning 5-3 in the first game, but getting clobbered 11-2 in the second. The Canadian embassy explained that many members of the legation attended the games, and the popularity of the matches was “quite evident as all 20,000 seats in the stadium [had] been sold out for each game.” It was also noted that the “press and television coverage has been most extensive.” Stories appeared in Izvestia and Sovetskaya Rossiya prior to the matchups that detailed the Canadian team and the players, while Pravda covered post-game analysis. Of the first game, Pravda reported, the “guests played a most skillful, assured and exceptionally well-coordinated game.” The coverage did not stop there. The first two games against the Soviet All-Star team were televised in their entirety, which, according to the Canadian embassy, was an “unusual feature in that relatively little live telecasting is

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done in the Soviet Union.” Additionally, there had been at least two televised interviews with officials accompanying the Canadian team.92

The Canadian press, however, was less enthusiastic about the Maroons’ performance against the USSR’s All-Star team. The Globe and Mail presented an entirely different view than Pravda, by focusing on Canadian Amateur hockey officials. One article scathingly titled, “Send Top Pro Team to USSR? One-Sided Hockey Wins Embarrass Russians” opened with a quote from the former manager and coach of the Chatham Maroons, John Horeck, who stated, “Mediocrity of Canadian hockey abroad is humiliating to Canada and embarrassing to Russia.” The main message of the article was that the Soviets were making rapid progress in hockey, and Canada needed not only to respect this fact but to face it head on by sending not its amateur hockey teams but teams and players from the National Hockey League (NHL). Horeck explained that the “Russians would prefer to see [Montreal] Canadiens or [Toronto Maple] Leafs. [...] They respect our ability to play hockey. That is why they cannot understand our sending inferior teams to Russia. [...] They realize they’ll probably be beaten, but they’ll enjoy the game and learn something.”93 The sense of national pride came through in the article, though there was marked disappointment that Canada’s greatness as a hockey nation was not so apparent in the international “arena,” so to speak. The image of Canadian dominance


in hockey was not corroborated on the world stage, and countries like the USSR expected more. In the context of the Cold War, the political and ideological underpinnings of hockey were, no doubt, present both on and off the ice.

Blatant Cold War rhetoric, however, was largely absent from the coverage of the hockey games between teams representing Canada and USSR during this period. This does not mean, though, that their ideological and political significance were entirely absent. Just as scientific and performing arts exchanges did not have to be laden with Cold War jargon to be important avenues for lessening international tensions, hockey too served as a viable means to connect two otherwise antithetical national systems. Granted, according to some, Canadian performances in the USSR left much to be desired, but it was clear that respect for Canadian hockey abilities permeated Soviet society. As a result, Canadian hockey served as a modest avenue for projecting awareness of Canada, a middle power in the Cold War, behind the Iron Curtain.

Not only did the hockey arena provide a venue for projecting Canadian cultural greatness, but so too did the stage. Canada’s performing artists, as with pianist Glenn Gould in 1957, served as non-state actors who operated in the international sphere and, “through informal penetration of foreign cultures,” were able to “gather information, exert policy pressure, and influence public opinion.”94 As historian Jeremi Suri argues, the success of non-state actors lies in person-to-

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94 Carr, “‘No Political Significance of Any Kind’”, 12.
person contact, rather than government-to-government relations. Addressing US-Soviet relations, Richmond notes that American ensembles and soloists touring the Soviet Union invariably played to full houses and were likewise appreciated by both the intelligentsia and the general public: “The intense interest of the Soviet public in Western performing artists was amply demonstrated by sold-out halls, lines of ticket seekers hundreds of yards long, and the storming of gates by those without tickets.” Canadian Ambassador in Moscow Arnold Smith asserted there was a genuine and very substantial Western interest in encouraging visits by Western artists and cultural groups to various parts of the USSR,

specifically in order to increase the exposure of various sections of this still essentially closed society to the outside world, and to contribute to the gradual opening up of Soviet public opinion and the progressive normalization of Western-Soviet relations. Provided we can successfully avoid the real dangers of war, and do not blow each other up during the next decade or two (and I think we can avoid this), then there is I think substantial reason to believe that the further development of exchanges in cultural and other fields (scientific, business, technical, etc.) can provide one of the best hopes, and indeed one of the most effective instruments, in encouraging the development of more normal and safer international attitudes and relations.

Smith appeared to hold a particular soft spot for the performing arts. During his time in Moscow, from 1960 to 1963, Canada engaged in a series of meaningful exchanges of performing artists with his host nation, much to his delight.

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96 Richmond, Cultural Exchanges and the Cold War, 123-124.

In mid-1961, the Montreal Symphony Orchestra signed an agreement with the Soviet Ministry of Culture. Preliminary negotiations were carried out by the Ministry of Culture and Ambassador Smith, before they were handed to Pierre Beique of the Montreal Symphony Orchestra and Nicolas de Koudriavtzeff of Canadian Concerts and Artists in Moscow. De Koudriavtzeff had been responsible for the visits to Canada of many Soviet companies and individual artists. The terms of the agreement saw the Montreal Symphony Orchestra play five concerts in Moscow, followed by concerts in Leningrad, Riga, and Kiev. In return, Canada hosted the Red Army Chorus for a national tour.98

The issue of reciprocity continued to hover over Canadian-Soviet exchanges of performing artists.99 Regarding the Montreal Symphony Orchestra specifically,

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99 The question of reciprocity, according to Ambassador Smith, should be seen in three aspects. First was getting contracts for Canadian artists or artistic groups to visit the USSR as counterparts equal in size to those arranged to tour Canada. Merely arranging for an individual Canadian singer or pianist to visit the USSR in exchange for the visit to Canada of the Bolshoi Ballet or the Moscow Circus was not considered acceptable. In other words, Smith called for some degree of reciprocity in the exchange of big groups for big groups and individual artists for individual artists. This was a constant issue related to all types of exchanges and was important to discussions of a potential cultural agreement. Second was, obtaining a reasonable degree of reciprocity in the number of cities and other centres in which the visiting artists on each side were to perform. Ambassador Smith explained that the Soviet authorities were prone to trying to restrict visiting Western artists to two or three of the relatively well-known and relatively ‘tame or civilized’ tourist centres in the Western part of the USSR (e.g. Moscow, Leningrad, Kiev, and sometimes Yerevan and Tbilisi), but they sought opportunities to perform in all parts of Canada. It was difficult and very unusual for western artists to have an opportunity to perform in minor, but by no means politically or culturally unimportant, Western Soviet cities such as Odessa, Rostov, Kuibyshev, Stalingrad, and Dnepropetrovsk. Nevertheless, the populations in these centres, according to Smith, “are probably even more anxious than those in Moscow, Leningrad and Kiev to have an opportunity of seeing representatives of Western civilization and culture, and it is vastly to the Western political interest that we should find means to give them this opportunity.” DCER, Vol. 29. 441. Despatch No. 1004. Ambassador in Soviet Union to Secretary of State for External Affairs, “Cultural Exchanges Between Canada and the USSR,” Ottawa, November 30, 1962. DEA/2462-E-40. The imbalance in the number of cities the respective tours visited is evident in that the Red Army Chorus visited no fewer than eleven Canadian cities, from Vancouver to Montreal. Red Army Singers, Dancers, and Musicians, Concert Pamphlet, August 1961. The third aspect deals with balanced remuneration and is discussed above.
Smith highlighted the specific imbalance surrounding remuneration. In a most revealing and highly descriptive despatch to the SSEA, Ambassador Smith explained that all of the Montreal Symphony Orchestra concerts in Soviet cities were sold out. Nevertheless, he lamented, that whereas the Red Army Chorus visited several cities across Canada and earned high pay in convertible dollars (similar to several other major Soviet artistic troupes during that year and years prior), the Montreal Symphony Orchestra “settled for payments solely in unconvertible rubles.” Their tour became financially possible “only because the Quebec Government, the Montreal Arts Council, and the Canada Council all considered that a Soviet tour [...] would offer such prestigious value to Montreal and Canada that they put up a subsidy of $50,000 to assist in the expenses.” As for the Orchestra itself, Smith explained that much like other performing groups or individual performers, they found it in their interests, “for reasons of prestige and publicity in the West, as well as for understandable reasons of personal curiosity and satisfaction, to be invited to perform in the USSR, which still has some of the glamour of the exotic unknown.” As a result, Western artists were apt to accept Soviet contracts offering much less pay than they normally obtained for performances in the West, or, as was often the case for Canadian artists, to accept contracts “paying them wholly or in substantial part in unconvertible rubles.” In contrast, Soviet officials in charge of arrangements in this field “normally drive very hard and very successful bargains for very high pay,” which they obtained in entirely convertible dollars, for performances in countries like Canada and the United States.\footnote{DCER, Vol. 29. 441. Despatch No. 1004. Ambassador in Soviet Union to Secretary of State for}
While Canadian impresarios were left largely to fend for themselves – given the natural arrangements of the market economy – Soviet performing artists and groups had the weight of the Soviet government behind them, in particular that of the Ministry of Culture and the State Committee on Cultural Relations. After all, sending performing artists abroad was a highly organized and deliberate element in Soviet foreign policy, motivated by the desire to further influence objectives of that policy. Yet, an important tactic existed where the Canadian government could help Canadian impresarios and where, in fact, Canadian officials could assist in balancing Canadian-Soviet exchanges. Ambassador Smith explained:

The real bargaining lever for the West in this area lies frankly and bluntly in the ability of Western governments to refuse the necessary visas. This lever need not necessarily or normally be exercised very bluntly or overtly, but it is precisely in the latent recognition that this lever exists that the bargaining power of Western representatives [...] lies, in their dealings with the Soviet government representatives with whom they must negotiate.

In other words, Smith was suggesting that the Canadian government did retain some power in the field of cultural exchanges on the issue of reciprocity and should wield it, albeit in a calculated way. Smith continued and cited a relevant example of how he personally was able to influence negotiations surrounding the agreement between the Montreal Symphony Orchestra and the Red Army Chorus.

Ambassador Smith's account of his role in the negotiations, while lengthy, deserves attention:

I can state with assurance that the Soviet authorities would not have gone through with arrangements for the visit had I not made clear to
them, discreetly but effectively, that the Canadian public would not for long accept the idea of cultural exchanges if they thought that this field was regarded by the Soviet authorities as a one-way street. It was only when the Soviet authorities got the impression that unless they completed a contract for the visit of the Montreal Symphony Orchestra they would not be able to continue sending important Soviet cultural troupes to Canada, that the Soviet Government organization Gosconcert and the Soviet Ministry of Culture stopped stalling and signed a firm contract for the visit of the Montreal Symphony. Nevertheless, the Montreal Symphony’s Soviet tour was, I think, a tremendous success, and it did a considerable amount to make Canada better and more favourably known in the leading western cities of this country. The Soviet Minister of Culture had attached particular importance to our permission that they send the Red Army Chorus to Canada, since the Americans had for years been rejecting Soviet requests that it be allowed to tour the United States. They regarded the Montreal Symphony tour here as the quid pro quo for the Red Army Chorus.¹⁰¹

The significance of Smith’s role in the negotiations must not be underestimated. Foremost, it demonstrates that even though the Canadian government did not officially sponsor cultural exchanges, and despite the absence of an official cultural agreement, some officials still influenced exchange arrangements and played an active and important role in their development. Despite the lack of an official agreement, there was opportunity for the Canadian government to exert some influence. In addition, Smith’s support for cultural exchanges and his belief in both their cultural and political significance are evident. In turn, this highlights the vital role played by Canadian ambassadors in advancing Canada’s foreign policy objectives, particularly in a cultural diplomacy context. Ambassador Smith’s negotiations are also a small, but telling, example of how Canada made advances when the United States did not. While the Americans had routinely rejected a tour

by the Red Army Orchestra, the Canadians proved more flexible by permitting the tour. Consequently, while the Americans had refused to engage with this specific initiative in cultural diplomacy, Canada was able to contribute to the West’s overall strategy of building bridges between East and West.

The Symphony as a whole was not the only success during the Soviet tour, as Canadian soloists captivated Soviet audiences as well. Teresa Strates, a soprano from Toronto, was asked by Ambassador Smith to perform a solo concert at the Kremlin Hall, while on tour with the Montreal Symphony Orchestra. Soviet Minister of Culture Ekaterina Furtseva was reported to have “applauded the young singer enthusiastically from her front row seat.”

In November 1963, now as assistant undersecretary of state for external affairs under the new Liberal government, Smith addressed the International Council of Museum of Modern Art. In a speech titled, “The Position of the Artists in the USSR,” he discussed the importance of freedom of expression to Soviet society. Smith stated that Khrushchev explained to him personally “that as society becomes technologically more advanced and more complex it is necessary […] to encourage more initiative on the part of the increasingly widespread and increasingly educated layers of the population.” If freedom of expression was to be slowly nurtured in the Soviet Union, Smith explained, “much of it will be used to encourage awkward questions and to demand also an increased normalization of Soviet life, and I think,

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less risky and less hostile attitudes to the West.” Smith saw an important link between freedom of expression and the arts. To this point, Smith asserted:

I think that the West can help, in this vitally important matter of which way Russia will go, precisely by the sort of activity with which you [artists] are engaged. In my judgment cultural contacts and exchanges on a reciprocal basis with the Soviet Union can play a role of great strategic and political importance in the struggle for peace and a more normal world. Getting to know more here in the West about Russia’s literary and artistic creations enrich us. Helping their public, and above all their intelligentsia, to learn something of Western cultural achievement can stimulate, encourage and strengthen the artists and certain writers and taskmasters among the Soviet population, giving them not merely a desire for freer and more normal international relations, but helping them to develop the moral courage which they will need in leading and pulling their own country toward the more open society which they desire.103

Smith’s speech is a testament that his role as ambassador to the Soviet Union affirmed his view regarding the importance of East-West cultural contacts. It is clear that he certainly believed in the viability and importance of such contacts.

Diefenbaker, too, was mindful of the significance of cultural exchanges to Canadian foreign policy initiatives. The Prime Minister made public his support for the Montreal Symphony Orchestra’s tour. The Montreal Star reported that Diefenbaker paused during an address on Canada’s international relations to point out that “cultural exchanges such as the tour of the Montreal Symphony Orchestra helped greatly to create a better climate for lessening of tensions.” In addition, Diefenbaker said that international conferences could “get nowhere without the necessary goodwill among nations,” and that exchanges such as these helped foster

“an atmosphere of mutual goodwill.” While Diefenbaker’s statement refers to the importance of cultural exchanges, it is clear from his reference to international conferences that they were not seen as a powerful foreign policy tool on their own; rather, he recognized these exchanges as one element of a multi-faceted approach to Canadian foreign policy. Also interesting is his reference to “mutual goodwill.” His acknowledgement that cultural exchanges have the ability to “lessen tensions” is a testament to the power of cultural “weapons” in breaking down barriers. Music could, in effect, transcend national allegiances.

Even before artists made their way to the USSR, Diefenbaker was supportive of their efforts to organize a tour. For instance, Alexander Brott, a conductor and professor in the Faculty of Music at McGill University, worked to organize a conducting tour of various Soviet orchestras, making arrangements directly through the Soviet Embassy in Ottawa and the state concert management company Goskoncert. Brott received confirmation that his tour was included in the plan for cultural exchanges for 1962, but then heard nothing further from the Soviet Embassy, despite numerous enquiries. Ambassador Aroutunian informed the DEA that it had been decided that Brott’s fee could not be paid in dollars, only rubles that could not be taken out of the USSR. Given this, Aroutunian was hesitant to inform Brott of the news, anticipating it would be upsetting. Under-Secretary

Norman Robertson, however, advised Diefenbaker that the DEA had suggested to the Soviet embassy that Brott be informed immediately since “the tour might be important to him for reasons other than financial reward.”

Diefenbaker wrote Brott personally, explaining that enquiries had been made with the Soviet Embassy and that assurances were received from the Embassy that the Soviets would write Brott immediately about his tour. Diefenbaker then asked Brott to keep him updated. If the professor did not receive word from the Embassy promptly, Brott was advised to let Diefenbaker know, suggesting that pressure would again be applied from the Prime Minister’s office. Follow up proved unnecessary. Shortly after the initial pressure had been applied to the Soviet Embassy, Brott received confirmation regarding his upcoming tour. Brott then expressed his gratitude to Diefenbaker for his “sympathetic interest.” The fact that the Prime Minister was personally willing to support Brott and his proposed tour of the Soviet Union further supports the notion that cultural exchanges were viewed as an important component of Canadian relations with the USSR during the Cold War.

CONCLUSION

While Canada was entrenched firmly within the Western bloc in the Cold War and politically supported its NATO allies, it carved out a more independent

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position with the USSR in the economic and cultural realms. The appointment of
Aroutunian as Soviet ambassador confirms the notion that Canada began to occupy
a more important place in the USSR’s foreign policy. While the Soviets hoped to
improve relations with Canada, the Americans were aggravating their North
American ally through the implementation of the PL 480 program. The United
States’ giveaway program substantially reduced Canada’s ability to export wheat
and ultimately led Canada to seek out new export markets, particularly with
Communist nations.

Lester Pearson’s 1955 visit to the USSR was not primarily driven by
commercial factors, yet it set in motion a bilateral trading relationship that would
later prove important for Canadian wheat growers and Canadian-Soviet relations
generally, beginning with a formal trade agreement in 1956. Renewing the 1956
Trade Agreement was important not only for domestic agriculture but also for
foreign policy, since it was believed that commercial relations built mutual trust and
reduced suspicions. Negotiations were by no means smooth, as the Soviets sought
an import quota from the Canadian government, and the Canadians sought a fixed
importation of Canadian wheat. In the end, a 1:2 ratio was set that targeted
Canadian imports from the USSR at half the total amount of goods exported to the
USSR. In the end, however, this agreement did not appear to be enforced. The
Diefenbaker years in Canadian-Soviet commercial relations may not have been
decisive to Canadian-Communist European relations generally, but they were a time
of bridge-building in relations between the two sides in the Cold War. Ultimately,
Canada and the USSR maintained economic ties important to political relations in the uneasy Cold War environment.

In the field of cultural exchange, Canada and the Soviet Union made impressive strides. As seen with economic relations, the Diefenbaker government’s policy regarding cultural exchange with the USSR was rooted in earlier initiatives set in motion by the Liberal government of Louis St. Laurent and largely developed by Jules Léger. The Hungarian Uprising, however, dampened any potential exchange programs between the two nations. It would take Glenn Gould’s 1957 tour of the Soviet Union to reignite these efforts. The Progressive Conservatives essentially took up policy from where it had been left by the Liberals, at the time of the challenging events in Hungary. Negotiations between Canada and the USSR regarding an official cultural exchange agreement never materialized, in spite of consistent Soviet pressure to obtain one. Instead, a *quid pro quo* approach to exchanges was maintained.

Academia, hockey, and the performing arts all proved to be mutually advantageous avenues for advancing cultural exchanges, serving the larger Canadian policy objective of exposing Soviet citizens to Western modalities and cultural life. Canadian officials consistently wrestled with the ongoing imbalance in reciprocity of exchanges; in particular, Canadian Ambassador Arnold Smith worked hard to address these imbalances. Even without a bilateral exchange agreement, at times the Canadian government intervened in, or facilitated, negotiations to ensure Canadian artists received fair treatment and that the Canadian cultural footprint was left on Soviet society. Ultimately, Canadian governments in this period
supported the expansion of exchanges in various fields and saw them as a necessary, effective, and appropriate way for Canada to engage in Cold War diplomacy as a middle power. Exchanges of all sorts proved a worthy avenue for Canada to build bridges between East and West, and engage in the Cold War through other means.
Chapter 3

Politics in the Shadows of Powerful Superpowers: Canadian-Yugoslav Diplomatic Relations

Canada’s relations with communist Yugoslavia were politically and ideologically charged. Despite their differences, bilateral relations were most often positive and perceived as mutually advantageous. Importantly, the Soviet Union was an ubiquitous element that also shaped Canada’s approach to Yugoslavia. When John Diefenbaker’s Progressive Conservative government came to power, relations with Yugoslavia were relatively insignificant. During the Diefenbaker government, however, relations developed in a manner and pace unforeseen to that point; from the late 1950s onward, Canadian-Yugoslav relations increasingly became an important component of Canada’s Communist Europe policy, and by extension a Cold War “battleground” on which Canada tried to challenge European communism with non-military tactics. As a result, Canada sought to cultivate healthier political, commercial, and cultural exchanges with Yugoslavia to expose it to Western modalities. So, Canada saw Yugoslavia as a viable point where Soviet hegemony over Eastern Europe might be penetrated, lessening the “threat” of global communism. While Canada’s Yugoslav policy mirrored that of the United States in some important respects, it did not do so passively or uncritically. The development of Canadian-Yugoslav relations was challenging, not least because of Yugoslav minority communities in Canada who sometimes proved politically and ideologically motivated to oppose the relationship that Canada was trying to
develop. This chapter explores Canadian officials’ motivations to develop closer ties with Yugoslavia and examines the various fields in which progress was achieved.

While trade and bilateral exchanges were modest, there were problems and varying degrees of success with both. The political atmosphere and international climate of the Cold War meant that their importance was heightened, particularly in the eyes of Canadian officials. They recognized that commercial and cultural relations were not important for entirely economic and cultural reasons; rather, they were vital for political and ideological purposes. In other words, the desire to establish closer ties was politically motivated, and the Soviet Union was a crucial consideration in Canada’s Yugoslav policy, and vice versa. Canada promoted Yugoslavia’s independence and pursued closer bilateral relations in an attempt to entice it into the Western sphere of influence and to weaken the influence of the Soviet Union and, by extension, global communism. Cognizant of the USSR’s ambition to have Yugoslavia within its European sphere of influence, Canadian officials perceived a contest to “win over” Yugoslavia as a way to limit the Soviet Union’s international influence, a contest in which a middle power such as Canada might wield some influence. Overall, cordial relations and an increase in exchanges between the two nations exemplified the growing importance of Yugoslavia to Canadian foreign policy. Moreover, the effort to establish constructive and positive relations with Yugoslavia demonstrates that this happened at a decisive moment when Canadian officials increasingly saw Eastern Europe as an important and influential region in international affairs and saw opportunities for middle powers to shape the global Cold War.
Canada had few issues with Yugoslavia during this period, so the state of political relations tended to be governed by the international situation and, in particular, by Yugoslavia’s position in it. In fact, Canada’s policy was especially shaped by changes east of the Iron Curtain. Limitations existed in how Canadian officials could best cultivate closer relations as a means of challenging the spread of communism. Nevertheless, Canada’s policy of closer cooperation was commensurate with its middle power position. Improved relations between the two countries highlight the Diefenbaker-Khrushchev years as a decisive moment in Canadian-Yugoslav, and concurrently, Canadian-Eastern European, relations.

**YUGOSLAVIA, THE USSR, AND THE CANADIAN PERSPECTIVE**

Following in the footsteps of the United Kingdom and the United States, the Canadian government officially recognized the Yugoslav regime in December 1945. Ottawa initially mistrusted the new Yugoslav regime, and this made difficult the establishment of a Canadian diplomatic mission there. Generally, the Canadian government tended to share the American and British view that Yugoslavia was simply part of the belligerent Soviet monolith that threatened Western security interests. The DEA essentially characterized Yugoslav foreign policy up to the late 1940s as somewhat aggressive and dogmatic, in serving the interests of the Soviet Union.1 Planning for a Canadian diplomatic mission in Yugoslavia began in late 1947. The government promoted its position by explaining that Canada was merely following up on the appointment in 1942 of General George P. Vanier as minister to

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the exiled Yugoslav government in London and was following a policy of maintaining contacts with East European states. With the exception of Greece, the Canadian mission in Belgrade was the first one established in the Balkans.2

Yugoslavia’s leader, Joseph Tito, had broke with – or depending on one’s perspective, was excommunicated by the USSR. Diplomat John Holmes stated that the schism was good for the West, but he cautioned the government against assuming that the crisis was indicative of an opportunity for a quick Western victory in the Cold War.3 Relations between Yugoslavia and the USSR entered a period of rapprochement following Nikita Khrushchev and Nicolai Bulganin’s visit to Belgrade in 1955. In an effort to attract Yugoslavia back into the Soviet sphere of influence, the two Soviet leaders acknowledged Soviet responsibility for the rupture of relations after 1948.4 Efforts to mend this split continued following the Twentieth Party Congress in 1956 and Khrushchev’s denunciation of Stalin’s “cult of personality.”5 The high point of reconciliation came when Tito journeyed to the Soviet Union in 1956 and both countries agreed to reestablish direct relations between communist parties as well as between states.6 Cooperation did not last for long, however, and Soviet-Yugoslav relations soon soured again following the Soviet

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2 Gammer, From Peacekeeping to Peacemaking, 23.
4 DCC, File MG1/V1/(864/Y94), Memorandum Chief of Protocol to JGD, SSEA, USSEA, & European Division, 21 August 1958. Microfilm, 434025-434026.
6 DCC, file MG1/V1/(864/Y94), Memorandum Chief of Protocol to JGD, SSEA, USSEA, European Division, 21 August 1958. Microfilm, 434025-434026.
Union’s intervention in Hungary. Additionally, Tito’s last minute decision not to attend the summit meeting of communist leaders in Moscow on the occasion of the fortieth anniversary of the Russian Revolution, and Yugoslavia’s refusal to sign the Twelve-Party Declaration in November 1957, further marked the development of a deep schism from which retreat was difficult. By not signing the Twelve-Party Declaration, Yugoslavia refused to acknowledge the Soviet Union as the uncontested leader of the Communist world. It also highlights Yugoslavia’s refusal to recognize that – despite Moscow’s (and Peking’s) insistence – the Communist struggle for world power hinged on the basis of two camps. Essentially, this epitomized the fundamental basis of Yugoslavia’s foreign policy: the doctrine of active co-existence between all nations, irrespective of differences in ideology or economic and political systems.

The Canadian embassy in Belgrade paid close attention to these developments and saw the growing wedge between Yugoslavia and the Soviet bloc as an inter-communist Cold War. Indeed it was. To the Soviet Union, Yugoslavia’s revisionism was treacherous, particularly from an ideological point of view. Consequently, this period – exemplified by Yugoslavia snubbing the Twelve-Party Declaration – marks a crucial moment when Canadian officials strategically and pragmatically cultivated stronger bilateral relations with Yugoslavia. The Diefenbaker years coincided with strained Soviet-Yugoslav relations, which created

7 DCC, file MG1/V1/(864/Y94), Memorandum Chief of Protocol to JGD, SSEA, USSEA, European Division, 21 August 1958. (434025).
the opportunity for Canada to promote closer Canadian-Yugoslav relations. To Canadian officials, Yugoslav independence represented something more than an inter-communist quarrel; it represented a potential catalyst to challenge communism from the inside. This was essentially the underlying agenda that drove Canada’s Yugoslav policy.

America’s Yugoslav policy was undoubtedly more complex than Canada’s, arguably because of its role as “leader of the free world” and as the assumed first line of defence against Communist infiltration. As well, the United States provided substantial aid to Yugoslavia beginning in 1948 and led efforts to lure Tito into the Western camp. America’s general policy toward Yugoslavia, while fluid in practice, followed the general principles established in National Security Council (NSC) Report 5805, from February 1958. According to NSC 5805, the Tito-Kremlin break in 1948, and the consequent departure of Yugoslavia from the Soviet bloc, served US interests in two major ways: the continued denial to the USSR of important strategic positions and other assets, and the political effects, on both sides of the Iron Curtain, of a break in the “monolithic” Communist bloc. In order to preserve these gains, NSC 5805 maintained

the United States extended economic and military aid to Yugoslavia. This aid was of crucial importance in keeping the Tito regime afloat under severe Soviet pressures and—by indicating US concern with Yugoslavia’s independence—in discouraging any Soviet inclination to attack Yugoslavia. A further US purpose, as the military and economic aid programs developed, has been to utilize them to influence Yugoslavia toward closer political, economic and military collaboration with the West, and to encourage such internal changes in Yugoslavia as would facilitate this orientation.
The report also explained how US support of the maintenance of Yugoslav independence fit into broader Eastern European policy, which had “as its objective the eventual attainment of complete national independence by all of the Eastern European satellites.” Importantly, the report also stated,

the example of Yugoslavia, which has successfully maintained its independence of Soviet domination, stands as a constant reminder to the satellite regimes, serving as a pressure point both on the leaders of these regimes and on the leadership of the USSR. Moreover, it appears that Yugoslavia has encouraged certain leaders in the satellites to seek greater independence from Moscow.9

Canadian and American Yugoslav policy followed the same general approach. This is not to say, however, that Canada was dependent on American policy initiatives. In fact, utilized Canada’s middle power position to cultivate common ground with the Yugoslavs. In effect, Canada and Yugoslavia shared something in common: both nations pursued their foreign policies in the shadows of superpowers. Still, similarities between the two also should not be overstated. After all, Yugoslavia held a special position as a leading nation in the non-aligned movement, while Canada was firmly entrenched in the Western orbit.

In historian Nicholas Gammer’s work, From Peacekeeping to Peacemaking: Canada’s Response to the Yugoslav Crisis, he argues that Canadian policy towards Yugoslavia during the 1950s and 60s was anchored by the idea that through collaboration smaller states could regain their voice and greater control over their

own futures through international cooperation and international organizations.\(^{10}\)

While championing national sovereignty was indeed an important element of Yugoslavia’s foreign policy, and Canada was acutely aware of this, it is important to recognize that Yugoslavia itself was also an important component of Canada’s Soviet policy equation, since Yugoslav independence fueled a rupture within the Eastern bloc. Canada’s hope, and indeed belief, that a divided communist world could contribute to its eventual collapse was very real; it is important, therefore, to take into account this expectation when assessing Canadian-Yugoslav relations.

Canadian officials viewed Yugoslavia as a major dilemma for the Soviet bloc. The significance of its independence was clear in the eyes of Canadian officials, including Ambassador George Ignatieff (1956-58), who remarked, “Tito’s heresy, if not suppressed, may well mark the beginning of the dissolution of the Communist empire as a result of the fundamental conflicts of interest between the central leadership and its constituent nations at the periphery.”\(^{11}\) Ignatieff explained that if the USSR “did not succeed in breaking down Yugoslavia’s will to independence, they are bound to face more trouble in the long run not only from Poland and Hungary, but also from the Germans who have lived under their control as well.”\(^{12}\) The potential for Yugoslavia to disrupt the communist alliance was indeed fortuitous.

\(^{10}\) Gammer, *From Peacekeeping to Peacemaking*, 37. Gammer’s assertion that Canadian-Yugoslav relations should be viewed in this framework is entirely justified, given the larger focus of his study and his central claim that much later Prime Minister Brian Mulroney seized an opportunity to redefine international standards on humanitarian intervention, thus shifting Canadian foreign policy.


from the West’s perspective, and Canadian officials believed this was a worthwhile foreign policy objective. Ignatieff explained that

> [since the Yugoslavs are the least dogmatic of all Communists, they are [...] the most apt to benefit from visitors from the Western world by breaking down prejudices and understanding our way of life. It is well to bear in mind that the quarrel of the Yugoslavs with the other Communists has made significant breaches in the ideological walls separating this country from the West. Every advantage should, therefore, be taken to try and expose the Yugoslavs to the thinking and ways of the Western world and to establish a vested interest in this country in building up a better understanding with the countries of the West.]

Ignatieff maintained that Canada was in a particularly good position to influence Yugoslav policy because, whether in the artistic, commercial, or diplomatic realms, all forms of contact were welcome. Ignatieff further asserted that Canada was in a special position to contribute to such beneficial contacts because “Canadians on the whole, not belonging to one of the major powers which have intervened in this area, are more likely to be trusted.” This line of thinking was consistent throughout the tenure of all Canadian ambassadors during the Diefenbaker years. Succeeding Ignatieff as Ambassador in 1959, Robert Ford also recognized the importance of Yugoslav independence, which could have potentially significant political, social, and economic implications. He asserted that Canada “can exert a greater influence in keeping Yugoslavia independent and oriented away from the Soviet bloc than many

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other countries of much greater size and importance in the NATO alliance.”

Consequently, Canada strongly supported and promoted Yugoslav independence by cultivating closer relations on all fronts, and these efforts became the foundation upon which Canada built its Yugoslav policy.

IGNATIEFF AND THE HUNGARIAN REFUGEE CRISIS

Canadian ambassadors played a particularly important role in establishing closer relations and were vital to their success. When Ignatieff was first appointed Ambassador in 1956, he quickly understood the underlying importance of his mission in Belgrade. In his memoirs, he explained that in his “thirty-three years in the foreign service, this was the only time when the Prime Minister and members of his cabinet took the trouble to explain to me what they expected me to accomplish or made me feel they were interested in my mission.”

He was instructed to give the Canadian government his assessment of Soviet intentions. For instance, was the Soviet suppression of the Hungarian uprising simply a reaction to internal events in that country or were they part of a broader scheme of Soviet expansionism? Ignatieff explained “the government [also] wanted to establish a closer relationship with this unorthodox socialist country which was trying to free itself from Stalinism, and, in the process, embarking on all kinds of interesting political and economic


experiments.” He was to “explore the possibility of developing trade not only with Yugoslavia, but possibly also with other Balkan countries.”

Yugoslavia’s Foreign Minister, Koča Popović, also appreciated Canada’s global position and said that given its present international situation, Canada could wield important influence, perhaps more than Canada itself realized. Gammer cogently explains the Canadian-Yugoslav dynamic:

Canada and Yugoslavia found in their developing relationship a middle power perspective. Contact with Canada provided the Yugoslavs with the benefit of a more moderate view of Western motivations and intentions, which Canadian officials saw as an effective tool in influencing Yugoslavia’s behaviour, external and internal. [...] Both Canada and Yugoslavia, as their diplomats and government officials were fond of reminding each other, lived in the shadow of a powerful neighbour.

The fact that they each recognized the “shadow” in which the other lived suggests a degree of respect and mutual understanding from a political perspective that offered common ground on which the two countries could build a worthwhile relationship.

Not only did Canada wish for closer cooperation, but Yugoslavia welcomed closer association as well. Its flagship newspaper, Borba, expressed the country’s pleasure with Canada’s independent foreign policy decisions. Specific reference was paid to Canada’s vote in favour of Poland in the elections for membership on the UN Security Council, its vote against French atomic tests in the Sahara, and its

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17 Ignatieff, The Making of a Peacemonger, 150.
19 Gammer, From Peacekeeping to Peacemaking, 34.
divergence from American policy over Cuba and China. Yugoslav could prove receptive to Canadian influence because Canadian policy positions were sometimes perceived to be independent of the Western bloc. As well, Tito personally was aware of Canada's linguistic diversity and saw this as a shared attribute, “because multiculturalism and economic regionalism were two important features of national life which [both Canada and Yugoslavia] had in common.” While cultural differences and divisive forces would ultimately prove far more serious for Yugoslavia than Canada, the implications and challenges of cultural diversity seemed to be one area of mutual understanding on which the two countries could offer reciprocal respect. Additionally, in April 1958, in a lengthy exposition of Yugoslavia’s foreign relations in the Federal Assembly, Tito “singled Canada out for special mention (apart from the United States, Britain, and France), stating that relations were developing normally, especially in trade matters and at the United Nations.”

In another indication of cordiality and deference, Ambassador Ignatieff was, “along with the Indian and Egyptian Ambassadors, the only foreign head of mission

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22 As Ignatieff explained, in the north was Slovenia and Croatia, both previously part of the Austro-Hungarian Empire and with populations predominantly Roman Catholic, culturally advanced, and western in orientation. On the Adriatic coast there was Dalmatia [which is in Croatia], at one time under Venetian and later Italian rule; therefore, it had a strong maritime tradition. These provinces were also fundamentally different from Serbia, Bosnia-Herzegovina, Macedonia, and Montenegro, the inland areas that had suffered a long and cruel domination by the Ottoman Empire, with a strong heritage of freedom fighting. While most of this region is Orthodox and the official alphabet was Cyrillic, there was also a strong Muslim component. Ignatieff, The Making of a Peacemonger, 155-156.
23 DCC, file MG1/VI/(864/Y94), Memorandum Chief of Protocol to JGD, SSEA, USSEA, & European Division, August 21, 1958.
to be invited to attend a celebration of Tito’s birthday.” It appears that at the highest levels of the Yugoslav government Canada made a good impression. Not only did Canadian Ambassadors notice friendlier and more open interactions, but Ottawa also reported that the Yugoslav Embassy adopted an attitude of greater willingness to consult with and talk to Canadian officials. Yugoslavia’s penchant for Canadian opinions reflects its positive view of its position within the Western sphere. This may likely be explained by the fact that Yugoslavia was beginning to see in Canada an independence of action that departed from the rigidity that had tended to be associated with Western policy, and its realization that Canadian foreign policy was not necessarily a pale reflection of London’s or Washington’s.

Cordial and more meaningful discussions coincided with more frequent contact and a sincere desire to develop relations further, including immediate collaboration on international crises. “As compared with previous years,” Ignatieff explained, “there was a notable upswing in activity in relations between Canada and Yugoslavia in 1957.” The two countries made positive strides cooperating on the political and diplomatic fronts, with collaboration sometimes based on humanitarian grounds. Following the USSR’s brutal suppression of the Hungarian Uprising in 1956, 20,000 Hungarians fled to Yugoslavia and afforded one notable

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24 DCC, file MG1/V1/(864/Y94), Memorandum Chief of Protocol to JGD, SSEA, USSEA, & European Division, August 21, 1958.
point of contact between Canada and Yugoslavia. Canada accepted more than 35,000 Hungarian refugees over the course of the St. Laurent and Diefenbaker governments, with over 1,800 accepted from Yugoslavia in 1957 alone. This gesture was “warmly appreciated” by the Yugoslav government.\textsuperscript{28} In fact, upon Ignatieff’s departure from his post, Tito personally thanked him for his contribution to the improved relationship between the two countries and singled out his work on the Hungarian refugee crisis.\textsuperscript{29} Ignatieff’s, and by extension the Canadian government’s, efforts to ease Yugoslavia’s refugee dilemma contributed to the increased good will that was developing between the two countries. Yugoslavia’s role in providing asylum for dissident Hungarians certainly would not have put it in the good graces of Soviet authorities, and the crisis added to the growing rift between Yugoslavia and the USSR.\textsuperscript{30} Yet, Yugoslavia’s role in facilitating refuge for Hungarian dissidents was by no means the first point of friction between the two Communist nations.

\textbf{YUGOSLAVIA AND NON-ALIGNMENT}

Since the mid-fifties, Tito had been searching for a way to end Yugoslav isolation, and his solution was the non-aligned movement, which, according to

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\textsuperscript{28} RG25, Vol. 2492, File 10463-S-40, \textit{Circular Document Review of Events in Yugoslavia during 1957}, January 22, 1958. In his memoirs, Ignatieff explained that one of the highlights of his mission, and the incident that, more than anything else, established his cordial relationship with Marshal Tito, was the part he played in resolving the Hungarian refugee problem. The Hungarian refugees who fled to Yugoslavia put that country in a quandary. On the one hand, they did not want to send the refugees back to Hungary, where they would most certainly be executed [the truth is that they would have likely been persecuted, but not executed]. On the other hand, the government was hesitant to allow the Hungarians to go free and risk them “infecting” Yugoslav youth with anti-communist ideology. Ignatieff was able to arrange for a few hundred refugees to be brought to Canada. Once Canada set the example, Ignatieff explains, the United States, Australia, the UK, Norway, Sweden, Switzerland, and France followed suit, and in no time at all a potential problem and source of embarrassment to the Yugoslav government had disappeared. For a more detailed account of Ignatieff’s role during the crisis, see, Ignatieff, \textit{The Making of a Peacemonger}, 160-163.
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\textsuperscript{29} Ignatieff, \textit{The Making of a Peacemonger}, 170.
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\textsuperscript{30} Zubok, \textit{A Failed Empire}, 118.
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Robert Ford, “was a stroke of genius.” Speaking from ambassadorial experience, Ford illuminated how Tito was indeed a communist, “but a Yugoslav nationalist above everything else.” Tito’s nationalism, however, roused serious indignation from the hardliners in Moscow. For instance, Vyacheslav Molotov explained, “Tito ‘is a nationalist, and that is his main defect as a communist [...] he is infected with the bourgeois spirit.’” Initially, non-alignment was a way out of isolation for Yugoslavia, but it proved even more politically expedient because it served to dissuade the Soviets from attacking; Moscow would not want to alienate other non-aligned nations with such a hostile act. The Yugoslavs also hoped that non-alignment would contribute to their prestige, particularly in the UN, which it certainly did. Yugoslavia’s isolation from the Cominform – the official forum of the international communism movement, whose purpose was to coordinate actions between Communist parties under Soviet direction – resulted in an independent foreign policy that promoted non-intervention and a stance critical of “imperialistic” spheres of influence.

The Canadian government’s attitude toward the non-aligned bloc of nations, and more specifically Yugoslavia’s position within it, oscillated during the Diefenbaker period – but not, as some might expect, due to indecision by the Prime

32 Ford, *Our Man in Moscow*, 40.
34 Ford, *Our Man in Moscow*, 41.
35 Gammer, *From Peacekeeping to Peacemaking*, 33.
Minister. Generally, Canada accepted Yugoslavia’s inclinations, recognizing that non-alignment was more helpful than harmful in the battle with communism since it provided an alternative to the Soviet model. Yugoslavia’s independence and its close involvement with non-aligned nations went hand-in-hand, as non-alignment was a cornerstone of its foreign policy. It believed that Afro-Asian countries presented fertile ground for spreading communism “by example” and not “by conquest.” The uncommitted countries of Africa, the Middle East, and Southeast Asia also presented a number of worthwhile markets for Yugoslavia with which to counteract the economic offensive of the Sino-Soviet bloc.

For the most part, Canada watched Yugoslavia’s involvement with the non-aligned group of nations from the sidelines, understanding and even sympathizing with the domestic political and commercial necessities of its position. From an international affairs perspective, however, the Canadian government was frequently suspect. For instance, in the early 1960s, Ford observed,

Yugoslavia’s stance followed with only minor deviations the Soviet line on most important issues of foreign affairs – disarmament, cessation of nuclear tests, a German peace treaty, Berlin, the Congo, and so on. They

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36 Yugoslav reaction to pressures from the Soviet bloc, such as making trade deal negotiations difficult or suspending credits, caused it to seek friends wherever it could find them (e.g. the non-committed group of nations; its neighbours Greece, Italy, and Austria; and the West – including Canada).


have only departed radically from this when their Afro-Asian friends did so. This, of course, is no service to us.\textsuperscript{39}

While Ford recognized the alignment of Soviet-Yugoslav foreign policy objectives, he believed it was highly unlikely there was any collusion with the Soviets, even though the result was the same. Conversely, Ford maintained that Yugoslavia’s activities in the non-aligned movement afforded new nations an acceptable socialist alternative to the USSR, which could then reduce Soviet influence in the third world. In other words, third world nations following a Yugoslav model were seen as the “lesser of two evils,” compared to those under Soviet influence. Additionally, further division among communist states could only benefit the West. Yugoslavia’s activities in the non-committed countries of Asia, Africa, and Latin America are “probably advantageous to the West,” explained Ford, since “[Yugoslavia] introduced a white face among the anti-colonialists, they distracted the attention of left-wing opinion from Moscow, [and] they represented a different, and probably more attractive, socialist example.” Tito also likely took any occasion he could to warn these nations against too close involvement with Moscow and Peking. While Ford cautioned that Yugoslavia might use anti-Western propaganda to promote a Yugoslav variety of communism, he was unclear as to “just how effective this may be.”\textsuperscript{40} Yet, the importance of non-aligned countries to Yugoslavia was not always consistent, and by the early 1960s this appeared to diminish.


\textsuperscript{40} LAC, RG25, Vol. 5354, File 10277-40 part 4, \textit{Despatch Ford to Secretary of State for External Affairs, “Yugoslavia in Retrospect: III. The Value of Yugoslavia to the West,”} May 9, 1961.
In January 1962, Gordon Crean replaced Ford as ambassador in Belgrade and had the opportunity to meet with Marshal Tito, and concluded, “actively working to develop relations with non-aligned countries does not seem of prime importance in Tito’s thoughts.” A year later, the view from Belgrade was that Yugoslavia’s policy toward non-aligned countries had two broad perspectives: to further the socialist cause in general, and Yugoslavia’s form in particular; and to retain an important bargaining counter in the rapprochement with Moscow by demonstrating the influence that Yugoslavia has in the non-aligned movement. The Canadian delegation to NATO also echoed many of Ford’s previous reservations, stating Yugoslavia’s non-aligned policy serves the interest of Moscow – directly or indirectly. Overall, however, Canadian officials were not overly concerned with Yugoslavia’s non-alignment policy. While Yugoslav and the Soviet positions at the UN often mirrored one another, Canada understood that their policies were often coincidental and independently motivated. Despite such parallel orientations in policy generally, sovereignty was recognized as the driving force behind Yugoslavia’s positions. The Canadian delegation to the North Atlantic Council reported that solidarity with the Afro-Asian bloc dominated Yugoslavia’s UN policy at the seventeenth UN General Assembly, and its policy even diverged from the Soviet bloc, particularly with regard to its future importance of the organization.

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The Canadian government understood that Yugoslav foreign policy was shaped by Marxist tenets; while it typically disagreed with that fundamental framework, it frequently supported the general direction taken by Yugoslavia with regards to the United Nations.\textsuperscript{45} The two countries respected the principles espoused by the UN, and Canada believed the organization was a venue where Yugoslavia would respond favourably to Canadian initiatives. Relatedly, Canada also recognized the UN was a platform for Yugoslavia to champion its independent global position. As a result, Canada’s encouragement of Yugoslav independence brings into sharper focus the rationale of Canadian support of the principles of non-intervention and the sovereignty of the state within a multilateral context.\textsuperscript{46}

By 1961, Tito had successfully organized the first summit meeting for non-aligned nations, leading to the practice of greater consultation among non-aligned nations and greater coordination of their policies in the UN. While accomplishing nothing concrete, the summit demonstrated to both blocs the political influence Tito could muster. How much actual influence Yugoslavia could exert on other non-aligned nations was unclear to Canadian officials. But, it was obvious that an independent Yugoslavia was undoubtedly of great value to the West, since it challenged the very foundations upon which world communism functioned, including “synonymy of the interests of communism and the state interests of the

\textsuperscript{45} Gammer, \textit{From Peacekeeping to Peacemaking}, 35.

\textsuperscript{46} Historian Nicholas Gammer has advanced this idea, arguing that Canada played an important part in a number of Yugoslav foreign policy issues in the early 1950s. Canada’s role in reducing tensions between Yugoslavia and its immediate neighbours (Greece and Italy) as well as in facilitating improved relations between Yugoslavia and the major Western powers (the US and UK) also highlighted the rationale of Canadian support of the principles of non-intervention and the sovereignty of the state. \textit{From Peacekeeping to Peacemaking}, 28.
Soviet Union; the unchallenged ideology of and strategic control of every party by Moscow; and the slavish copying of all Soviet methods.” In Ford’s view, “The Yugoslav rejection of these assumptions had an unsettling effect in Eastern Europe, and it proved of considerable interest to the Chinese as they felt their way towards a position of equality in the Sino-Soviet bloc. 47 The Canadian government understood Yugoslav independence to be key in their battle to contain European communism and their aim to limit Soviet hegemony in Eastern Europe.

PERSONAL DIPLOMACY

In addition to multilateral cooperation within the UN, fostering closer bilateral diplomatic relations with Yugoslavia was integral to bringing the two countries closer together. Henry Davis visited Yugoslavia in November 1959; the visit was considered a success by both sides. As head of Canada’s European Division, Davis was well positioned to critique Canadian-Yugoslav relations and to assess how important they were to broader Canadian objectives. The main purpose of the visit was political in nature. Essentially, Canadian officials wanted to maintain and develop further ties with Yugoslavian officials at the highest levels. 48 During his short, two-day visit, Davis met with Ante Rukavina, Head of the American Department, Joša Brilej, Assistant Under-Secretary of State for Political Affairs, Bogdan Crnobrjna, Assistant Under-Secretary of State for Economic Affairs, and Milovan Matić, Head of the Committee for Cultural Relations with Foreign Countries. Rather unexpectedly, Davis also met with Popović, who “seemed genuine in insisting

47 Ford, Our Man in Moscow, 42.
that he wished to see closer political consultations and, where possible, cooperation between [the] two countries.”

Brilej explained that Yugoslav officials hoped that more frequent conversations could be held between the two countries. He cited the exchange of detailed views on the United Nations agenda before meetings of the General Assembly as particularly valuable. The perception of each country, held by the other, is made perfectly clear in Davis and Brilej's conversations:

Mr. Davis said to Mr. Brilej that he had been indeed impressed by the identity of views between our two countries on many questions. We appreciated that the position and experience of Yugoslavia vis-à-vis the Eastern bloc provided them with unique possibilities for interpreting events, such as the recent changes in Soviet strategy. Mr. Brilej agreed, but added that we occupied a comparable position with the other great powers. Therefore, we had much to trade.49

In essence, Canada and Yugoslavia saw each other as potential sources of information difficult to obtain anywhere else. Sharing perspectives and assessments of international developments would be mutually beneficial. It was in the best interests of both countries for Cold War hostilities to be kept to a minimum, as they functioned more freely when the international climate was calm.

Reflecting on Davis's visit, Ambassador Ford explained that it was “highly successful in every sense.” In addition to creating an atmosphere of good-will, it was a “definite contribution to the improvement of Canadian-Yugoslav relations," which “will be of great use to this Embassy..."50 The importance of genuine, cordial

50 LAC, RG25, Vol. 6539, File 10277-40 part 2.2, Memorandum Ford to Secretary of State for External Affairs, November 10, 1959. In his memo, Ford also complimented Davis’s "skill and tact in directing
relations to diplomacy is sometimes underestimated in international history, but Davis’s visit to Yugoslavia is a testament to the significance both Canada and Yugoslavia attached to personal contact as a means to maintain good diplomatic relations. “The Yugoslavs,” explained Ford, “have a highly developed sense of hierarchy,” so the visit by the Head of European Division would certainly have demonstrated Canada’s genuine commitment to seeing relations improved. Essentially, political consultation became increasingly important to each country during this period, as the avenues for discourse became wider and more frequent.

Davis was also eager to have Foreign Minister Koča Popović’s visit Ottawa. Since a visit by Popović could precede his trip to New York for the UN General Assembly, Davis discussed how it would be expedient to have Popović and Secretary of State for External Affairs Howard Green meet if Canada and Yugoslavia were expecting to cooperate during the Assembly. This seemed fitting since Ford was told that Popović “came back from each General Assembly more enchanted with Canada” and was jokingly asked, “what charm [Canada] put on Mr. Popović.” Davis also believed an invitation would be particularly appreciated since the US government had not yet found it possible to invite any Yugoslav leaders to visit the US. Clearly, Davis was not against scoring political points at the expense of the political conversations to useful ends, and his ability to impress the Yugoslavs with the genuineness of our desire for better relations were invaluable in making the visit a success.”

Americans. While it took more than a year after Davis first suggested a visit, Popović came to Canada in March 1961.

Yugoslav officials were also eager to see the visit take place and emphasized the importance attached to close and frank exchanges of views. US Ambassador in Yugoslavia Karl Rankin revealed to Ford, in confidence, that Soviet Foreign Minister Andrei Gromyko had invited Popović to the USSR, but no date was set. Popović explained to Rankin that the Yugoslavs were reluctant to agree because the “Russians were always trying either to enforce or entice Yugoslavia back into the Soviet bloc.” Popović was not eager to visit Moscow “without comparable Western visits to Ottawa and Washington.” Canada, therefore, was part of Yugoslavia’s calculation to counterbalance Popović’s visit to the USSR.

But a mere balancing act was not the sole purpose of Yugoslavia’s policy objectives. During their conversation, Popović explained to Green that Yugoslavia was often accused of seeking to balance East and West relations but insisted it was “attempting actively to develop constructive policies in relations to all areas and countries” since Yugoslavia was unique to other European countries insofar as it was pursuing an active foreign policy. Green expressed his understanding and suggested Canada was trying to follow a somewhat similar line.

During his visit, not only were diplomatic relations enhanced, but Canadian officials viewed it as an opportune time to try and instill their views regarding certain UN initiatives in hopes that Yugoslavia would provide a good counterweight to Soviet policies. To Canadian officials in Belgrade, Yugoslavia’s aims at the UN were clear: to establish firmly the position of Yugoslavia as one of the leading members of the non-committed countries; to consolidate this group as a force at the UN equal in influence to the Soviet and Western blocs; to persuade the Soviets to accept Yugoslavia as a respectable member of the non-committed group; and to try to prevent the complete isolation of the Soviets and to encourage a return to conditions making renewed East-West contacts possible. 58 The Canadian government, too, wanted to encourage East-West contacts and occasionally pressed its opinion on Yugoslavia, in hopes that they would encourage the Soviet Union to follow suit.

In advance of Green’s talk with Popović, Under-Secretary of State for External Affairs Norman Robertson prepared a memo for the minister. Robertson explained that in a recent conversation with Soviet Foreign Minister Gromyko, Popović, expressed disappointment in the tough Soviet attitude taken during debate on the Congo Crisis at the UN. Popović explained that the tough line not only disappointed the majority of UN members who hoped for détente, but would also almost inevitably produce a tough reaction from the United States. Popović had further lamented with Gromyko that there was not much hope for progress on any of the

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important issues unless the international atmosphere was improved. Canada and Yugoslavia were in similar positions, in that a noose seemed to choke independent national initiatives when Cold War tensions were amplified. Thus, some Canadian officials hoped they could work with Yugoslavia to minimize international strain.

Robertson also advised Green to pursue apparent differences in attitude between the Soviets and Yugoslavs, in relation to a number of specific questions before the UN. For instance, Yugoslavia regarded disarmament as one of the most important issues and was particularly concerned about nuclear weapons testing and proliferation. Yugoslavia co-sponsored resolutions on both points in late 1960, and Tito endorsed the one-treaty approach of the Soviet bloc. Yugoslavia also co-sponsored the Indian draft that compromised on principles, knowing that the USSR accepted those compromises. However, Yugoslavia was wary of accepting the Soviet insistence on a tripartite structure in the UN as a prior condition to progress on disarmament. Overall, the Yugoslavs continued to identify with neutralist opinion, but would not oppose any substantive Soviet position. In light of this, Robertson advised Green to take the opportunity to explain to Popović the Canadian emphasis on the early resumption of negotiations, the addition of an impartial chairman, and the provision of a more meaningful role for the UN through the Disarmament Commission. To advance these positions, Robertson recommended that Green “stress how vital it is for the interests of small countries such as Canada and Yugoslavia that the present discussions between [American UN Ambassador]
Stevenson and Gromyko [...] lead to the development of a mutually acceptable basis for the resumption of disarmament negotiations with the least possible delay.” Canada was in no direct position to press the Soviets on any of these issues, so in hopes of swaying the Soviet position to some degree, Green was advised to employ the common ground of middlepowerism with Yugoslavia as a means to influence the USSR’s direction.

Green did just that. He stressed to Popović the importance attached by the Canadian Government to the involvement of the smaller nations and their assumption of some responsibility for disarmament matters. Popović agreed but maintained that no progress had been made on disarmament: “the great powers may have found lines of contact through which discussions may develop and there has been some real progress in the field of nuclear testing which is helpful, but thus far there has been no practical result in terms of actual disarmament.” Popović emphasized the complicated nature of the negotiations and stressed the need for a minimum of mutual faith to achieve any progress. He thought Canada and Yugoslavia had a part to play in this respect. Green concurred and suggested that there was some hard bargaining on this subject; the major powers, in Canada’s view, were “adopting perhaps more extreme positions than was necessary because of the

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62 For an innovative and enlightening history on Green’s nuclear disarmament crusade, see Daniel Heidt, “I think that would be the end of Canada’: Howard Green, the Nuclear Test Ban, and Interest-Based Foreign Policy, 1946-63,” American Review of Canadian Studies, Vol. 42, No. 3, September 2012, 343-369.
basic doubts which existed on both sides about the good intentions of the other.” The conversation between Green and Popović is revealing in how it highlights their mutual recognition of the hardline positions of the superpowers and their common desire to employ their own middle power positions to soften or reduce the contentious nature of the opposing camps.

While the Popović visit did not lead to concrete proposals and discussions remained rather superficial, it did reveal the nature of Yugoslavia’s perception of Canada and the undercurrents of political relations between the two nations. Yugoslav officials understood Canada’s global position as similar to their own, with both nations operating diplomatically in the shadow of global superpowers. And, they appreciated Canada’s attempt to develop an independent foreign policy, while recognizing the inherent limits posed by Canada’s membership in NATO. In the end, Popović’s visit to Canada should be viewed as an important development: it promoted open discourse between the two countries and certainly improved bilateral relations. It is also a window into the rhetorical strategies Canadian officials used - like middlepowerism - to highlight common ground.

Shortly after Popović’s visit to Ottawa, Ford reflected on Canadian-Yugoslav relations and suggested one of the most striking developments had been the political consultation between the two nations at the UN, in Belgrade, and in Ottawa.

64 While Green stressed that NATO did not operate as a bloc in the UN, Popović replied that it had seemed to [Yugoslavia] on occasion that in fact it did appear that way. DCER, Vol. 28. 642. Record of Conversation between Secretary of State for External Affairs and Secretary of State for Foreign Affairs in Yugoslavia, March 28 1961, Ottawa, April 5, 1961. DEA/10277-40.
He wrote, “The Yugoslavs have responded with alacrity to our willingness to exchange views [...] we can probably expect that this habit of consultation will have an accumulative effect on Yugoslav thinking over the years.” In reference to Western economic aid to Yugoslavia, Ford concluded that the bulk of the burden must naturally fall on the Americans, but that Canada “can do our bit, and I am convinced that it can be rather important, both for our own national interests and for the aims of the Western alliance as a whole.”

POPOVIĆ’S VISIT AND CANADIAN-YUGOSLAV MINORITY COMMUNITIES

While Green and officials at External Affairs saw the many advantages associated with such a visit, Diefenbaker immediately weighed them against the potential domestic, political repercussions. As a result, the Prime Minister was more hesitant. Popović’s visit, therefore, is a fine example of the juncture where national foreign policy initiatives met, and often clashed, with arguments advanced by certain minority communities in Canada.

While he was not hesitant about the visit, Davis had concerns about certain Serbian émigré groups, the same groups who would voice their opinions directly to Diefenbaker and his ministers. During an informal conversation, Davis asked the Secretary of the Yugoslav Embassy, Mr. Velasevic, about the possible reaction of the Canadian-Yugoslav community to the Popović visit. Velasevic explained that the embassy believed since Popović was only visiting Ottawa there would be no difficulty, particularly with limited advance notice of the visit. The Secretary went

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on to explain that if Popović were to visit Toronto, for instance, the Serbian émigré organization there “might make trouble.” Overall, the Yugoslav embassy was not overly concerned about potential rabble rousing by Yugoslav ethnic communities. Upon learning of an upcoming demonstration, however, officials revisited the possibility of delaying the public announcement of Popović’s visit.

Shortly after, Canadian officials learned that the Canadian Serbian National Anti-Communist Committee planned to hold a “‘great Serbian anti-communist manifestation and entertainment’ in Toronto…” with the intention of showing “solidarity against communists in general [...] and against Tito’s official representatives in Canada and their agents [...] and also to draw it to the attention of the Canadian public.” Initially, the DEA thought the group might use the occasion to publicly attack Popović or his forthcoming visit to Ottawa, if they were to know about it, and suggested the Yugoslav embassy delay the public announcement. But in the end, both the Yugoslav embassy and the DEA concluded that since the press release was already confirmed, the announcement should proceed as planned. Potential backlash from select Yugoslav ethnic groups did not ultimately deter official protocol, and the announcement proceeded as scheduled.

Upon hearing news of Popović’s prospective visit, a number of protests from Members of Parliament, leaders of ethnic communities, and private citizens flowed

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into the Prime Minister’s office. Diefenbaker “was seriously concerned about these protests,” but Green stood his ground. In a clear attempt to limit public controversy, only a brief, inconspicuous encounter with Diefenbaker was arranged. Popović was escorted from a lunch table in the Parliament Building and brought to meet Diefenbaker, who was ostensibly passing by on his way to the House of Commons. The encounter lasted only long enough for a handshake and the briefest of welcomes. In the end, it was Green’s “dogged determination to bridge differences between governments and their political systems” that pushed the visit forward. The minister told the Canadian permanent representative to NATO that while “the visit did not accomplish anything concrete, it has [...] served as a useful purpose in providing occasions for a full exchange of views.” Green, Ford, and Diefenbaker understood the various advantages associated with closer Canadian-Yugoslav relations. But it was Diefenbaker who was far more tentative about the visit, as his opinion was more influenced by anticipated reactions from various Yugoslav minority communities. Since historians have so frequently pointed out that Diefenbaker was influenced by these opinions, and “perceived himself through the

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eyes of anticommunist voters,” it is essential to look closely at the letters that flowed into the Prime Minister’s office.

Of the letters from Canadian-Yugoslav groups in Canada, the Serbian, Croatian, and Macedonian ethnic communities were most represented. Perhaps most interesting is that while the Serbian and Croatian communities protested Popović’s visit, often vehemently, the Macedonian community supported it. An analysis of the opinions of Serbian and Croatian communities surrounding Popović’s visit reveals that the Cold War only partly shaped their political views. Serbian and Croatian protests were intertwined with strong nationalist sentiments rooted in the past. Yet, broader Cold War narratives were appropriated to substantiate their position, and Cold War rhetoric was often used to support political positions unrelated to Canada’s efforts to contain communism. Moreover, some protest letters suggested that Diefenbaker might be abandoning his widely recognized human rights convictions. In the end, it appears that strongly held, long-standing beliefs and opinions about their former homeland boiled to the surface and fueled the Serbian and Croatian passionate protests.

The Serbian and Croatian minority communities frequently referred to Popović’s World War Two record, which was far from clean, and his murderous past. The president of Toronto based Ravna Gora, the Serbian Chetnik Veterans Organization, expressed his “strongest protest to the invitation of [the] Canadian government to Koča Popović,” and considered him to be “an ordinary criminal who

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murdered thousands of Serbian people.” Other letters expressed fear that Popović’s visit would promote Yugoslav communist agents in Canada to “undermine the organized life of [...] Serbian Canadian communities.” This same letter, from the Toronto Branch of the Serbian League of Canada, also appealed to Diefenbaker to remain true to his “uncompromising principles.” Playing to his human rights convictions, the League explained they “could hardly believe [the invitation to Popović] possible after [Diefenbaker’s] historic reply to Khrushchev in the United Nations.” Other letters were shorter and more to the point:

Deeply disappointed with your decision to bring into this free country as invited guest notorious communist and Tito Minister of Foreign Affairs Koča Popović. I beg you revise by all means your decision and cancel this visit of the utmost representative of one dictatorial and bloody government. I am submitting this appeal on behalf of all members of Serbian Cultural Club [...] but I am sure that it will be approved and supported by all Canadians of Serbian origin.

Disappointment, hope that the visit would be cancelled, and unity among Serbian-Canadians are the main points here, and are themes that appeared in virtually all letters sent to Diefenbaker and his ministers.

When broad Cold War themes were present in Serbian protest letters, as with the one from the Canadian Serbian National Committee, Yugoslavia was presented as subservient to the USSR and the “Trojan Horse” for the world communist cause.” The letter recounted (incorrectly) how the Soviets overran Yugoslavia by force following the Second World War, and “by means of murders,

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75 DCC, file MG1/VI/(846/Y94), Personal letter Perovan Susovich to Prime Minister, March 21, 1961. Microfilm, 429479.
imprisonment, and brutal force have kept that power.” But human rights and Canada’s position as leader “in the field of ‘Red Apartheid’” were the driving messages. The letter praised Diefenbaker’s “heroic stand at the United Nations [...] in defending Freedom and Democracy against communist lies and propaganda [...] and the valiant stand taken by Canada at the recent Commonwealth Conference.” Whether or not it was used intentionally as a rhetorical device, the praise seemed to highlight the Committee’s disappointment in the upcoming visit, suggesting that Canada – and Diefenbaker personally – were loosing sight of their commitment to the oppressed peoples of the world. Shock, disappointment, and solidarity were also expressed: “We feel that all members of the Ethnic Groups in Canada who have experienced personally [...] the tortures by the Communist Dictators, are shocked and deeply disappointed by the act of the Government in inviting communist dignitaries.” In the end, the letter (quite accurately and poignantly) emphasized Diefenbaker’s personal commitment to human rights and urged him to let these tendencies determine Canada’s policy with communist countries, to let “Canada be the Beacon of Hope and Freedom.”

Green supported the visit regardless of protest letters; the Canadian Serbian National Committee wrote him personally as well. The committee warned Green that Popović’s invitation to visit Canada “has brought the strongest resentment of

77 In fact, the Soviet Red Army overran only a small northern part of Serbia when fighting the Germans. Also, the Soviets did not have power in Yugoslavia; Yugoslav communists did. As historian Ivan Berend explains, “Victorious communist-led partisan warfare created the possibility of gaining power and led to the introduction of the Soviet model of modernization, an attractive one for backward countries after its historical triumph of World War Two.” Berend, Central and Eastern Europe 1944 – 1993, 13-15.
78 DCC, file MG1/V1/(846/Y94), Personal letter Alija S. Konjhodzich and Bozidar Markovich to Prime Minister, March 21, 1961. Microfilm, 429501-429502.
the citizens of Canada of Serbian descent.” The letter also portrayed Tito and Popović as Nazi sympathizers and stressed that their goals were communist revolution and world domination, which is untrue. In fact, Tito led the Yugoslav Partisan movement against the Nazis, and accumulated a vast and loyal following. It seems the authors of the protest letters either believed misguided ideas, or were hoping Canadian officials were uneducated on the subject.

Croatian groups who protested Popović’s visit focused on his Second World War record and stressed that he was “one of the worst war criminals, and virtually a fugitive of International Justice and Retribution.” In rather grisly detail, one letter highlighted (whether accurate or not) some of Popović’s war crimes. For instance, as commanding general of the communist army, the letter charged, Popović “issued orders to remove 3,000 wounded, disabled Croatian soldiers [...] and killed them all, on the 8th and 9th of May 1945.” The letter continued:

It was he, Koča Popović, present Foreign Minister of Tito’s Yugoslavia, who ordered the slaughtering of 16,000 Croatian soldiers and civilians in Dugo Selo near Zegreb and the death of 3,000 peasants in the region near Nova Gradiska – and committed many other unscrupulous and simply genocidal, outrageous crimes against humanity and its accepted codes of human behaviour and decency.

In light of his record, the letter concluded, “we Canadians of Croatian descent [...] rise in protest and most vigorously denounce the coming to Ottawa of the cruel war criminal Koča Popović.” In one final plea, the letter stressed, “we hope to rearm you

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79 DCC, file MG1/V1/(846/Y94), Personal letter Alija S. Konjhodzich and Bozidar Markovich to Prime Minister, March 21, 1961. Microfilm, 429464-429466.
80 Berend, Central and Eastern Europe 1944 – 1993, 14.
morally against this man”\textsuperscript{81}, suggesting that the government was forsaking ethical high ground by allowing the visit.

Diefenbaker personally met with various ethnic community groups and replied to written protests. The general tone and wording of his responses were consistent. Diefenbaker showed compassion and understanding for their viewpoints but emphasized the importance of such a visit to maintaining a stable international climate. The Prime Minister’s typical response was as follows:

I am grateful for your recent telegram and for your frank expression of views about the visit to Ottawa of the Yugoslav Secretary of State for External Affairs.

You will be aware that I am strongly opposed to communism and that I am determined to do all I can to prevent the communist bloc from attaining its worldwide objectives. I am also, as you know, fully conscious of the suffering which have been imposed upon the peoples of Eastern Europe by various communist governments, and it is my view that we in Canada must do all we can to alleviate the suffering of those people.

Visits to Canada by members of the government of communist countries do not in any sense indicate approval by the Canadian Government of communism. Yugoslavia, however, has shown itself able to resist foreign domination and at the United Nations, and in joint participation in the United Nations Emergency Force in the Middle East. Canada and Yugoslavia have found some common interest in preserving peace.

I hope that you and other Canadians of Serbian origin will find yourselves able to see this visit in this light.\textsuperscript{82}

Diefenbaker’s response is revealing in that it did not attempt to reduce past atrocities committed by communist governments. It simultaneously reaffirmed the government’s anti-communist stance and the “colonial” nature of Soviet rule.


\textsuperscript{82} DCC, file MG1/V1/(846/Y94), \textit{Personal letter Prime Minister to George Uzelak}, April 11, 1961. Microfilm 429469.
Additionally, it highlighted the common ground upon which Canadian-Yugoslav bilateral relations have been developed. Essentially, Diefenbaker utilized a Cold War context to frame his response.

In light of personal discussion with Diefenbaker, the Canadian-Serbian Committee “became convinced that the Canadian government, headed by Mr. Diefenbaker, will unshakably continue with its stand in the fight against Communism...,” explained Amerikanski Srbobran (The American Srbobran), an American-based Serbian newspaper. It would seem the Canadian-Serbian Committee’s reservations surrounding the visit appeared to be somewhat alleviated after meeting with Diefenbaker. Interestingly, the Canadian-Serbian newspaper, Glas Kanadskih Srba (Voice of Canadian Serbs) did not overemphasize the community’s respite, but rather trumpeted the Serbian community’s active stand against the visit. The news item focused on the letters that Canadian-Serbs sent to the government and praised the official delegation that met with Diefenbaker.93 Another Serbian language newspaper, Kanadski Srbobran (The Canadian Srbobran), did not draw attention to the political significance of the visit and what the government hoped the visit would produce. Rather, similar to Voice of Canadian Serbs, The Canadian Srbobran highlighted the Serbian community’s effort to protest the visit and its determination to defile Popović. In a similar vein, with no clear explanation as to why the story was told, the editorial aimed to tarnish Popović's

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image by explaining how his nickname, the Sandman, was acquired.\textsuperscript{84} Neither of the Canadian Serbian-languages newspapers focused on the Serbian delegation’s reaction or response to their meeting with Diefenbaker, nor did they frame their protests in a Cold War context; instead, their discontent was focused on their former homeland and its leaders.

As mentioned, not all Yugoslav ethnic communities protested the visit. In fact, Canadian-Macedonians praised the government for setting “a wonderful example for all the communist and capitalist nations…”\textsuperscript{85} Other letters from this community expressed their belief that the Popović visit “will serve to strengthen friendly relations existing between our two governments, and further to help ease tensions in a world much too dangerously fraught with them.”\textsuperscript{86} Thus, Canadian-Macedonian ethnic communities viewed the visit in much the same way as Canadian officials, at least with respect to its broader political significance.\textsuperscript{87}

\textsuperscript{84} LAC, RG25, Vol. 5354, File 10277-40 part 3, “Koca Popovic – the Sand-Man – in Canada,” Kanadski Srbobran, March 30, 1961. According to this editorial, the nickname “Sand-Man” was passed onto Popović because his grandfather (also Koča Popović), a wealthy flourmill owner who sold flour to the armed forces, was said to have added sand to the flour in order to increase profits. It was said that the present “Comrade Minister Popović,” subsequently having lost “every respect in the society of Belgrade, became a communist.”

\textsuperscript{85} DCC, file MG1/V1/(846/Y94), Personal letter Chris Vashov and Tom Shapardan to Prime Minister, March 24, 1961. Microfilm, 429484.

\textsuperscript{86} DCC, file MG1/V1/(846/Y94), Personal letter The Executive Committee of the Toronto Metro Committee of the Canadian Macedonian to Prime Minister, March 21, 1961. Microfilm, 429482.

\textsuperscript{87} The majority of Macedonians in Canada originated probably in about equal proportions from Yugoslavia and Greece. The only well-organized group of Macedonians during this time was located in Toronto. This organization hoped to see all territories inhabited by Macedonians united in a free Macedonian State. Besides this major group, there also existed two Macedonian factions, one following the Moscow line and the other supporting Tito. Both, however, were described as being small and of little significance. LAC, RG6, File 10-33-1/119 Box 123, Memorandum Jean Boucher to Under-Secretary of State for External Affairs, “Appointment of Mr. Belovski, Yugoslav Ambassador to Canada,” December 7, 1961.
Diefenbaker did read the letters with at least some background knowledge of the organizations that wrote to him, and there is no evidence to suggest he interpreted the letters with an unfiltered, biased sympathy toward the ethnic communities. In a memo to Diefenbaker, the Prime Minister’s advisor on foreign policy, Basil Robinson, explained that a series of letters addressed to the Prime Minister were from groups “known to be strongly Serb-nationalist, anti-Tito, and anti-Yugoslavia. With this in mind, it might be more accurate to suggest that Diefenbaker’s reluctance and hesitation regarding Popović’s visit stemmed from his own personal proclivities, most notably his views on communism and human rights, rather than the protests from certain ethnic communities. Regardless, Diefenbaker utilized the Cold War climate to justify the visit. Whether intentional or not, it appears that this approach helped reestablish himself as the sympathetic, human rights advocate.

Ultimately, it is difficult to assess to what degree (if any) these specific letters influenced Diefenbaker’s actions. But given the attention paid by previous scholars to the impact of minority communities on Diefenbaker’s policy objectives, they are worthwhile exploring, even if simply to glimpse the sorts of letters he received and their rhetorical nature. Even though concrete conclusions cannot be drawn about the significance of Yugoslav minority communities on policy development, assessing their correspondence does suggest that deep-seeded nationalist sentiments drove

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88 DCC, file MG1/V1/(846/Y94), Memorandum H.B. Robinson to Prime Minister, March 29, 1961. Microfilm, 429478.
most (if not all) Serbian and Croatian protest letters. Rhetoric was used by these groups in a manner that suggests hostility was generated more by what was happening in their home country, both in the past and present, than by the broader Cold War confrontation and Canada’s position within it. Canadian-Macedonian communities, by comparison, viewed the visit from a global perspective and saw it as one component of larger Canadian policy objectives directed at reducing international tensions and containing or defeating communism. Diefenbaker’s conversations with and letters to groups who protested the visit demonstrate how the government used Canada and Yugoslavia’s similar middle power positions to justify Popović’s visit. Diefenbaker relied on the premises that he remained a committed anti-communist and that such a visit could lessen Cold War tensions.

POPOVIĆ’S VISIT IN THE MEDIA

Secretary Velasevic expressed the Yugoslav embassy’s hope that the Canadian press would pay considerable attention to Popović’s visit and said they expected “to make as much as possible out of the visit in terms of Canadian-Yugoslav relations.”90 In the end, the Canadian press did not make much of Popović’s visit and approached it rather unspectacularly. Reporting in major Canadian newspapers closely followed the DEA’s official press release, highlighting Popović and Green’s agreement “that special attention should be directed to the question of disarmament as one of the major issues facing the world at this time.” Matter-of-factly, the press release stated that the exchanges between the two ministers “were

conducted in a friendly and informal atmosphere” and suggested that discussions between such top officials “are a natural development” from improved relations.91

An article in the *Globe and Mail* framed Popović as a courageous fighter against Nazi tyranny in the Second World War and leader of peace efforts in the United Nations. It quoted Howard Green, who noted, “Yugoslavia, like Canada, is one of the middle powers of the world today, and one of the powers which depends so much on effective world organization.”92 In addition to commenting on the tight security measures taken by the RCMP, the *Ottawa Citizen* explained that Popović was not entirely happy with his visit, due to his radio interview with the CBC. Popović, the article explained, “complained that the questions asked him were unfriendly to Yugoslavia.”93 Despite this alleged agitation, the press coverage of the visit was typical in that it did not provide analysis on how each country functioned within the broader Cold War context.

In Yugoslavia, however, Popović’s visit prompted “an unprecedented number of articles in the local press about Canada, her position in world affairs, and, in particular, about Canadian-Yugoslav relations.” All articles portrayed Canada favourably, as most paid particular attention to its efforts to carve out an independent foreign policy. For instance, *Borba* stated that although Canada was a member of the Commonwealth and NATO, “on the international stage Canada distinguishes herself by her special foreign policy [...] and she pursues a policy

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based on the indispensability of recognition of changes which have occurred in this part of the world...”

*Politika* stressed that Canada’s pursuit of an independent foreign policy has resulted in greater cooperation between the two countries, particularly in the UN. This independent stand, the article continued, has led Canadian officials to understand Yugoslavia’s foreign policy position. Interestingly, the articles stressed that bilateral relations were underdeveloped and expressed enthusiasm for increased connections, particularly in trade and cultural and scientific exchanges. *Politika* reflected on the visits of Yugoslav atomic scientists, film experts, and cultural artists to Canada, and hoped that these types of contacts would be expanded, especially since “desire and readiness has have been frequently expressed on both sides to expand mutual relations...”

Discussing the trade dimension of Canadian-Yugoslav relations, *Spoljnopoliticki Bilten (Foreign Bulletin)* said, “trade has showed tendencies of increase although the volume of trade in the field of economic cooperation still does not correspond to the real possibilities and mutual wishes.” *Borba*, too, admitted that economic and cultural exchanges could be significantly improved but assured readers that, on the political front, the two countries were making meaningful

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headway; such efforts were strengthened by an exchange of views between responsible statesmen, as seen with Green and Popović.98

The news reports highlight three key points: first, there appeared to be genuine desire on both sides to develop closer bilateral cooperation. This point is substantiated when considered with various other factors explored below. Second, while various kinds of exchanges, economic and cultural for example, were viewed as significant, political influences were still considered fundamental to the bilateral relationship. Lastly, the importance attached to Popović’s visit by Yugoslavia’s press is telling. It reveals that Yugoslavia may have looked upon Canada as something of a reflection of itself, highlighting for Yugoslavs the ability of a secondary power to maneuver independently, even within the shadow of a superpower. Each country’s press coverage highlighted the broader political significance of the visit and focused on the importance of open discourse and mutual understanding. Frequently, the two countries were portrayed as middle powers intent on achieving some degree of independence in their foreign policies relative to their respective Cold War superpowers. Ultimately, then, press coverage mirrored the broader political issues in Canadian-Yugoslav relations.

CONCLUSION

Canadian-Yugoslav relations were relatively insignificant when the Progressive Conservatives gained power in 1957. Canada’s relationship with Yugoslavia, however, evolved and steadily improved over the nearly six years of the Diefenbaker government. The rift between the Soviet Union and Yugoslavia,

instigated by the latter’s refusal to sign the Twelve-Party Declaration, provided a fortuitous opportunity for Canada to cultivate stronger ties with Yugoslavia. In other words, events east of the Iron Curtain helped shape Canada’s Yugoslav policy, as the Soviet Union remained an ubiquitous factor in Canada’s Yugoslav policy equation. Spearheaded by Canadian ambassadors in Belgrade, Canada was able to utilize its middle power status to find common ground on which to build a fruitful and mutually advantageous relationship. Yugoslavia underwent internal and external changes as the Soviet bloc avoided any preferential treatment; consequently, Yugoslavia looked for ways out of its isolation. As a result, Canada saw Yugoslavia as a viable point to penetrate Soviet hegemony over Eastern Europe. Canadian officials considered Yugoslavia to be the least dogmatic of all communist countries; therefore, it became Canada’s policy to promote and to cultivate closer political, commercial, and cultural relations more assertively, in order to expose Yugoslavia to Western political and socio-cultural modalities.

Because Yugoslavia was isolated, it sought company with other non-aligned countries. Generally, Canada sympathized with and understood the political and economic necessity of Yugoslavia’s non-alignment. In fact, Canadian officials believed that Yugoslavia could provide an alternative socialist route for nations already heading down that ideological path and believed that further division amongst communist states would only be advantageous to the West. Yugoslavia proved to be influential among the group of non-aligned nations, notably at the UN. While Yugoslavia and the USSR’s UN policy frequently aligned, Canadian officials believed this was mostly coincidental, and therefore were not overly concerned. At
times, Canadian officials were optimistic that they could employ the common
ground of middlepowerism to influence certain initiatives, as seen during Green’s
meeting with Popović.

Popović’s visit to Canada is significant because it highlights the genuineness
with which both countries pursued improved bilateral relations, and demonstrates
the challenges of pursuing foreign policy objectives at odds with domestic minority
communities, the Yugoslav minority communities in Canada in this instance. Serbian
and Croatian minority communities vehemently protested Popović’s visit to Canada.
In doing so, they appropriated broad Cold War rhetoric. However, when examined
closely, it appears that these groups were viciously opposed to Popović more so
because of his World War II record than Canada’s position vis-à-vis Yugoslavia
within the Cold War context. Macedonian minority communities, in contrast,
supported the visit and echoed the Canadian government’s general policy that open
lines of communication would help bridge the divide between nations, ultimately
weakening global communism.

Canadian-Yugoslav relations were unique in that while their ideological
proclivities were fundamentally opposite, they each lived in – and perceived the
other as living in – the shadow of a powerful superpower. Middlepowerism became
common ground upon which mutually beneficial relations were built, as Canadian
officials during this period attempted to develop an independent policy
commensurate with Canada’s international position. In addition to political
courtship, less conventional forms of bilateral exchanges were pursued between the
two nations. Commercial and cultural exchanges were slowly integrated into the fabric of Canadian-Yugoslav relations, as officials hoped to chip away at communism from behind the Iron Curtain.
Chapter 4

**Peering Out from the Shadows: Canadian-Yugoslav Cultural Diplomacy & Canada’s Economic Statecraft**

The political dialogue between Canada and Yugoslavia improved during the late 1950s and early 1960s, as each nation saw in the other a pale reflection of their own middle power position. Simultaneously, cultural exchange came to be seen as an effective and important way of developing closer ties between the two countries. Cultural exchanges during this period were not overabundant, but their developing importance was clear, as they increased in number during John Diefenbaker’s Progressive Conservative government. Even Yugoslav Foreign Minister Koča Popović, for instance, personally inquired with the Yugoslav mission in Canada as to how cultural exchanges could be developed.¹ Arguing to prioritize Yugoslavia, the European Division emphasized that “we realize that [the Information Division] faces a difficult problem in trying to reconcile competing claims for a limited amount of funds but since the Minister [of External Affairs Howard Green] seems to be personally interested in improving relations with Yugoslavia we think there is good reason for taking a new look at our cultural relations.”²

The development of closer cultural ties further highlights this period as a decisive moment and demonstrates that Canadian civil servants functioned in – and in fact helped carve out – a progressive and multidimensional foreign policy

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framework. So, Canadian officials believed cultural ties contributed positively to closer political relations. Therefore, in assessing the impact of these exchanges, the focus here is less on the number of exchanges and more on the ideas that Canada saw communist Yugoslavia as an important partner for generating cultural contacts and viewed cultural exchange as a viable means to bring the countries closer together. This highlights how cultural diplomacy came to be seen as a practical tool for advancing Canada's Eastern European policy. Given this, the various exchanges that took place during this period will be examined and placed in their wider political context. To both Canadian and Yugoslav officials, cultural relations were broadly defined, casting a wide net as to what this constituted. In the specific Canadian-Yugoslav context, though, scientific, professional, and technical exchanges dominated, while exchanges in the arts were much less frequent.

**CANADIAN-YUGOSLAV ACADEMIC EXCHANGES**

Communication studies expert, Evan H. Potter, states, “fundamentally, public diplomacy requires an official purpose. Contacts between citizens from different countries constitutes public diplomacy only if they are supported by a government – either directly or indirectly – for a strategic purpose.”³ Canadian ambassadors in Yugoslavia and officials in Canada indeed supported, and were in fact a driving force behind, Canadian-Yugoslav public and cultural diplomacy. In his review of the past two years as ambassador to Yugoslavia, Robert Ford commended on his predecessor’s work: “there can be little doubt that [Canadian-Yugoslav] relations

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during this period have improved considerably. Mr. [George] Ignatieff during his tenure of this post set the process in motion and did much to increase both political consultation and cultural exchanges.” Both Ford and his successor, Gordon Crean, continued down the path forged by Ignatieff and further advanced relations between the two countries. It is also important to note that the general policy debates and directions related to Canada’s cultural diplomacy with the USSR were essentially mirrored in the approach to Communist Europe generally. The driving idea that cultural exchanges had the power to bring Eastern European nations closer to the Western orbit by exposing them to Western practices also drove the Canadian government’s desire to pursue exchanges with Yugoslavia.

Similar to Canada’s approach with the Soviet Union, professional and academic exchanges were considered valuable in building bridges between East and West. While balanced exchanges with Yugoslavia were important to Canadian officials (as with the USSR), reciprocity was achieved more easily with Yugoslavia. Exchanges with Yugoslavia were mostly balanced and were also intended to be of “equal” or similar substance. For instance, in July 1958, a party of Canadian university professors and students visited leading educational centres in the country, and a prominent Canadian seed grower from Blenheim, Ontario visited to investigate the possibility of meeting Yugoslavia’s requirements in hybrid corn seed and livestock. In exchange, five Yugoslav economists and officials went to Canada on UN Technical Assistance Fellowships to study the operation of federal and

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provincial government systems, while a delegation of municipal officials, led by the mayor of Sarajevo, visited to learn about municipal government and transportation problems in Canada. In other words, exchanging academics for government officials was seen as entirely acceptable.

In 1959, the Institute of Social Sciences in Yugoslavia was created. During its development, soon-to-be director Vlajko Begovic spoke with Ambassador Ignatieff about establishing connections with similar organizations in Canada. Canadian departments and officials considered it “most desirable” to put the new institution in contact with various appropriate bodies. For instance, the European Division at the DEA indicated that they considered this opportunity of exchange to “have considerable potential significance”; not only was the exchange considered valuable from an academic perspective, “but also because it would help to put our Embassy in closer touch with this Institute, which is examining basic problems of contemporary Yugoslavia.” Put simply, exchanges in this realm would help facilitate greater political understanding of the Communist state, and in turn provide more fruitful interpretation of Yugoslavia’s international agenda. Agreeing with the wide-ranging potential of such contacts, the DEA’s Information Division went to work contacting various Canadian organizations that, in turn, contacted Yugoslavia’s Institute of Social Sciences, with considerable success. The Social Science Research Council

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(SSRC) of Canada added the Yugoslav institute to its mailing list for reports. A number of Canadian organizations and institutes welcomed the exchange and provided ongoing publications, including the Canadian Political Science Association, the Canadian Institute of International Affairs, the Canadian Journal of Economics and Political Science, and the Canadian Historical Association. In exchange, many of the institutes and associations asked that the Yugoslav institute send available publications on an ongoing basis. The open flow of information, while modest in its direct political and ideological impact, was viewed as a viable subcomponent of integrating Western thought into Yugoslav academic discourse. But the academic landscape provided for more than an exchange of information.

By 1959, Canada Council grants had been established and were being awarded to deserving overseas students (including Yugoslavs); National Research Council (NRC) post-graduate fellowships tenable in Canada for research in chemistry, physics, biological science, mathematics, and engineering were also available to Yugoslav scientists. Milovan Matic, of the Cultural Exchange

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7 LAC, RG25, Vol. 3623, File 2727-BM-40 part 1, Letter Secretary-Treasurer, Social Science Research Council of Canada to Information Division, February 25, 1959. In 1940, a group of scholars, led by Harold Innis, created the Social Science Research Council of Canada. The Council, like the Humanities Research Council of Canada (HRC), was a non-governmental institution created by the academic community. As the Canadian government began establishing its own bodies to support research, first in the form of the Canada Council and then in the form of the Social Science and Humanities Research Council (SSHRC), the two original councils—the HRC and the CSSRC—shifted towards becoming representatives for academic associations and universities. Federation for the Humanities and Social Sciences website. http://www.ideas-idees.ca/about/history#1.


9 LAC, RG25, Vol. 3623, File 2727-BM-40 part 1, Letter Information Division to President, Canadian Institute of International Affairs, March 10, 1959.

10 LAC, RG25, Vol. 3623, File 2727-BM-40 part 1, Letter Information Division to Director, Institute of Social Sciences, June 29, 1959.

11 LAC, RG25, Vol. 3623, File 2727-BM-40 part 1, Letter English Language Secretary, Canadian Historical Association to Director, Institute of Social Sciences, June 29, 1959.
Commission, was pleased to know these were available to Yugoslavs.\textsuperscript{12} The NRC fellowships, however, got off to a slow start when Yugoslav authorities blocked certain candidates, as a means of controlling who was allowed to go to Canada; ideological and political reasons were cited to justify their position.

While the exchange of open information was one thing, allowing academics quick and easy access into the West was another. J.D. Babbitt, Secretary for International Relations for SSRC, advised the DEA that several successful postdoctoral candidates from Eastern Europe had been unable to receive permission to leave their country to take up the fellowship. For instance, Dr. A. Meniga, a Yugoslav scientist, was unable to obtain the necessary exit papers to come to Canada. Babbitt asked the Under-Secretary to have Ambassador Ford explain to the Yugoslav authorities that it was discouraging to give fellowships to Yugoslavs only to find that they were unable to accept the award. “We must confess,” Babbitt admitted, “that in the past several Yugoslav fellows have obtained positions in North America at the end of their fellowships and have not returned home.” Still, Babbitt stressed that it was “not the intention of our fellowships to bring scientists permanently to Canada and we make no effort to encourage fellows to remain here.”\textsuperscript{13} Permanent settlement by Yugoslav scientists in North America was, of course, the main trepidation of Yugoslav authorities. In addressing the situation, Head of the European Division Henry Davis explained how


we cannot ignore the impression that the Yugoslav authorities may have of these fellowships as a means by which bright Yugoslav scholars and technicians may escape their responsibilities as Yugoslav citizens and establish new careers in North America. While there is no certainty that this is a reason for the difficulties which the Yugoslav authorities are placing in the way of some candidates who wish to come to NRC, but it seems to us a possibility.  

Aware of the sensitivity of the situation, yet still wanting NRC fellowships to be awarded to Yugoslav scientists, Davis recommended that Ford have an informal discussion with the appropriate Yugoslav authorities, suggesting that perhaps, on the Yugoslav side, a commitment to return to Yugoslavia for a specified period following the termination of the fellowship would be a way of circumventing any possibility of Yugoslavs remaining in North America immediately following their fellowship. Davis’ recommendation, while perhaps naïve, is a telling example of how the Canadian government did intervene in such matters, even though it did not officially sponsor cultural exchanges and did not have a formal exchange agreement with Yugoslavia. Also, it highlights the sensitive nature of such exchanges, given the Yugoslav authorities’ concern that they may lose a good scientist to the West.

The NRC consulted Josip Kratothvil, a Yugoslav scientist who was granted a fellowship in Canada and later found employment at Clarkson College in New York, with the expectation he might shed light on the Yugoslav system and Dr. Meniga’s situation. Kratothvil revealingly replied,

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It appears [...] that Dr. Meniga has some very good ‘friends’ who care very much that he stays in Zagreb. All those stories about new regulations for professional people going abroad, etc., are fakes, transparent excuses for preventing particular individuals to leave the country. Others are going without much difficulty. [...] Meniga finally [spoke to] comrade Uzelac, who is the secretary-general of the newly formed Council for Scientific Research of the People’s Republic of Croatia. This comrade had a very ‘convincing’ reason why Meniga cannot go to Ottawa. He declared that [...] ‘we cannot allow that foreigners interfere into our personal policy and to contact whom they wish for fellowships, since it happens that they (foreigners) invite people’s enemies or their children and refuse the candidates we suggest.’ [...] When Meniga asked if this means he is also regarded as [a] ‘people’s enemy’ the comrade hurried to convince him that he is not, but ‘it is a matter of principles.’

Belgrade reassured Ottawa that they had heard a great deal from officials in the Foreign Ministry and elsewhere regarding the desirability of exchanges between the two countries and agreed that an informal discussion was appropriate. The Canadian embassy strategically wanted the Yugoslavs to suggest a solution so that the embarrassingly high proportion of award winners staying in Canada might not be raised. The Yugoslav embassy in Ottawa reminded the Under-Secretary that passport decisions were made by local, rather than federal, authorities and acknowledged that, on a number of occasions, the Foreign Ministry had been obviously embarrassed by the obstructiveness of their colleagues in the Ministry of the Interior. Indeed, Canadian diplomats in Belgrade believed the Yugoslav Foreign Ministry would likely welcome ammunition in the form of evidence that the tough attitude taken by the passport authorities was interfering with the development of relations with another country. “Whether or not they would win the

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argument is hard to say,” Canadian officials admitted, but they still considered it “worth a try.”18 After this letter, the document trail goes cold, and it is unclear whether Dr. Meniga ever made it to Ottawa to take up his fellowship.

Nevertheless, the example of Dr. Meniga is telling. It highlights the importance Canadian officials attached to the NRC fellowships for breaking down barriers with Yugoslavia, reveals their willingness to engage in diplomacy to facilitate exchanges by non-governmental organizations, and demonstrates how the bilateral relationship was still very much governed by ideological proclivities, a reality that underscored the occasional fragility of the relationship. Ultimately, Dr. Meniga’s case did not appear to have any detrimental effect on the development of cultural and academic exchanges. Canadian professors visited and lectured in Yugoslavia, and contacts were gradually established between universities. The tempo of exchanges in mid-1961 could be judged by the fact that in April an important gift of Canadian books to the University of Belgrade took place.19

TECHNICAL AND DIPLOMATIC EXCHANGES

Exchanges outside the realm of academia occurred as well. Dr. Vilfan, Secretary-General to President Tito, explained that Yugoslavia was particularly interested in exchanges between the two countries on the technical level, especially

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in the fields of agriculture, mining, and power.\textsuperscript{20} In the late 1950s, the Yugoslav government tentatively inquired about the possibility of completing with Canada an agreement for the exchange of information on the peaceful uses of atomic energy. One notable example is the exchange of nuclear science information and personnel. Yugoslavia, at this point, was still relatively underdeveloped but was making serious strides to industrialize and modernize. In fact, “the Yugoslav economy maintained an impressively high rate of growth during the years 1953 – 1965.”\textsuperscript{21} An informal arrangement was developed under which Atomic Energy of Canada Limited (AECL) sent published and unclassified papers to the atomic energy authorities in Belgrade.\textsuperscript{22} Then, in late 1959, the Yugoslav embassy in Ottawa, acting on behalf of the Yugoslav Federal Commission for Nuclear Energy, expressed interest in cooperating with the equivalent body in Canada. Specifically, the Commission wanted to exchange “experience or the giving of technological aid, which is necessary in the preparation of the crude into the refined [uranium] product.” In turn, AECL contacted Eldorado Mining and Refining Limited, since the work appeared to be more closely related to their area of expertise.\textsuperscript{23} Subsequently, the DEA became the intermediary between Eldorado and the Yugoslav Federal Commission for Nuclear Energy, promoting and arranging visits.

\textsuperscript{20} LAC, RG134, Vol. 13, File 1-5-Y, Numbered Letter Ignatieff to Under-Secretary of State for External Affairs, “Conversation with Dr. Vilfan-Secretary-General to the President,” June 9, 1958.


\textsuperscript{22} LAC, RG134, Vol. 13, File 1-5-Y, Letter Economic Division and Under-Secretary of State for External Affairs to President, Eldorado Mining & Refining Ltd., Mr. W. Gilchrist, November 17, 1959.

\textsuperscript{23} LAC, RG134, Vol. 13, File 1-5-Y, Letter Economic Division and Under-Secretary of State for External Affairs to President, Eldorado Mining & Refining Ltd., Mr. W. Gilchrist, November 17, 1959.
In response to the inquiry, Eldorado president, William Gilchrist, reported back that his company would be happy to forward any published and unclassified papers specifically connected to their line of work in the treatment of ores. He also assured the government that he was “quite happy to arrange a tour of treatment plants should [the Yugoslav Federal Commission for Nuclear Energy] wish to send anyone to Canada.”

As a result, in late March, a delegation of Yugoslav scientists came to Canada (and the United States) where they visited the Atomic Centre at Chalk River, the uranium processing factory at Port Hope, the laboratory of the Ministry of Mining of Canada, and other laboratories of the State Atomic Energy Corporation. The Yugoslav national newspaper, Borba, dedicated a short article to the delegation’s visit. It highlighted the delegation’s conversation with the chairman of the Canadian Atomic Power Corporation, J. Lorne Gray, during which they discussed the possibility of promoting cooperation in the field of atomic power between Canada and Yugoslavia.

Following the delegation’s return to Yugoslavia, Ambassador Ford held a dinner in its honor and reported on its impressions. The delegation was very impressed with both the hospitality it received and what was described as Canada’s advanced research and practical application of atomic energy. The Yugoslavs were very much flattered by their visit with Secretary of State for External Affairs Howard Green and Under-Secretary Norman Robertson; overall, Ford concluded that the

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visit was very helpful in improving Canadian-Yugoslav relations. Witnessing first-hand Canada’s nuclear energy capabilities impressed the delegation. Common ground was found, as both countries insisted on including adequate safety measures for atomic reactors. The USSR had recently supplied Yugoslavia with an atomic reactor but imposed no safeguards. Canada’s emphasis on safety set it apart from the Soviet Union, elevating its reputation as a leader in atomic energy and, perhaps, providing Canada with more influence on Yugoslavia in atomic matters.

Relations were further promoted by visits of high-ranking politicians and ministers, which in turn shed light on the condition and future potential of Canadian-Yugoslav commercial relations. In late 1960, Yugoslav Minister of Agriculture and Forestry Dr. Slavko Komar visited Canada, primarily for economic and political purposes. During his visit, Komar had the opportunity to meet with Diefenbaker. According to Ottawa and Canadian officials in Belgrade, the meeting with the Prime Minister was “the key to the visit,” as it “could not have been

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28 Canada also helped Yugoslavia acquire an atomic energy pile for research purposes. Prominent Canadian scientist Dr. Jack Mackenzie attended a conference on energy problems in non-aligned countries that took place in Yugoslavia while Ignatieff was ambassador. During his visit, admirers promptly surrounded him. During the conference, he explained to the Yugoslavs the dangers of radiation and the strict precautions that would have to be observed. Nevertheless, the inquisitiveness got the better of them and some Yugoslav scientists removed the top of the calandria of the zero energy pile to see what exactly was going on inside. Five of them suffered radiation poisoning, and though they were all rushed to a specially equipped hospital in France, one scientist died. Tito was very upset when he heard about this tragic incident. Had Ignatieff not been able to assure him that they had done everything they could to warn the Yugoslavs about the dangers of radiation, it might have seriously damaged relations. George Ignatieff, The Making of a Peacemonger: The Memoirs of George Ignatieff (Toronto: University of Toronto Press, 1985), 165-166.
described as a success if the call on Mr. Diefenbaker had not taken place.”

For reasons that are unclear, it seems Diefenbaker was considerably more at ease meeting Komar than Popović (perhaps due to the latter’s public profile). Regardless, Komar’s visit reveals the importance Yugoslav officials attached to expanding their commercial relations. Komar was cautiously optimistic. While “tremendously impressed by the economic maturity of Canada,” he felt that it would be difficult to find Yugoslav exports that would be acceptable in Canada and thought Canada’s credits were “unrealistic.” Komar, however, was convinced both obstacles could be overcome in three to four years. He appreciated the current trade situation, stressing that it was time “to lay the basis for a considerable increase in trade.” Significantly, Komar’s visit highlights the fact that both governments indeed saw this period as an important time of transition and an opportunity to lay a foundation for future commercial relations; this further corroborates the argument that the Diefenbaker period was a decisive time in Canadian-Eastern European relations.

Canadian officials did not unconditionally promote exchanges with Yugoslavia. Ottawa occasionally had reservations, particularly when it felt the Soviet Union could reap immediate benefits. Various Canadian asbestos corporations


30 On the Yugoslav side, Komar said that the new Five-Year Plan, which was to start shortly, would double the economic potential of Yugoslavia in five years and would make the country not only an attractive trading partner but would provide products that could compete on the Canadian market. Komar also understood from his talks in Canada that the government and Canadian businesses were moving in the direction of overcoming the obstacles of high prices and highly priced credits. LAC, RG24, Vol. 5378, File 10438-BM-40 part 3, Despatch Ford to Under-Secretary of State for External Affairs, “Visit to Canada of Yugoslav Minister of Agriculture,” January 3, 1961.

agreed to a multi-week technical training program in asbestos operations for Yugoslav specialists.\textsuperscript{32} The Inter-Departmental Panel on the Exchange of Visits with Communist Countries, however, expressed concern from both the government and the industry’s point of view. Canada’s position in world markets for asbestos fibre, it was explained, had weakened over the past few years due primarily to competition from other sources. Since the early 1950s, the Soviet Union had made “enormous strides” and had developed to the point where it challenged Canada as the “leading asbestos producer of the world.” Additionally, asbestos exports from Eastern Europe increased. “This penetration” the Inter-Departmental Panel warned, “has captured markets from the Canadian industry.”\textsuperscript{33}

It was also the opinion of Departmental experts that the USSR’s recovery of short fibre grades asbestos was not as advanced as Canadian industry. Yugoslavian deposits, however, did “contain an appreciable proportion of short fibre asbestos.” This was cause for concern:

[I]t may be presumed that recovery of short fibre, that is the milling process to recover them, will be one of the larger items of interest during the proposed visit [by Yugoslav specialists]. Information so learned could, without difficulty, reach the Russian industry. Since the latter country intends or plans to increase its production by expanding the Bazhenova operations, and developing an important new deposit in Kazakhstan to an estimated two million tons per annum, or roughly twice the current production level in Canada, Russia will be in a position to compete more strongly with Canada in world markets.


For this reason, the Inter-Departmental Panel believed that supporting a training program that provided Yugoslavs with technical knowledge in the asbestos industry could worsen Canada’s position in the global market; as a result, they recommended the proposed training program be withdrawn or, at most, that “a token three to four days visit” be offered. The Asbestos Fibre Division of Johns-Manville Corporation concurred and offered the Yugoslavs the chance to study their mining and ore depressing techniques, but denied access to the milling process of short fibres.

This was a rare instance when Yugoslavia was perceived as a clear surrogate for the USSR, potentially enabling the Soviets to obtain information that could, in turn, directly challenge Canadian industry. This also exemplifies how the USSR was ever-present in Canada’s dealings with Yugoslavia. Typically, Canadian officials wanted to promote relations with Communist Europe to challenge Soviet influence. This example demonstrates how occasionally it proved more advantageous not to promote cooperation, if doing so jeopardized Canada’s ability to squarely combat the Soviet economic offensive. That the Inter-Departmental Panel urged the asbestos industry not to provide training to Yugoslav specialists also illustrates how seriously Canada viewed the economic offensive and the potential ramifications it posed to Canadian industry.


ROOM FOR IMPROVEMENT

Unlike Canadian-Soviet cultural relations, which saw a healthy number of exchanges in the arts, there were fewer such exchanges between Canada and Yugoslavia. Records suggest these types of exchanges did not appear to be pursued as assiduously, especially compared to Canadian-Soviet exchanges. This is not to say, however, that exchanges in the arts were considered unimportant or that they did not take place at all. Beginning in the early 1950s, the Yugoslav government discarded the Soviet attitude toward art, and socialist realism was no longer the dominant genre of expression.\textsuperscript{36} More similar artistic styles likely contributed to the exchange of art exhibitions between Canada and Yugoslavia, since Yugoslav artwork was, according to Davis, “of high quality and Western in inspiration.”\textsuperscript{37} For instance, in February 1959, Yugoslavia sent a graphic art exhibit to Canada’s National Gallery, and Canada sent an Eskimo art exhibition that toured six major Yugoslav cities. While modest, the exchange of art exhibits represented cultural diplomacy on a new, and rather underdeveloped, plain in Yugoslavia, one that had the potential to provide new linkages between the two nations, inspired by artistic expression.

During a 1959 conversation between Ford, Popović and Edvard Kardelj (then Acting President), Kardelj broached the subject of improving cultural relations. Ford explained that he was a personal friend of pianist Glenn Gould and hoped to


persuade him to play in Yugoslavia. To Ford’s surprise, both Kardelj and Popović had Gould’s records and were keen to have him play in their country. Unfortunately for Ford (and Kardelj and Popović), Gould never went for reasons that are unclear. Nevertheless, Ford’s hope of having Gould play in Yugoslavia was clearly aligned with the positive impacts his tour had on Canadian-Soviet relations a few years prior; classical music was seen to have the real ability to transcend national boundaries and create common linkages. The attempt to arrange a visit by Gould is also a testament to Ford’s desire to further improve Canadian-Yugoslav cultural relations through the arts and to his belief in the impact that such visits could have.

While examining various exchanges is important and uncovers an interesting juncture where ideological barriers could be surmounted, what is most revealing is the prominence officials attached to the various exchanges as well as their belief that cultural diplomacy was a viable means to bridge political and ideological divides. Both Canadian and Yugoslav officials, on a number of occasions, credited various exchanges with advancing political relations between the two countries. Canada’s cultural exchanges with Yugoslavia, while supporting traditional foreign policy objectives, focused less on immediate outcomes. Whether it was through art exhibitions, cooperation in atomic energy research, academia, technical research, or visits by high officials, the two countries cooperated in a number of fields from within a middle power framework. The shadow of the Cold War indeed loomed

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38 DCC, file MG1/V1/(864/Y94), Despatch Ford to Secretary of State for External Affairs, January 14, 1959. Microfilm, 432733.
large in both countries’ consciousness, and they each saw cultural diplomacy as a practical method of bypassing, and even breaking down, ideological barriers.

**A NEW LANDSCAPE FOR CANADIAN ECONOMIC STATECRAFT**

As mentioned, political motivations were the driving force behind Canadian-Yugoslav relations during this period, as each country used middlepowerism not only to find common ground but also to jockey for position within their respective ideological blocs. Trade between the two countries was another important avenue for fostering closer relations. Commercial deals and ventures were not without their hiccups, and trade volume paled in comparison with Western nations (particularly the US). But it was less the revenue that was generated and more the connections and integration into Western markets that Canadian officials saw as important. Additionally, exposing Yugoslavia to Western business practices was considered an added benefit. After all, international commercial relations are rarely isolated from political considerations.

During the late Stalinist period, as Yugoslavia became increasingly alienated from the Eastern bloc as a result of its firm stance toward its own independent road to socialism, its economy, while never entirely firm, became even more fragile. Immediately following Yugoslavia’s expulsion from the Cominform – and the Soviet economic boycott of 1948 – a state of “virtual economic siege descended on the country.” At the time, Ambassador Ignatieff observed if “the countries of the Soviet bloc mean to indulge in an all-out trade war on Yugoslavia, such developments would have dire consequences on [Yugoslavia’s] economy.” And since the Soviet

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Union’s economic pressure on Yugoslavia showed little sign of abating, it was “understandable that Yugoslavia would turn to the West for economic help.”\textsuperscript{40} In fact, following Tito’s break with Stalin in 1948, the United States alone had furnished the Yugoslav government with over $1.5 billion in military and economic assistance.\textsuperscript{41} While the Canadian government did not provide economic assistance to Yugoslavia, keeping economic doors open was part of a broader strategy of trying to orient Tito’s regime in the direction of greater political and economic liberalization. As a result, Canadian officials valued increased trade less for its potential economic benefits and more as a means to influence Yugoslavia’s political direction, hopefully drawing it towards the West. In other words, Canadian–Yugoslav commercial relations demonstrate the significance of economic statecraft in Canada’s Cold War diplomacy.

While commercial relations developed between the two nations, Canadian officials sometimes found Yugoslavia’s economic landscape difficult to navigate; in fact, Yugoslav officials were not unsympathetic. The Cold War not only pitted East-West political systems and militaries against each other, but witnessed the emergence of radically different and competing economic systems as well. Essentially, the Yugoslav system could be described as “decentralized socialism mixed with market forces.” Typical of socialist economic systems during the time, Yugoslav leaders were committed to rapid economic development “based on the

\textsuperscript{40} LAC, RG2, Vol. 2348, File 7-YI-1 part 4.2, Numbered Letter Embassy, Belgrade, Yugoslavia to Under-Secretary of State for External Affairs, October 2, 1958.  
extensive growth of state industrial enterprises and on the Soviet pattern of central planning.”  

The Yugoslav system could not be described as a free enterprise economy, as the West understood this term. There was some scope for enterprise and initiative, but within severely circumscribed limits. Ignatieff used the term “guided enterprise” to describe Yugoslav economic practices. Detailed administrative control from the centre had been abolished, and the main purpose of planning was to establish what proportions of the national income should be allocated to investment and to consumption. Ignatieff maintained that the system provided room for the initiative of enterprises in the establishment of new industrial undertakings, but recognized that they were limited by the size of investment funds. Both economists and Yugoslav officials became increasingly aware, by the early 1960s, that the fast-growing Yugoslav economy was not producing the desired results. Not only was the Yugoslav economic system different from both the Soviet and Western systems, “but it also had to deal with both systems and compete successfully with the [Western free-enterprise system] in world markets.” And, signals from these world markets indicated “that the Yugoslav system was not measuring up to Western standards of efficiency.”

Regardless, a controlled system determined the direction of trade and the kinds and quantities of imports and exports. This system of comprehensive control

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45 Lampe, Prickett, and Adamović, Yugoslav-American Economic Relations, 81.
ensured that the domestic industrial programme received priority and protection, both in terms of maintaining an artificial price structure between the domestic market and the foreign market, and within the domestic market between industrial production and agricultural production. Available foreign exchange was allocated either directly to importers who brought in high priority capital equipment and raw materials or to different importers, all the while guided by the overriding requirements of the domestic economy.46

SEARCHING FOR A NICHE

It was in the field of raw materials and capital equipment that Canada’s ambassadors in Yugoslavia saw real potential for the two countries to do business. This would obviously complement Yugoslavia’s industrialization drive. To Canadian officials, there was poetic political justification and appeal to doing business with the Yugoslavs: Canada, a middle power rich in raw materials, could help industrialize another middle power, one caught in the shadow of an ostensible communist belligerent, leading to eventual Yugoslav democratization and to further divisions within the Eastern European communist bloc. While perhaps naïve and opportunistic, this was how some Canadian officials interpreted the importance of close Canadian-Yugoslav commercial relations. Upon leaving his post as ambassador in 1961, Ford explained that he was “interested in the commercial side of our work and [saw] it as closely interlinked with the political.”47 He also maintained that as

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Yugoslavia’s economic policy became increasingly Westernized, it “apparently felt the need to counter this by following a Soviet lead in foreign policy.” In Ford’s view, anything Canada could do “to keep Yugoslav policy neutral would be advantageous.” Commercial links, then, proved to be part of that equation. Again it should be stressed that Canadian exports were not extensive; the importance of commercial relations was less economical, and more political. The pervasiveness of the Soviet Union and the Cold War in Canadian-Yugoslav relations is clearly notable and helps to explain why economic statecraft became an integral part of Canada’s Yugoslav policy.

At times, Yugoslavia was isolated from trading with Warsaw Pact countries or faced severe restrictions on doing business with its communist neighbours. The effects of Soviet rebukes were very real. The Yugoslav economy suffered from the withdrawal of Soviet bloc credits and from the reduction of trade with Eastern Europe. Canadian officials in Belgrade believed the Yugoslav government may have exaggerated the danger of an all-out Soviet military and economic offensive as a deliberate calculation to strengthen its argument for Western credits, but this did not mean that Yugoslavia truly did not need the credits. In fact, Canadian officials in Belgrade noted that Yugoslav officials were apprehensive about their economic situation and argued that the existing climate provided a politically propitious moment for Canada. In their view, it was in the West's political interest to extend

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credits to Yugoslavia.\textsuperscript{50} Yugoslav Deputy Minister of Foreign Trade Vladimir Velebit explained to Ford that they (Yugoslav officials) did not want to exaggerate the effects of the quarrel with the Soviet bloc on their economy, but stressed that it would be equally foolish to ignore it since it had required the scrapping of some projects and a rather painful readjustment of trade.\textsuperscript{51} Ultimately, the Diefenbaker government worked hard with Yugoslav officials to advance economic relations.

Yugoslavia’s purchase of Canadian pulp and paper machinery is a good case in point that illustrates the importance of credits and the importance attached by some Canadian officials, particularly Canada’s ambassadors in Yugoslavia, to cultivating closer economic ties as a means of thwarting Soviet advances and luring Yugoslavia into the Western camp. On the surface, the bilateral pulp and paper mills deal may seem pedestrian, but the differing views of various Canadian federal departments as to the importance of the deal is revealing. The purchase of the mills began during Diefenbaker’s tenure, spanned three ambassadors, and was not concluded until late 1963, by which time Lester Pearson’s Liberal government was in power. The purchase of this equipment was complicated by the Yugoslav requirement that the Canadian government provide a guarantee of commercial credit under the export insurance act.

In early January 1959, representatives from Yugoslavia approached Canada’s Ministry of Trade and Commerce regarding possible Canadian firms from whom


they could purchase the machinery, worth approximately $24 million. Some firms questioned whether the Yugoslav government seriously intended to purchase the machinery. H.B. Style, President of John Inglis Co., wrote Ambassador Ford personally expressing his hesitation.\textsuperscript{52} In a letter to Howard Green, Ford suggested that if Style raised the matter with the minister, Green should stress that the Yugoslav government is “extremely anxious to buy this equipment from Canada and will give us preference over the United States and Germany.”\textsuperscript{53} Still, while the Yugoslav government may have been sincere in its desire to purchase paper mill equipment from Canada, not all Canadian officials were behind such projects.

Though Ambassador Ford was eager to see a deal develop between the two countries, not all departments shared his enthusiasm. For instance, some officials in the Ministry of Finance expressed chagrin at Ford’s “promotional activities”:

\begin{quote}
[Ambassador Ford] seems to be under the impression that we in Ottawa are very anxious to make sales to the Yugoslavs under Government guarantee: [Ford says] ‘we must send representatives to Yugoslavia’ [and] ‘Anything you could do to convince the Canadian companies of the need to take some initiative to secure this business would, I think, be useful.’

Of course all Departments in Ottawa are glad to see Canadian firms get business in any part of the world. […] But in this case Government credit is involved and Yugoslavia cannot be considered a good risk. When the question of Government guarantees arose we in the Department [of Finance] were only willing to agree because we understood that [the DEA] considered that some assistance to Yugoslavia would be politically desirable.\textsuperscript{54}
\end{quote}

\textsuperscript{52} LAC, RG20, Vol. 2349, File 7-Y1-1 part 5, \textit{Letter Style to Ford}, around April 27, 1959.
Deputy Minister of Trade and Commerce John English was also concerned by Ford’s “over eagerness,”55 and the DEA’s Economic Division soon informed the ambassador that he was to curtail his “promotional activities” regarding the paper mills project.56 It is clear that Ford was unable, or perhaps reluctant, to ignore the broader political implications of the deal. He understood the importance of such capital equipment to Yugoslavia’s industrialization and wanted to gain political favour with a Canadian contribution to Yugoslavia’s economic development. The possibility of the Yugoslavs purchasing the equipment from Canada rather than the United States was an added bonus. Although Ford was perceived by some as “over eager” in promoting Canadian-Yugoslav business, his political intuition was in line with many senior officials and ministers. It was well understood by all departments that political considerations were the underlying force behind the desire for the pulp and paper deal.

On the brink of collapse, new life was breathed into a possible deal when the Canadian Export Credit Insurance Corporation (ECIC) issued a favourable economic report on Yugoslavia in September 1959.57 Even the skeptical Assistant Deputy Minister of Finance, A.F.W. Plumptre, was impressed. Additionally, Canadian Vickers Limited (one of the companies vying for the contract) sent representatives to Yugoslavia and made a new approach to Trade and Commerce, one more in line with the ECIC, gaining the support of Finance Minister Gordon Churchill. He then

submitted a memorandum to Cabinet suggesting the approval of export credit insurance for Vickers,\textsuperscript{58} which was approved.\textsuperscript{59} The deal, however, temporarily collapsed.

Why the Vickers-Yugoslav deal fell apart is somewhat murky. As the company’s vice-president explained, the Yugoslav government requested too many concessions.\textsuperscript{60} Reports from the Commercial Division at Canada’s Yugoslav embassy, however, suggest that negotiations were delayed due to the troubles Vickers had in arranging financing and the high interest rates involved; moreover, the Vickers representatives did not seem enthusiastic about the deal.\textsuperscript{61} During Slavko Komar’s (Minister of Agriculture and Forestry) visit to Canada, he suggested that memoranda might be exchanged between the Canadian and Yugoslav authorities, expressing their respective understandings of what happened in the Yugoslav-Vickers negotiations. Under-Secretary Davis, however, stressed to Ford that he did not consider this a “useful exercise” since “there continues to be rather too much confusion within the Canadian side, as well as between Canada and Yugoslavia, as to what actually happened and who was to blame.” Davis stressed that it would not be easy to “reconcile the views of the various departments and agencies, the Canadian banks and the corporations involved...” Overall, Davis concluded, an attempt to

\textsuperscript{58} LAC, RG19, Vol. 4315, File 8404/Y94-1, Memorandum to Cabinet: Application for Export Credits Insurance and Guarantee to Lenders by Canadian Vickers Limited under Section 21 and Section 21A of the Export Credits Insurance Act, October 13, 1959.

\textsuperscript{59} LAC, RG2, Vol. 2745, Cabinet Conclusions, October 20, 1959.


provide clarity on the subject would not contribute to improved Canadian business with Yugoslavia. He hoped that the embassy would not raise the subject and that the ideas would be “quietly dropped.”\textsuperscript{62} Davis, it appears, got his way.

Negotiations did resume in late 1963 under the new Liberal government, but Vickers executives were now skeptical since their previous experience cost them nearly $60,000 in preparing estimates and visits to Yugoslavia.\textsuperscript{63} Despite any last ditch effort, no deal resulted. Nevertheless, the sustained efforts by Canadian officials, and the Belgrade mission in particular, underline the importance Canada attached to potential trade deals as means to cultivate closer relations with Yugoslavia. Specifically, this episode also demonstrates Canadian officials’ awareness of the political and economic realities faced by a Yugoslav economy struggling under the burden of the Soviet bloc’s treatment.

Government policy permitting the export of military equipment to Yugoslavia was first developed in 1954, in consultation with the major Western powers. The policy was based on the premise that this would help Yugoslavia to resist Soviet pressure. “Canadian policy,” Green asserted in a submission to Cabinet, “has been to encourage Yugoslavia in its independent attitude and to foster where possible more friendly relations with the West.” Selling arms and military equipment “complements other aspects of our policy toward [Yugoslavia]. […] Believing that

\textsuperscript{62} LAC, RG25, Vol. 5378, File 10438-BM-40 part 3, Despatch Under-Secretary of State for External Affairs to Canadian Embassy, Belgrade, “Visit of Yugoslav Agricultural Minister,” February 6, 1961. Likely to Davis’s satisfaction, memoranda explaining the respective opinions of why the deal went cold do not appear to have been exchanged between the two governments.

the political and strategic consequences of approving these applications would be consistent with Canada’s interests, I recommend that [the applications] be approved.”

Soon after, the government received an additional 35 applications from the Levy Auto Parts Company, in the same category. Some Cabinet Ministers believed Canada should not export arms to any country and nothing could be gained politically by making friends with Yugoslavia. Over these objections, Cabinet approved all applications which then valued over $400,000. The dollar amount of the sale, practically negligible in terms of total Canadian export sales, is less important. The true significance of the sale is twofold: first it highlights the continuity of Canadian policy objectives towards Yugoslavia, across Liberal and Progressive Conservative governments; second, it is another example of Canada’s ability as a middle power to play some part in sustaining Yugoslavia’s more independent stance, building bridges with the West through commercial ties.

Exportation of military equipment to Yugoslavia continued during the Diefenbaker years. The export of military equipment closely followed Yugoslavia’s purchase of updated F-86 Sabre fighter planes from the United States. According to Ambassador Ford, Yugoslav senior officers were frustrated trying to run an air force without tools adequate for the job. New fighter planes were expected to give a “shot in the arm” to the air force, which had been suffering from a shortage of

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64 LAC, RG25, Vol. 5426, File 11044-BQ-40 part 5, Memorandum to Cabinet: Export of Arms to Yugoslavia, August 2, 1960. The Department of Defence, Department of Defence Production, and the Joint Intelligence Bureau all approved the applications.
65 LAC, RG2, Vol. 2746, Cabinet Conclusions, April 1, 1960.
planes, spare parts, and other military equipment.\textsuperscript{68} The Levy Auto Parts Company in Canada appealed to Ottawa in late 1959 for a permit to export over $63,000 worth of spare tractor, truck, car and tank parts – which included approximately $25,000 worth of combat equipment – to Yugoslavia.

Similarly, the government received requests for export permits from Canadair Limited for the sale of F-86 aircraft spare parts and ground handling equipment to Yugoslavia, valuing $391,500.\textsuperscript{69} Following the same logic in policy regarding the sale of other military equipment, Green, with the concurrence of the Ministers of Trade and Commerce, National Defence, and Defence Production, recommended the permit be granted. Cabinet approved the permit for export.\textsuperscript{70} The sale of combat equipment and fighter jet spare parts highlights the overlap of military and non-military Cold War battlegrounds. Economics and politics intersected with military considerations, and while trade was certainly a means of resisting Soviet economic advances in certain regions, it also supported military strategy. Moreover, as a middle power, Canada was in a position to contribute to the Western objective of keeping Yugoslavia from turning to the Eastern bloc for equipment and goods.


\textsuperscript{70} LAC, RG2, Vol. 6176, Cabinet Conclusions, February 2, 1961.
WHEAT EXPORTS TO YUGOSLAVIA

In terms of quantity and monetary value, Canadian wheat was by far the most profitable commodity in Canadian-Yugoslav trade, thus mirroring Canadian-Soviet commercial relations. The first significant mention of Yugoslavia's interest in purchasing Canadian wheat came in an exchange between Komar and Ambassador Crean in February 1962.\textsuperscript{71} In response to this inquiry, the Canadian Wheat Board sent a mission to Yugoslavia in April to examine more closely potential prospects. The mission delivered a favourable report concluding, "in spite of present financial difficulties of the Yugoslav government and the deficiencies in the milling and baking industries, [...] Yugoslavia should be considered a promising market for Canadian wheat."\textsuperscript{72} Previously, Yugoslavia was not considered a market that could provide regular stable purchases; however, the report explained that now under no circumstance should Yugoslavia be thought of as belonging to that group of countries which are ready to buy Canadian wheat only when other sources of supply are exhausted. On the part of the Yugoslavs, there now exists a genuine desire to include Canadian wheat as a permanent constituent of their grist.\textsuperscript{73}

Notably, the United States was one of the "other sources". Under the PL 480 Agreement, it had been supplying Yugoslavia with agricultural and other goods since the early 1950s.


\textsuperscript{72} The report also indicated that Government circles in Yugoslavia were convinced of the need to improve the quality of bread, which forms such a large part of the Yugoslav diet. The Canadian Wheat Board believed Canadian wheat could play a small but important role in improving the quality of bread in the country.

Under-Secretary Norman Robertson readily recognized this and supported the sale of Canadian wheat to Yugoslavia on credit arrangements. He maintained that the conclusion of such a contract would afford Canada a market that, for the past few years, had been met by shipments from the United States under PL 480. The regular congressional review of the PL 480 program, however, placed the Yugoslav exports in recurring jeopardy. Both the original 1954 legislation and its expanded 1956 version contained provisions that prohibited sales to a Communist regime. The Eisenhower administration tried hard to insert general language in the 1956 law permitting sales to Eastern Europe but was rebuffed in both the House and Senate. As a result, it remained necessary to insert specific language in each act exempting Yugoslavia from the general ban. Additionally, American reaction to the state of Yugoslav-Soviet relations contributed significantly to fluctuations in the annual amount of wheat exports to Yugoslavia. It is understandable, therefore, that Yugoslav authorities sought more reliable export sources.

Robertson explained to Green that Yugoslavia purchased wheat from Canada on credit both in 1952-'53 and in 1954-'55, and there was no default of payment on either contract. Section 21 of the Export Credit Insurance Act guaranteed

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76 This is true, and in fact represented, at the time, a departure from previous practices in world grain trade. Access to credit terms was becoming equally as important as price in the negotiating of bilateral agreements. Throughout the history of the Canadian grain trade, commercial practice had required full payment before the grain was discharged into the hold of the buyer’s ship. But in 1952-1953, Ottawa authorized the sale of wheat to Yugoslavia under short-term credit, provided by the Canadian exporters as agents of the Wheat Board, and was insured by the federal government’s Export Credit Insurance Corporation. The first sale for 5,477,884 bushels of wheat was on the basis of 20 per cent cash and the balance within twelve months of the date of shipment. The Second sale of 3,619,998 bushels allowed for only ten per cent down and the balance within one year. William E. Morriss, *Chosen Instrument: A History of the Canadian Wheat Board: the McIvor Years* (The Canadian Wheat Board, 1987), 237.
payment to Canadian companies by the ECIC upon a default of payment from a purchasing government. Robertson further supported the sale on the grounds that “the sale of wheat would also be in accordance with our general policy of taking every available opportunity to loosen Yugoslavia’s ties with the countries of the Soviet bloc.”

Minister of Trade and Commerce George Hees and Minister of Agriculture Alvin Hamilton supported the deal and explained that Yugoslav authorities wanted to purchase up to 300,000 metric tons (11 million bushels) of wheat to be supplied at an early date. When Canadian authorities indicated that they had granted Poland and Czechoslovakia credit terms for a period of three years, Yugoslav officials expressed their hope that they would receive a comparable deal. Yugoslavia was framed as a good and viable market for Canadian wheat for a few reasons. The country had never defaulted on payment and had reached a decision, on both economic and political grounds, to extend its purchases to other sources in order to avoid over dependence on any one supplier. The official consensus was that a

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78 In 1951-'52 and 1952-'53 Canada made cash sales to Yugoslavia of 9.3 million bushels, and made sales on credit of 5.5 million bushels in 1952-'53 and 3.6 million bushels in 1954-'55. LAC, RG25, Vol. 6509, File 9035-A-40, Memorandum to Cabinet from Minister of Trade and Commerce and Minister of Agriculture, no date.
79 LAC, RG25, Vol. 6509, File 9035-A-40, Memorandum to Cabinet from Minister of Trade and Commerce and Minister of Agriculture, no date. "Interestingly, to 1959, the amount of American economic aid to Yugoslavia under PL 480 fluctuated depending on the state of Soviet-Yugoslav relations. As tensions between the communist states increased, so did American aid, and as they entered periods of rapprochement, American aid decreased. However, the roughly inverse correlation between US economic aid to Yugoslavia [...] which had prevailed throughout the 1950s, did not carry over into the 1960s. Any such simple correlation was disrupted by the variety of existing American programs, the Cuban Missile Crisis, and the several facets of Yugoslav foreign policy, and together complicated the political equation between the two countries. To illustrate, while sales to Yugoslavia, after declining sharply in 1960 and 1961, rose again in 1962 and 1963, yet
wheat deal with Yugoslavia was fully advantageous to Canada. Some officials in the
Department of Finance, however, believed Canada could squeeze the Yugoslavs into
a stiffer contract.

Finance officials believed recent events in the US Congress could help shape the
deal with Yugoslavia. Congressional action on the Foreign Aid Bill, which saw the
Senate narrowly prevent the suspension of all aid to Poland and Yugoslavia, may
have caused some concern over the future deliveries of wheat under PL 480.
Additionally, officials believed that recent indications of rapprochement by
Yugoslavia with Russia might further solidify American reluctance to assist
Yugoslavia. The Ministry of Finance maintained, “in view of these considerations
and Yugoslavs’ expressed desire to conclude a contract, terms less liberal than the
proposed ones might be possible.”

Despite the argument that “less liberal” terms
could be stipulated, the deal went ahead with Yugoslavia offered terms similar to
those given Poland and Czechoslovakia. Put differently, political considerations
trumped financial sensitivities.

By January 1963, the deal was coming together. In the end, however,
Yugoslavia purchased 200,000 metric tons rather than the initial 300,000. Jaksa
Petric, director of the Department for North and South America of the Ministry of
Foreign Affairs, explained that for balance of payment reasons they simply could not
afford the additional 100,000 tons, and they did not intend to purchase the

Soviet-Yugoslav relations had remained chilly for the first two years and warmed up again noticeably
during the second two.” Lampe, Pickett and Adamović, Yugoslav-American Economic Relations Since
World War II, 59.

LAC, RG19, Vol. 5165, File 8404-Y94-2, Memorandum Finance Central Files, “ECIC Financing of
additional amount from anyone else. Petric assured Ambassador Crean that if Yugoslavia needed wheat next year, as a matter of government policy, it would make the purchase from Canada. Crean indicated to Ottawa that Yugoslavia would almost certainly have requirements for Canadian wheat irrespective of PL 480. Petric told Crean that he regarded this purchase as the beginning of a policy of improved trade with Canada.81

While the contract became an important transaction for export purposes, it also served a broader purpose within Canada’s economic statecraft. In a press release, Agricultural Minister Hamilton explained that Canada had entered negotiations for long-term deals with five Communist countries, including Yugoslavia. “’What we are saying to them,’” the minister explained, “’is this: You use your grain for feed to build up your livestock industry. We’ll supply you with grain for food. Their agricultural minister liked the idea.’” Hamilton continued, “such deals would allow for long-range planning, and diversification of supply by these countries would be to their advantage.”82 Officially, the contract was completed on 7 May 1963, less than a month after the Liberals regained power. The Liberal government wasted little time in picking up where the Progressive Conservatives left off. The new Minister of Trade and Commerce, Mitchell Sharp, requested authority from Cabinet to explore the possibility of long-term arrangements for the

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sale of wheat to Yugoslavia, as well as to Poland and Czechoslovakia. Permission was granted. While the examination of long-term wheat deals between Yugoslavia and the new Liberal government is not considered here, the important fact remains that the Diefenbaker government built upon the established policy of wheat sales on credit established by its predecessor. The Progressive Conservatives then went one step further than the previous government, opening negotiations for long-term deals. The trend was subsequently resumed by its successor. Significantly, Canada had used wheat, one of its dominant capital goods, not only to expand its commercial relationship with Yugoslavia but also to employ economic statecraft in an endeavor to coax Yugoslavia into the Western sphere.

Interestingly, while Diefenbaker was a prairie populist and notoriously sought markets for Canadian wheat, no records indicate his opinion on, let alone involvement in, the wheat deals with Yugoslavia. This is unfortunate, as this development might have revealed interesting insights into the prime minister’s perception of Eastern Europe generally, and Canadian-Yugoslav relations specifically. Nevertheless, the eagerness of the Canadian Wheat board, various federal ministries, and the mission in Belgrade to see a fruitful deal concluded, highlights Canada’s effort to build bridges between East and West and to entice Yugoslavia into the Western orbit.

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84 In his work, Diefenbaker’s World, Basil Robinson discusses Canadian trade with Communist nations surprisingly little. Discussion about Canadian trade with Communist China and Cuba are considered mainly in relations to how it diverged with American policy. Regarding Canadian-Yugoslav trade, there is nothing. Diefenbaker’s memoirs also reveal little about trade between Canada and Communist Europe, and nothing about Canadian-Yugoslav trade specifically.
CONCLUSION

Canadian-Yugoslav relations were relatively insignificant when the Progressive Conservatives gained power in 1957. The bilateral relationship, however, evolved and steadily improved over the near six years of the Diefenbaker government. The rift between the Soviet Union and Yugoslavia, instigated by the latter’s refusal to sign the Twelve Party Declaration, provided a fortuitous opportunity for Canada to cultivate stronger ties with Yugoslavia, an approach mirrored in Western policy generally. Events east of the Iron Curtain helped shape Canada’s Yugoslav policy, as the Soviet Union remained a ubiquitous factor in the Eastern European policy equation. Spearheaded by Canadian ambassadors in Belgrade, Canada was able to utilize its middle power status to establish common ground on which to build a fruitful and mutually advantageous relationship. Yugoslavia was undergoing internal and external changes as the Soviet bloc treated it as it did any other non-Warsaw Pact state, omitting if from preferential treatment; subsequently, Yugoslavia looked for ways out of its isolation. As a result, Canada saw Yugoslavia as a viable point where Soviet hegemony over Eastern Europe might be penetrated. Canadian officials considered Yugoslavia to be the least dogmatic of all communist countries; therefore, it became Canadian policy to promote and to cultivate, in a more deliberate way, closer political, commercial, and cultural relations, aiming to expose Yugoslavia to Western political, commercial, and socio-cultural modalities.

Cultural diplomacy was also used as a viable means of exposing Yugoslavia to Western modalities, believing this would entice it into the Western sphere of
influence. In addition to artistic, academic, and research exchanges, technical information was exchanged in the fields of atomic energy and mining. There were limits, however. When it was thought that the USSR, through Yugoslavia, might access information deemed vital to Canadian industry, access for Yugoslav specialists was restricted. Canadian officials attached significant notoriety to the various exchanges; they firmly believed that cultural diplomacy was a viable means to bridge political and ideological divides.

Economic ties were also expanded between the nations. While commercial dealings were not particularly lucrative, especially relative to Canada’s total foreign trade, their political significance, nonetheless, made them an important element in Canadian-Yugoslav relations. Canadian officials understood the value of raw materials and capital equipment for Yugoslavia’s industrialization process, further underscoring the significance of Canada’s economic statecraft. The determined pursuit of the paper mill deal between Canadian Vickers and the Yugoslav government, in spite of the various ups and downs associated with it, highlights the importance that Canadian ambassadors to Yugoslavia attached to the development of fruitful commercial relations between the two countries, and underlines the continuity of Canadian policy objectives towards Yugoslavia across Liberal and Progressive Conservative governments. This particular deal also revealed that there were occasional divergences in departmental opinions within the federal government, and these differences did sometimes lead to administrative tensions in Ottawa.
Finally, the sale of combat equipment to Yugoslavia exemplifies the overlap between military and non-military Cold War battlegrounds, and Canadian wheat, which was by far the most profitable of the bilateral commercial deals, was confirmed as a reliable commodity in Canada’s economic statecraft. It is important to remember that Canadian-Yugoslav trade was less about the revenue generated and more the connections and integration into Western markets that Canadian officials saw as important. Thus, Melakopides’ notion that Canadian foreign policy was driven by pragmatic idealism – that Canadian officials believed in communication, cooperation, all the while showing flexibility and adaptability – can be extended to Canada’s policy with Communist Europe. Canada’s Yugoslav policy during this period shows that Canada, indeed, worked within a Cold War context to combat European communism by other means.
Chapter 5

Mending the Past & Pushing Forward: Canadian-Polish Diplomatic Relations

Perhaps one of the most striking aspects about the history of Canadian-Polish relations is the sheer scarcity of the literature. A truly comprehensive account remains to be written. To date, Aloysius Balawyder’s *The Maple Leaf and the White Eagle: Canadian-Polish Relations, 1918-1978* is the most useful book written on the subject.¹ While Balawyder’s study is an invaluable contribution to the history of Canadian-Polish relations, there is much about this history that has yet to be addressed. The following two chapters, on Canadian-Polish political, cultural, and economic relations in the late 1950s and early 1960s, aim to fill a small void in what can only be described as a gaping hole in the history of Canadian foreign relations with Eastern Europe.

In the single chapter that examines Canadian-Polish relations after 1945, Balawyder argues that relations, throughout the postwar period, generally ran their course in the broader context of East-West relations and that successive Polish governments, consistently subject to constraints imposed by the Soviet Union, were not free to act as they otherwise might have. Moreover, he suggests Canada, for its part, generally followed the lead of the United States and other Western countries in its approach to foreign policy.² This framework, however, suggests a degree of passivity and indifference between the two nations that is not entirely accurate. In

fact, because of changes that occurred in Poland as a consequence of changes in the USSR itself, Canadian officials actively, albeit in a limited way, engaged with Poland to encourage its independent position and attenuate Soviet dominance over the nation. Canada's Polish policy, while limited in scope and maneuverability for various reasons discussed below, mirrored Canada's approach to Soviet and Yugoslav relations. Examining Canadian-Polish relations during this decisive moment in Canadian foreign policy is enlightening because it reveals how Canada approached a Communist European nation that, unlike Yugoslavia, was firmly entrenched in the Soviet bloc. Yet, Poland was also distinctive, given its relative independence from Soviet control and its ambition to carve out its own foreign policy, even if it was still squarely situated within the Communist orbit.

**WŁADYSŁAW GOMULKA AND THE LIBERALIZATION OF POLAND**

Following the Second World War, the imposition of Soviet hegemony over Poland, the initiation of Stalinist methods of rule, and the inauguration of a planned economy resulted in Poland's increasing distance from the West. Then, in 1956, the Poznań rebellion marked the beginning of change in the country. Leaders of the United Polish Workers' Party believed only Władysław Gomułka had sufficient prestige and support within the party to carry out political, social, and economic reforms, without compromising the basic principles of communist doctrine. Gomułka was considered a moderate and a reformer, but also a devout communist; he rejected subservient dependence on the Soviet Union, but ensured that Poland

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would remain in the Soviet bloc. On October 9, 1956, the same day Gomulka was chosen party secretary, Nikita Khrushchev led a Soviet delegation to Poland hoping to halt the reforms. After a stormy encounter with Gomulka, Khrushchev was convinced that acceptance of Poland’s brand of communism was better than strife and turmoil. Khrushchev’s willingness to accede to Gomulka’s policies helped to avert a bloody revolt, as seen in Hungary just weeks later. Poland, while still a committed Communist state, had effectively avoided complete domination by the USSR. The Canadian legation in Warsaw compared Poland’s position vis-à-vis the Soviet Union in the 1950s to Canada’s relationship with the United Kingdom in the mid-1860s. Poland wanted to “strengthen its ties” both eastward and westward, providing Canada with another opportunity to develop bilateral relations that might undermine Soviet hegemony in the region, and European communism more generally.

Catalyzed by the new Gomulka regime, the country witnessed far-reaching liberalization. An article titled “Is this the Twilight of Marxism?” published by a Warsaw weekly, Po Prostu, and edited by students of Warsaw University illustrated the increasing civil discontent in Poland. The article coldly reviewed five of the main failures of the country’s economic system and confronted official Marxist theory.

Importantly, as the Canadian Chargé d’Affaires in Warsaw noted, none of the editors

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5 Balawyder, *The Maple Leaf and the White Eagle*, 165.
were removed and the publication was spared censorship.\(^8\) This was a sign that
greater freedom of expression was becoming possible. With the release of Cardinal
Wyszynski, the Catholic Church was given greater freedom as well, including
permission to offer religious instruction in schools. Peasants were allowed to leave
cooperative farms and to engage in private farming, while artists and craftsmen
could secure licenses to set up shops and employ assistants.\(^9\) Cognizant of ensuing
domestic liberalization, Canadian officials looked to cultivate closer relations with
their Polish counterparts with the aim of encouraging Gomulka’s independent
course, which Canadian officials understood to be a vital component of Poland’s
foreign policy.

The significant changes ushered in by the Gomulka government occurred just
prior to the election of John Diefenbaker’s Progressive Conservative government. As
with their awareness of the changing tides between Yugoslavia and the USSR,
Canadian officials were also well aware of the importance attached to domestic
developments in Poland. In an April 1957 despatch to the secretary of state for
external affairs, the Canadian chargé d’affaires in Poland reflected and commented
on a recent statement by Adam Rapacki, Poland’s minister of foreign affairs.
Essentially, the despatch generally informed and outlined what would become the
basis of Canada’s Polish policy for at least the next decade. Polish foreign policy was
seen to have three parts. First was its relationship with the Eastern bloc. Friendly
relations among socialist countries were significant. In the past, unanimity among

\(^8\) LAC, RG19, Vol. 4206, File 8714-33/P762 part 1, Despatch The Chargé d’Affaires, Canadian Legation
Warsaw to Secretary of State for External Affairs, July 16, 1956.
these states was the cornerstone of Poland’s foreign policy. Significantly, Rapacki argued that differences between the socialist states must be recognized, and opposition to this idea must be removed for the good of the camp. Polish diplomacy, he insisted, had an important role to play in making this viewpoint understood. Second was Poland’s relationship with Western capitalists. Poland wanted to develop mutually profitable economic contacts. The Minister affirmed firmly, however, that “we will not accept any political conditions which could be imposed on us by any capitalist country.” Furthermore, Rapacki stated that those in the West who hoped Poland would become a bourgeois democracy were wishful thinkers, and those advocating this were trying to bring about the isolation of Poland in the socialist camp. Finally, Rapacki discussed Poland’s new attitude toward émigrés. Poland, he insisted, should encourage Poles abroad to become more closely acquainted with the cultural achievements of Poland and to educate their children to love Poland. This was a change in attitude that had traditionally affirmed that a Pole abroad was a bad Pole. The aim now was to make Polish émigrés unofficial ambassadors and trade commissioners of Poland.¹⁰

The despatch elaborated on the “neat balance which Poland must maintain between East and West,” and that “Poland must remain independent.” The chargé d’affaires stressed Rapacki’s inference that Poland must not be isolated from the socialist camp. This, he argued, was significant from Canada’s point of view

since Poland, as a member of the bloc progressing slowly towards some more acceptable form of government from [Canada’s] point of view, has

the opportunity to bring with it, in time, other countries in the bloc. Any impatient efforts on our part to hasten the process may solidify the opposition to these changes and severely limit Poland’s usefulness in this sphere.\(^{11}\)

One month later, a circular document on Poland’s foreign policy expressed similar ideas. It explained that recent events in the country had resulted in greater freedom and independence; as a result, a thorough reorganization of Poland’s foreign service was anticipated in order to eliminate any remaining Stalinist elements. Furthermore, it stressed that the Polish Delegation at the UN “went to considerable lengths to develop contacts with Western delegations, and their interventions in debate had a very different character from other communist statements.”\(^{12}\)

Canadian officials were, in effect, witnessing firsthand the direct ramifications of recent Polish liberalization on that country’s foreign policy. As a result, by mid-1957, Canadian officials proposed the development of a cautious policy that encouraged Polish independence, thereby increasing potential exposure to Western modalities, while simultaneously being careful not to provoke political resentment.

American officials, too, saw the importance of Poland’s ambition for greater autonomy. A February 1958 national intelligence estimate suggested that Poland’s ability to maintain its “semi-independence” would be “a key factor affecting future political developments in Eastern Europe.” Poland was expected to be able to retain its relative freedom from direct Soviet control, and this would have clear potential benefits for the West. It was noted that Poland’s independent course, “together with

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Yugoslavia’s continued independence, may tend to encourage nationalist-oriented elements in the other Satellites to seek greater autonomy.”\textsuperscript{13} It was no secret to the West, then, that Poland was in a potentially transformative position, one that Western nations should encourage by avoiding conflict and promoting bridge-building.

Poland, like Canada, functioned more freely when international tensions were reduced, and Rapacki also expressed the importance of promoting international stability and the consolidation of peace.\textsuperscript{14} The Canadian embassy in Warsaw reported, “any resumption of East-West tensions is bad news for Poland: both for the man in the street who still fears war, and for those in government who believe that Poland should strengthen its ties in both directions.”\textsuperscript{15} Canadian officials could certainly sympathize with this position, and common ground was established on this matter. Yet, while officials on both sides wanted to nurture


\textsuperscript{14} LAC, RG25, Vol. 7788, File 12496-40 part 1, Circular Document Secretary of State for External Affairs to the Heads of External Affairs Posts Abroad, May 21, 1957.

\textsuperscript{15} Two instances highlight well Polish officials’ desire to maintain international stability. First was Rapacki’s appeal to a number of NATO countries in late 1957, just prior to an upcoming NATO ministerial meeting. Rapacki explained that Poland understood that NATO was about to discuss a buildup of modern armaments in Europe and was even considering arming the Federal Republic of Germany with nuclear weapons. Rapacki hoped that no steps would be taken in these directions, since they would make any advancement on the struggling disarmament negotiations even less likely to succeed. Rapacki advised the Western representatives that arming Europe would only increase tensions in Central Europe and further the division of the world into two powerful camps. Poland wished to avoid this development. Rapacki also made it clear that Poland’s foreign policy aim was to contribute to the reduction of international tensions within its means. Second, Rapacki and the Polish press treated the U2 incident with reserve, minimizing the significance as long and as far as possible. The coverage tried to be “factual,” contained limited editorial comments, and provided wide coverage of Western reaction in hopes of suggesting that those responsible for the incident represented a minority. LAC, RG25, Vol. 7788, File 12496-40 part 1.2, Numbered Letter Southam to Secretary of State for External Affairs, May 18, 1960; LAC, RG25, Vol. 7788, File 12496-40 part 1.2, Numbered Letter Southam to Under-Secretary of State for External Affairs, May 25, 1960.
closer political, cultural, and commercial ties, one long-standing issue prohibited such developments: Polish art treasures that had been stored in Canada since WWII.

THE POLISH ART TREASURES AND CANADIAN-POLISH RELATIONS

The complicated issue of the Polish art treasures loomed large in Canadian-Polish relations until the late 1950s, when visible progress on their return to Poland was finally made. The history of the treasures highlights the fact that seemingly nonpolitical matters were in fact politically charged in the atmosphere of the Cold War, despite efforts by both sides to reduce political and ideological implications. During negotiations on this issue, neither the Canadian or Polish governments attempted to score propaganda points at the expense of the other. In fact, the negotiations for the return of the treasures reveal an interesting attempt by two middle powers to reduce potential negative Cold War implications. While Canadian officials wanted to improve relations with Poland in order to lessen Soviet hegemony over that country, the issue of the Polish art treasures was an obstacle standing in their way. As a result, the Canadian government ultimately took the necessary steps to break down this barrier.

In 1939, Polish officials managed to ship a collection of art treasures and historical relics out of the country to Canada, just ahead of the advancing Nazis. Balawyder argues that if Poland had not fallen into the Soviet orbit, Canada would “unquestionably have returned the treasures sooner – presumably immediately after the conclusion of hostilities in Europe.” Canada’s failure to return the treasures

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16 For a detailed account of the art treasure’s voyage to Canada, see, Gordon Swoger, The Strange Odyssey of Poland’s National Treasures, 1939-1961: A Polish-Canadian Story (Toronto: Dundurn Group, 2004), 25-65.
promptly, according to Balawyder, “engendered a long controversy and considerably worsened Canadian-Polish relations. [...] For almost fifteen years, the Polish government and press condemned Canada’s unwillingness or inability to return the treasures, even taking the question to the UN and other international forums.”\(^\text{17}\) The controversy surrounding the treasures was not resolved until the new Gomulka regime in Poland came to power and a new Progressive Conservative government in Canada made sincere strides to get the national relics back to their rightful owners.\(^\text{18}\)

While relations were not improved immediately after Diefenbaker became Prime Minister, it was clear from the outset of his government that the issue of the Polish art treasures was at the forefront of Canadian-Polish relations. The seriousness of the issue was made especially clear when the Canadian government suggested exchanging ambassadors and raising respective missions to embassy status; the Polish government refused until satisfactory progress had been made on the return of the treasures.\(^\text{19}\) During a discussion with Polish Chargé d’Affaires Mieczyslaw Sieradzki, SSEA Sidney Smith reassured him that Canada wished to send an ambassador to Warsaw “because we looked with sympathy upon the new


\(^{18}\) Author Gordon Swoger explains that the accession of Gomulka marked a stark difference in Polish-Canadians attitudes towards the art treasures. Many expatriates thought that there was no longer any danger of the Polish treasures being seized by the Soviets if they were returned to Poland with Gomulka in power. In fact, many Polish-Canadians, including many non-Communist Canadian-Polish societies, believed that seeing the treasures back in the Wawel Castle “might reinforce the Polish people’s interest in their past and weaken their allegiance to communism.” The trend was significant enough that the DEA noted the marked change in attitude. Swoger, *The Strange Odyssey of Poland’s National Treasures*, 144-145.

Gomulka regime,” and that the “question of the treasures had not come up in the Cabinet consideration of it all.” Smith also recalled the promises made by Diefenbaker and himself to give an early answer on the subject but lamented that it was difficult to make rapid progress since the new government was faced with many challenges. Sieradzki’s response was straightforward: it “would be difficult for people in Poland to appreciate such problems.” While agitated by the delays on the part the Canadian government, Polish officials remained patiently level-headed on the issue.

In December 1957, Polish officials “emphatically expressed” their desire not to do anything that would embarrass the Canadian government. In fact, they told Canadian officials they would be content with receiving only a portion of the treasures, for instance those housed at the Bank of Montreal in Ottawa. Polish officials suggested that such a favourable gesture by Canada would be most important for those who were trying very hard to draw the Polish government closer to the West. One Polish official explained frankly that “Gomulka did not yet understand the West and that the Canadian attitude on the treasures was the sort of

20 LAC, RG25, Vol. 6539, File 10258-40 part 2.1, Memorandum A.J. Pick European Division to J.B.C. Watkins and J.W. Holmes DEA, 27 November 1957. The Legation in Warsaw explained how “the non-return of the treasures is one of the few issues on which the government has the support of the nation at large. The characterization of the treasures as the equivalent of the British Crown Jewels was, I thought, most apt.” LAC, RG25, Vol. 6539, File 10258-40 part 2.1, Personal Letter J.P. Erichsen-Brown to J.W. Holmes, January 8, 1958.

21 In 1944, the Polish custodians of the art treasures decided to disperse the treasures to four places of storage, hoping to reduce losing all of them to unscrupulous art-hunters. The treasures considered most valuable – the Gutenberg Bible, Florian Psalter, the prayer book of Queen Bona and the Chopin manuscripts – were deposited at the Bank of Montreal’s branch in Ottawa; The Wawel tapestries were stored in the monastery of St. Anne de Beaupre; eight other boxes had been entrusted to the Precious Blood Convent in Ottawa; the rest of the treasures were housed at the Ottawa Experimental Farm. While the dispersal of the treasures may have made it difficult for possible art-hunters to locate the entire collection, it also caused the government in Warsaw to spend several years simply trying to find all of them. Balawyder, The Maple Leaf and the White Eagle, 192.
thing which confirmed his views about ‘Western Imperialism.’”22 The fact that the Polish government did not publicize the issue as an example of “Western Imperialism,” despite Gomulka’s perception that this was the case, suggests intent to keep the controversy as depoliticized as possible. In many corners of the DEA, however, the return of the art treasures was seen not only as an important and necessary political gesture, but also as an initiative with potentially important commercial benefits.

In a memorandum to the USSEA, A.J. Pick of the European Division explained that the commencement of serious American-Polish negotiations over US aid might cause serious difficulties for Canada’s commercial sale of wheat to Poland. As a result, Pick stressed the importance of speedy consideration by Cabinet on the issue of the Polish art treasures.23 This line of thinking passed upwards to Sidney Smith. USSEA J.B.C. Watkins told the minister that the Polish request to purchase 800,000 tons of American wheat placed the Canadian government in a difficult position. Watkins asserted,

[w]e are anxious for political reasons that Poland should secure essential economic aid from the West, without which it will be unable to retain the limited freedom which it secured from the Soviet Union in October 1956. The principle of extending aid to Poland has also been approved by the NATO Council of Ministers. We have asked the State Department to withhold committing themselves on the quantity of wheat to be offered until our own negotiations with the Poles have been completed and, in the meantime, to consider the possibility of offering other commodities in place of wheat.

Since Canada was also trying to negotiate a deal with Poland to purchase an additional 150,000 tons of wheat, there was concern an agreement with the Americans could jeopardize the sale. Polish officials, it was suggested, should be approached to try and seal the Canadian wheat deal, but Watkins cautioned that all efforts might be for naught:

It is my belief, however, that none of these efforts will be successful until the Polish Government is satisfied that it is making progress in securing the return of that part of the Polish treasures which is in the Bank of Montreal. Last May officials of the Department of Trade and Commerce and the Wheat Board went to Washington to place our views before the Polish delegation. The senior delegate, after explaining he was not responsible for negotiations with Canada, said that had he been, 'he would want to talk about two Canadian surpluses: one would be wheat; the other would be tapestries.'

Luckily for the Canadian Wheat Board, the wheat deal negotiations were not negatively impacted by the lack of progress made on the treasures. The seriousness of the issue did not fade, however, and remained at the forefront of Canadian-Polish relations in the late 1950s.

Neither the Poles nor Canadians wanted to make the issue overtly public. This is not to say that certain quarters were not aware of the friction caused by Canada's retention of the treasures, or of the broader implications for East-West relations generally. Smith, for instance, told his Cabinet colleagues that the UN Secretary-General had told him on a personal basis “that he was trying to encourage the Poles to adopt the same general attitude as Yugoslavia, and it would be helpful if

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24 LAC, RG25, Vol. 6539, File 10258-40 part 2.1, Memorandum J.B.C. Watkins to Secretary of State for External Affairs, "Polish Treasures and Possible Wheat Sales to Poland," January 3, 1958. The Wawel tapestries were the largest collection of Polish treasures stored in Canada. There were 140 large 16th and 17th century arrases that had adorned the walls of the Wawel Cathedral.
Canada could release these treasures which had such great symbolic value to the Polish people.”

Returning the treasures was a much more complicated matter than most realized, and intricate legal issues were involved. Diefenbaker explained that the major part of the treasures were now in the Quebec Museum and beyond the control of the Federal government. Regarding the two trunks stored in the Bank of Montreal in Ottawa, Diefenbaker believed the general feeling was that Canada should restore part of the treasures, and that this would certainly result in improved relations with Poland. In a May 1958 Cabinet meeting, the Prime Minister and most Ministers preferred that the Polish government secure the release of the treasures deposited with the Bank of Montreal by action in the courts, rather than by the intervention of the Canadian government.

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26 For a fair description of the long negotiating process and the various legal barriers, see Balawyder, The Maple Leaf and the White Eagle, 202-210. For a detailed and comprehensive examination of the legal and constitutional matters involved in the issue, see, Sharon Williams, The Polish Art Treasure in Canada: Legal Problems and Political Realities (York University: Master’s Thesis, 1974).
27 Interestingly, the Federal Government had to face serious international and constitutional problems when the Quebec Government assumed control over a portion of the treasures, since it maintained that it did not recognize the authority of the new Polish Government. Sharon Williams has argued, “What was essentially a dispute between two rival foreign groups and could easily have been solved by the Canadian Government in accordance with recognized principles of international law, became a domestic dispute which, if not handled properly, could have done much harm to federal-provincial relations. This may help explain why the federal authorities argued that the recovery was an exclusively Polish matter and that Poland was free to resort to Canadian courts.” Williams, The Polish Art Treasure in Canada, vii. For a detailed background on Canada’s constitutional and legal framework on the federal-provincial dispute surrounding the Polish Art Treasures, see Williams, The Polish Art Treasure in Canada, 117-133.
29 LAC, RG2, Vol. 1898, Cabinet Conclusions, May 6, 1958. Gordon Swoger explains that some treasure had been stored in Ottawa and some in Quebec. It is revealing that most opinions stemming from the DEA’s legal division stated that the Canadian government was responsible for the protection of all the Polish treasures, regardless of their location, simply because they were the property of the Polish state and were located within Canada, citing long established principles in international law. “With respect to that part of the collection that had been accepted into the Provincial Museum under
By June, however, Smith reported to Cabinet that all avenues not involving the government had been investigated, and none had proved feasible. Smith recommended that the federal government direct the Bank of Montreal to return the trunks to the Polish government through the Legation in Ottawa. This gesture, he inferred, might be of some help to Gomulka in withstanding Soviet pressure on the subject. Smith then recommended that if

the Polish authorities agreed they would not hold the Canadian government responsible for any damage the treasures might have suffered and also agree to hold the government harmless from any claims on the part of other owners of any objects in the trunks, an indemnity agreement be made with the Bank of Montreal.

During the Cabinet discussion, it was agreed that Canada recognized the present Polish government and its rights to the treasures. Furthermore, the issue was recognized as a matter of international relations and a federal responsibility. Cabinet determined that the matter should be decided with those interests in mind. It was also noted that a decision to do nothing would discredit Canada in the UN and elsewhere.30

As a result, the Canadian government pressed Polish Chargé d’Affaires Sieradzki for specific guarantees, and he agreed not to hold the Canadian government responsible for any loss, damage, deterioration, or injury suffered by

the control of the Quebec government, the Canadian government was indeed responsible for the recovery of the treasures from the museum. According to international law the Canadian government bore the responsibility for the actions of all Canadian officials – federal, provincial, municipal – vis-à-vis a foreign government.” These observations, however, would prove to be disconcerting to the DEA, especially since Premier Maurice Duplessis had in 1956 stated that “the treasures were confined to the government by Polish patriots and they shall never be returned to the Communist government of Warsaw.” The desire of the federal government to avoid federal-provincial friction is one reason it wanted the issue to be resolved by the courts, and not by Ottawa’s “heavy hand”. Swoger, The Strange Odyssey of Poland’s National Treasures, 147-148.

the contents of the two trunks deposited in the Bank of Montreal. The use of seven non-political figures gave the appearance of neutrality in the transfer, and on January 9, 1959, the Bank of Montreal officially released the two trunks to Poland.\textsuperscript{31}

Once the trunks were released, the Canadian government appeared less adamant about keeping the matter quiet. \textit{The Globe and Mail} reported that the DEA issued a statement indicating, “... the two trunks of treasures, containing jeweled swords and armour and ancient scrolls, will be returned to Polish institutions.” The article explained that the gesture “ends some bitter diplomatic wrangling”\textsuperscript{32}

Two months later, Smith instructed the Canadian Chargé d’Affaires in Poland, G. Hamilton Southam, during his first call on Foreign Minister Rapacki, to express the Minister’s “appreciation of the discretion with which Polish authorities have handled the return of the two trunks of art treasures which had been deposited in the Bank of Montreal.” Smith also asked that Southam inform Rapacki of his “personal satisfaction that a way was found to effect the return of the trunks and that the contents have apparently not suffered damage.” Smith also made clear he was conscious of Polish officials’ discretion in official statements about the part played by the Canadian government in the arrangements for the release.\textsuperscript{33} Simply put, Smith was grateful for the depoliticized handling of the issue and was pleased the issue had not devolved into a Cold War rhetorical assault on Canada. The return of a part of their national heritage was greeted with much enthusiasm in Poland. An

\textsuperscript{31} Swoger, \textit{The Strange Odyssey of Poland’s National Treasures}, 154-156; Balawyder, \textit{The Maple Leaf and the White Eagle}, 207.


article in *Trybuna Ludu* described the public's reaction upon hearing the news: "The information concerning the prospective return of a part of the Wawel treasures to Poland from Canada raised feeling of joy and satisfaction throughout the country. The information concerning the treasure was [...] the main subject of interest of the majority of the people."34 The remaining treasures were released in late December 1960 and arrived in Poland in January the next year.35 *The Globe and Mail*, again reported on the event, stating,

> It is excellent news that the last of the Polish art treasures, stored in Canada for safekeeping during the war, are now on their way back to Poland. The treasures have been a source of embarrassment to Canada, of controversy between the Canadian and Polish Governments, and between various groups of Poles. They are now being restored to their rightful owner, the Polish nation, amid general goodwill, which is of far more value to Canada than could be any art treasures.36

It appears that the *Globe and Mail*, too, understood the political significance of the return of the treasures.

The controversy surrounding the Polish art treasures is interesting in that it highlights the willingness of two middle powers in the Cold War to address a difficult issue quietly and to minimize what otherwise could have been a public spectacle. Both the Polish press and public were vocal in their expectations of seeing the treasures returned, yet Polish authorities refused to use the issue for propaganda purposes to publicly attack Canada, or the West generally; Polish authorities minimized confrontation in order not to escalate Cold War hostilities and divisions. From the Canadian perspective, officials understood the political

34 As quoted in, Swoger, *The Strange Odyssey of Poland's National Treasures*, 159.
significance attached to the issue. A lack of progress in returning the treasures hampered their ability to cultivate better relations with Poland, which was ultimately counterintuitive to their larger policy objectives.

External Affairs almost immediately found that resolving the art treasure issue had "removed an obstacle from the improvements of Canadian-Polish relations." From Poland, Southam reported that there was even talk among Polish officials of extending an invitation to Diefenbaker to visit Poland, and those in charge had welcomed the suggestion. Importantly, Polish officials "did not even raise the question of the remaining treasures as an argument against such a gesture." Such discussions signified the great change in attitude that had been achieved with the return of the trunks.

THE RAPACKI PLAN

On the whole, repatriating the art treasures had been carried out through quiet, bilateral diplomacy. But this was not the only sign of constructive political relations between Poland and Canada during the Diefenbaker government. Other instances were played out in the international arena. In October 1957, Poland’s Foreign Minister Rapacki proposed a scheme for the creation of a nuclear-free zone in Central Europe, to encompass Czechoslovakia, East and West Germany, and Poland. Both the manufacturing and possession of nuclear weapons would be

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excluded in this zone.\textsuperscript{39} This became known as the Rapacki Plan. Reacting to the Polish initiative, the US State Department stated, “after careful study, our reaction is heavily negative. While it might have some surface attraction, it poses totally unacceptable risks. Therefore we cannot consider this scheme as basis for any serious negotiations.”\textsuperscript{40} While the United States and the Federal Republic of Germany would not entertain any suggestion that West Germany be disarmed against its will, other NATO heads of states, including Prime Ministers Gerhardsen of Norway and Hansen of Denmark, and Foreign Ministers Selwyn Lloyd of Britain and Smith of Canada, insisted the Rapacki Plan be seriously studied.\textsuperscript{41} In the end, however, NATO rejected the plan. Discussions among Canadian officials regarding the Rapacki plan, however, remain interesting and illustrate how Canada, as a middle power, sought to engage in discussions to support a middle power counterpart on the other side of the Iron Curtain.

During Southam’s discussion with Rapacki, the Polish Foreign Minister stressed that his government would attach particular importance to any observations or suggestions the Canadian government might have, and he hoped there might follow an exchange of views between Poland and Canada through diplomatic channels. From a discussion he had with the Polish Chargé d’Affaires, who in turn was relaying the views of Polish Deputy Foreign Minister Winiewicz, John Holmes understood that the Poles were simply looking for anything but a

\textsuperscript{39} Albert Legault and Michael Fortmann, \textit{A Diplomacy of Hope: Canada and Disarmament, 1945-1988} (Montreal: McGill-Queen’s University Press, 1992), 158.


\textsuperscript{41} Legault and Fortmann, \textit{A Diplomacy of Hope}, 158.
complete rejection. Holmes explained, “Poland would be grateful if [Canada] could, by asking for further explanations or suggesting alternatives, at least keep the proposal alive.”

Essentially, Poland hoped that the plan would not be summarily dismissed and that there could be further discussions. Under-Secretary Jules Léger sympathized with Poland’s position. In a memorandum to the minister, he explained how “Winiewicz is one of the stronger forces in Warsaw trying to maintain Polish foreign policy on an independent a plane as possible.” As a result, Léger hoped the government would “give due regard to his recommendations” in drafting its reply to Poland.

Canada agreed to support the plan, provided it led to disarmament by the USSR as well as by the Western powers. Canadian officials, in drafting their response, clearly knew their conditions would be unacceptable, but they did do their part to sustain discussion and debate. In fact, as the Polish draft of the plan stood, Canadian officials had serious reservations. Specifically, “by concentrating on nuclear weapons to the neglect of reductions in conventional weapons, the Plan, if adopted, would result in seriously upsetting the strategic balance in Western Europe to the disadvantage of the North Atlantic Alliance.”

In the end, the Rapacki plan came to naught.

Historians Albert Legault and Michael Fortmann also note that both the Canadians and Norwegians insisted on voicing their views strictly on behalf of their

44 Balawyder, The Maple Leaf and the White Eagle, 171.
own countries, and not in the name of the Atlantic Alliance. Furthermore, they explain that one of Canada’s objectives regarding the Western response to the Rapacki plan was to “avoid the possibility that a White House spokesman would dismiss the Plan out of hand simply because it originated in the East, without any prior consultation from member nations of the North Atlantic Alliance.”46 In short, Canadian officials would not officially endorse the plan, but they did not want to reject it outright either. They considered the negative impact of a blunt rebuff on Poland’s foreign policy objectives; it was important to keep lines of communication open between East and West regarding disarmament, because if discourse halted, Polish independence could be weakened. DEA official, Doug LePan explained how Rapacki was “very disappointed with the replies of some NATO Foreign Ministers, since they seemed to reject the Plan almost without reading it. That had not been true, however, of either Canada or Norway,” which pleased Rapacki.47

While the Rapacki plan failed, it highlights an important dynamic between middle powers operating in the shadows of their respective Cold War superpowers. Poland’s appeal to Canada to help continue debate, and Canada’s efforts – even if nominal – to meet Poland’s request, demonstrate a commonality of position and purpose among middle powers, something of a cross-curtain brotherhood in the Cold War. Canadian motives, of course, were not completely altruistic. In fact, quite the opposite is true. Consistently, it was Canadian policy to nurture the

46 Legault and Fortmann, A Diplomacy of Hope, 599, n. 24.
independence obtained by the Polish October in hopes of reducing Soviet hegemony and ultimately weakening European communism.

EMBASSY STATUS

With bilateral relations on the mend, each country aimed to improve affairs further by raising their diplomatic missions to embassy status. In a memorandum to the minister, Under-Secretary Norman Robertson explained that the Cabinet had approved the appointment of an ambassador in November 1957, but progress on the matter was halted because the Poles wanted to wait until the Bank treasures were returned. Now that issue was resolved, Poland expressed its readiness to proceed. Robertson argued the work of the Canadian mission in Poland was impaired by inadequate standing: in Warsaw, Canada ranked last of all foreign representatives. Robertson insisted that this gesture was “a necessary first step in our policy of taking initiative [...] to improve East-West relations.” He also maintained that the “appointment of an ambassador in Warsaw, as an expression of continuing Canadian support, would tend to encourage those Polish leaders who favour closer relations with the West.” On April 29, 1960, both countries raised their respective diplomatic missions to embassy status. G. Hamilton Southam became Canada’s first postwar ambassador to Poland, and Zygfryd Wolniak became Poland’s first postwar ambassador to Canada.


49 Balawyder, The Maple Leaf and the White Eagle, 171. Canada also showed its inclination to cooperate with Poland to improve international relations in the Cold War when, in 1959, it supported Poland’s candidacy for a seat in the UN Security Council, an action the Polish government recognized and appreciated as a step forward toward more cordial relations.
In comparing the development of Canadian-Yugoslav and Canadian-Polish relations, there were important differences with respect to Canadian diplomatic activity and resources in each of the countries. Whereas Canadian-Yugoslav relations were fervently and progressively nurtured by Canada's Yugoslav ambassadors from 1956 onwards – through the promotion of cultural and diplomatic exchanges and the facilitation of commercial deals – Canadian diplomats in Poland were handicapped by tensions over the unresolved art treasures issue as well as embassy status. Additionally, Canada’s Yugoslav ambassadors during the Diefenbaker years were Soviet specialists, specifically George Ignatieff and Robert Ford. Both had deep-seated interest in Soviet affairs and Yugoslavia’s position relative to the USSR. The point of this observation is not, of course, to devalue the roles, interests, or abilities of Canada’s charge d'affaires and ambassadors in Poland. The fact that Poland was a member of the Warsaw Pact and a committed Soviet ally may also have been a factor in the relatively lesser influence of Canada’s ambassadors in Poland. In the end, however, the personalities and backgrounds of the specific Canadian ambassadors in Yugoslavia remains important, since they did, without doubt, play a significant role in Canadian-Yugoslav relations.

As the Canadian embassy in Poland settled in, the staff was increasingly overloaded with visa work. As a result, the DEA submitted a report to the Ministry of Citizenship and Immigration, based on a special three-man inspection team. The report recommended sending a second senior clerk or a junior immigration officer to Poland to help alleviate the workload. What appeared to be a routine administrative upgrade, however, proved to have deeper political significance. This
time, reservations came not from the DEA. Department of Citizenship and Immigration Minister Ellen Fairclough expressed her concerns to then SSEA Howard Green. Fairclough stated:

... this will be the first employee of the Immigration Branch to be posted to an Iron Curtain country. Even though it is not proposed that the employee be included on the diplomatic list, or even posted officially as an immigration officer, I would expect that it would in due course become known to the Polish authorities that the employee in question is from the Immigration Branch on secondment to External. We would have to consider pretty carefully, I think, the effect of this information, should it become known. [...] What would the Polish government’s reaction be if it learned that we had seconded to the embassy staff in Warsaw an Immigration Branch employee? I assume that we do not wish to give any overt indication of an increased interest on Canada’s part in Polish immigration, through posting an immigration employee in Warsaw.50

Fairclough copied the letter to Diefenbaker for comment, to which he responded: “it seems to me that the arguments are patent and inherent in the questions that you have asked and they indicate that it would not be helpful at this time to accede to the suggestion [for an additional clerk]. [...] I think that on balance the disadvantages far outweigh the benefits.”51 The importance Diefenbaker – and his ministers – attached to sound relations with Poland is highlighted by the discussion over this otherwise routine and mundane administrative improvement. By this time, relations with Poland were beginning to improve significantly, and jeopardizing them (in order to alleviate an overworked clerk) was not an option when placed in the broader context of Canadian-Polish and East-West relations. This example is also testament to the importance high-level Canadian officials attributed to Poland

50 DCC, file MG1/VIII/(861/P762), Personal and Confidential letter Minister of Citizenship and Immigration, Fairclough to Secretary of State for External Affairs Green, June 5, 1961.
51 DCC, file MG1/VI/(864/Y94), Personal and Confidential letter JGD to Minister of Citizenship and Immigration, Fairclough, June 7, 1961.
and its global role and to Canadian officials’ perceptions of how Canada could impact international Cold War relations, vis-à-vis Poland.

**CANADA, POLAND, AND THE ICSC**

Indochina (Cambodia, Laos, and Vietnam) had been part of the French colonial system since the 1880s. France’s difficulties during the Second World War, however, provided an opportunity for the Viet Minh, a national independence coalition, to take control in North Vietnam. French attempts to reassert their colonial administration in Indochina in the post war period faced stiff resistance from the Viet Minh until 1954, when a ceasefire and French withdrawal were finally negotiated under the Geneva Agreements. Vietnam was divided into a Communist North and a Western-backed South, while Laos and Cambodia were recognized as independent states. The Agreements established three International Commissions for Supervision and Control (ICSC), to support the ceasefire by supervising the flow of refugees across territories and to facilitate a reunification election in Vietnam.

Each of the three Commissions was comprised of a western, communist, and neutralist state, with Canada, Poland, and India asked to provide the respective representatives. According to historian Adam Chapnick, “Although the Canadian government had not been properly consulted, and there were strong doubts among Holmes and his colleagues as to whether elections to unify Vietnam would ever be held, there was little option but to agree to serve.” If Canada had said no, it was believed this “would have risked re-igniting the conflict and perhaps even expanding it.” Yet, “the opportunity to act as a bridge-builder throughout the period
of the ceasefire,” explains Chapnick, “was enticing” to the Canadians. In the view of John Holmes, assistant under-secretary of state for external affairs at the time, the government had a “moral obligation” to “honestly and objectively” do its best in a difficult situation to help Vietnam address its economic and political challenges. Despite the involvement of four successive Canadian governments, one overriding concern governed policy: “how best the Canadian government might contribute to stabilizing or restoring peace in the troubled countries of Southeast Asia.” Canadian officials generally viewed the assignment with limited optimism but still recognized the theoretical value in its cause.

Despite frequent diplomatic contact between the two nations while working on the Commission, Canadian-Polish relations in the ICSC during this period were not especially significant to shaping their bilateral relationship. In other words, the Canadian government’s policy to foster closer relations with Poland does not appear to have been meaningfully impacted by their respective roles on the ICSC. Evidence does suggest, however, that frank and open discussion did occur between the two nations within the context of the Commission. Holmes, for instance spoke with Polish Chargé d’Affaires Mieczyslaw Sieradzki about the situation in Laos. “The most interesting part,” according to Holmes, “came when our candour led us to discuss each other’s motives and intentions.” Holmes explained that Sieradzki “was

52 Adam Chapnick, Canada’s Voice: The Public Life of John Wendell Holmes (Vancouver: UBC Press, 2009), 83.
53 Chapnick, Canada’s Voice, 83.
55 At this point, the International Commission in Laos had been adjourned, much to the chagrin of the Poles, as well as the USSR and Chinese.
prepared to accept my assurances that we wanted Laos to be neutral,” but was “skeptical about American intentions.” Holmes sympathized: “we are all disturbed by the uninhibited comments of some Americans about Laos.” Holmes reassured Sieradzki he was “prepared to agree that the Poles wanted Laos to be neutral and the area to be freed of tension. However, I had to assume that the Chinese and North Vietnamese intention was to establish a Communist government in Laos.” Sieradzki then asked rhetorically “if I really thought that ‘they’ [China and North Vietnam] were so completely unrealistic.” Sieradzki assured Holmes, “with every appearance of conviction,” that the Chinese and North Vietnam wanted nothing more than a neutral Laotian government. Not shying away from broader communist ideological intentions, Sieradzki admitted that, “of course, the Communists believed ultimately it was in the interest of all countries to have Communist governments but implied this was a long-term aim which had no particular relevance to the immediate situation in Laos.”

This type of forthright and candid discussion suggests that even within the context of the ICSC, a peace observation mission deliberately composed on the basis of opposing Cold War alliances, Canadian and Polish officials were sincere about maintaining open and truthful lines of communication.

In addition to candid discussion between national representatives, Canadian officials were concerned over potential harm to Polish Commission members as a consequence of the death of the Chief of the Vietnamese Liaison Mission to the International Commission, Colonel Hoang Thuy Nam. In October 1961, an armed

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band captured Colonel Nam. While the Canadian Delegation sent a letter to the Vietnamese Liaison Mission expressing sympathy and hopes for Colonel Nam’s safe return, the Polish Commissioner refused to have the Commission do anything at all. Soon after, Colonel Nam was found dead. Fearing reprisals, the Polish Commissioner agreed to a joint statement by the International Commission to the Vietnamese Liaison Mission expressing condolences.57

During the next month, a campaign in South Vietnam mounted against the International Commission, and the Polish Delegation in particular, “trying to harass by threats to force [the] Commission to move to Hanoi or even disband altogether.” While Canadian officials did not want the Commission disbanded, for fear of destabilizing the region, they expressed particular concern for the safety of the Polish Delegation and even expressed a degree of solidarity: “The Commission cannot keep silent indefinitely on treatment of Polish Delegation.”58 The Canadian Delegation’s concern for their Polish counterparts did not go unnoticed. SSEA Green explained to the Canadian Commissioner that the Polish Chargé d’Affaires Henryk Laszcz “called on the department […] on instruction from Warsaw to express thanks and appreciation of his government for [the] helpful attitude of [the] Canadian Commissioner over current difficulties to Polish Delegation.” Green explained that the DEA


indeed regard difficulties of Polish Delegation as a matter of concern to [the] whole Commission. [...] It was the [the Canadian government's] hope that [the] Polish Delegations present difficulties would be overcome and that [the] ICSC would then be able to get down to business.\textsuperscript{59}

One must be cautious about drawing firm conclusions regarding the impact of such moments of “solidarity.” Certainly, Canadian officials in Ottawa and Indochina wanted the Vietnam Commission to continue, since its disbandment, they believed, could destabilize the entire region; altruism was not the sole driving force behind Canadian sympathy. Yet, given the emergent effort to engender good political relations with Poland, Canadian officials can also be seen to have acted in a manner that was consistent with the objective of improved bilateral relations.

\textbf{CONCLUSION}

The growing consensus among Canadian officials that increased contacts with satellite countries, particularly Poland, could soften the communist doctrinal attitude and loosen ties with the USSR was a driving force behind Canadian foreign relations with Poland. The 1956 Poznań rebellion ushered in a series of social, political, and cultural reforms, and Poland’s increased liberalization was marked by a sincere desire not to be dominated by Moscow. Poland strove to keep international tensions as low as possible in order to retain its relative independence. As a result, the Canadian government pursued an active, if cautious, Polish policy of engagement in an attempt to expose it to Western modalities, all the while trying to gingerly reduce Soviet hegemony over the country. Broadly speaking, Canada’s

Polish policy mirrored Canada’s approach to Soviet and Yugoslav relations, despite being limited in scope and maneuverability. Unlike Yugoslavia, Poland was firmly entrenched in the Soviet bloc, so examining Canadian-Polish relations during this decisive moment in Canadian foreign policy is enlightening because it reveals how Canada approached a Communist European nation that had less flexibility in its foreign policy.

Before truly effective diplomacy could be exercised, the issue of Poland’s national art treasures, a continuous point of grievance between the two nations since the conclusion of the Second World War, needed to be resolved. While the issue was politically charged, neither country tried to use the issue for political leverage, nor did either country use it to garner ideological propaganda points. This exemplifies the shared agenda of both governments to minimize Cold War hostilities. The issue of the Polish art treasures was kept relatively isolated within a bilateral framework, even as Canadian-Polish relations were not always isolated from their broader Cold War pressures and contexts.

Canada’s modest support for Poland’s Rapacki plan was very much played out in an international context, and it highlights an interesting dynamic between middle powers during the Cold War. Canada’s support, while mostly gestural, speaks to the fact that occasionally cross-curtain middlepowerism nuanced traditional Cold War loyalties. Relations steadily improved between the two countries, and in April 1960, both nations raised their diplomatic missions to embassy status, a testament to the fact that each nation was taking the other seriously. Also played out in an international context was Canada and Poland’s
position as two of three members of the ICSC. While inherently important to the
security and stability of Indochina, Canadian-Polish relations in the ICSC were not
overly significant in shaping their bilateral relationship. Despite this, certain
situations in Indochina allowed for open candid discussions between the two
nations, and, at times, a clear sense of solidarity between the two governments was
present, even if not for entirely altruistic reasons.
Chapter 6

The Nexus of Middlepowerism: Canadian-Polish Economic & Cultural Diplomacy

Canadian officials strove to cultivate closer relations in hopes of influencing Poland not only through diplomatic channels but also through cultural and scientific exchanges. Exchanges with Poland were not as prevalent as with Yugoslavia, for three key reasons: political relations were strained by the lack of progress made on the return of the art treasures until 1959, Canada did not have embassy status until April 1960, and Polish officials were much less interested in nurturing cultural cooperation with Western countries prior to the Polish October in 1956. By the time the Progressive Conservative government came to office in mid-1957, few seeds had been sown to advance this kind of relationship building, despite the existence of a clear policy direction. The early 1960s, however, witnessed a slow, but steady, increase in cultural cooperation and exchanges between Canada and Poland, which helped bridge the Cold War divide and nurture closer relations generally.

Canadian-Polish commercial relations progressed steadily, relatively speaking, and opened other important avenues for influencing developments in Eastern Europe. The sale of wheat to Poland and Canadian participation in Poland’s annual Poznań trade fair created opportunities to penetrate the Polish market, engendered political goodwill, and became a consistent component of Canadian economic statecraft in the region. Canada’s relations with Poland were politically motivated, and the debate surrounding Poland’s accession to GATT was no different. Ottawa’s support for Polish accession into GATT was tied closely to its role in the
Cold War and East-West relations, and reflects its broader policy of engagement as a means to attenuate connections with the Soviet Union. Moreover, this episode highlights Canadian officials’ preference to use multilateral organizations as a means to achieve their foreign policy objectives in Eastern Europe.

**FIRST POINTS OF CULTURAL CONTACT**

In early 1960, Poland created the new Department of Cultural and Scientific Cooperation within the Foreign Ministry. Poland’s former ambassador to the UN, Mieczyslaw Birecki, headed the new department. Its purpose was “to coordinate the many existing programmes of international cultural and scientific cooperation being carried on by Polish institutions, with a view to encouraging and augmenting these where they were most urgently needed.”

While the department was not directly responsible for the administration of the programmes, it served as the first point of contact for the reception of inquiries from beyond Poland. During a conversation, Birecki informed Chargé d’Affaires in Poland, G. Hamilton Southam that the Polish government had not been entirely satisfied at the rate with which international exchanges and fellowship programmes had been developed in Poland and expressed his hope that such programmes would be facilitated by the creation of his department. According to Southam, Birecki “seemed most interested in augmenting all forms of cultural exchange between our two countries.”

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Some of the first points of contact between Poland and Canada were in the realm of academic exchanges. Polish authorities were eager to engender closer ties that would help advance areas of research and development, fields in which the Poles appeared to be lacking. Fellowships in the arts, humanities, and social sciences were awarded to Polish students, but progress was slow at first. In 1958, only one fellowship was awarded to a Polish student, with just two more in 1959. In 1960, five Polish candidates were submitted to the Canada Council for Non-Resident Fellowships. The Canadian National Research Council also offered fellowships in the field of natural sciences, but these were rare in the early 1960s. By 1962, however, there were signs of progress as the Polish Academy of Science forwarded to the National Research Council fourteen applications for fellowships under the informal exchange program. Of special interest to Polish officials, and Birecki in particular, were courses available for foreign students at the Nuclear Reactor School, which was established by Atomic Energy of Canada Limited at Chalk River.

In 1960, the Canadian Legation had also arranged with the Ministry of Culture an exhibition in Poland of the sculptures of Canadian ‘Eskimos’ that had

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3 LAC, RG25 G2, Vol. 2221, File 9901-BA-40 part 1, Aide Memoir Chargé d’Affaires, Warsaw, Poland to Director, Department of Cultural and Scientific Cooperation, Ministry of Foreign Affairs, March 22, 1960.

toured Yugoslavia in early 1959. Several Polish groups were also warmly welcomed in Canada. For instance, the Warsaw Philharmonic Orchestra toured some Canadian cities in 1961, and the Poznan Boys Choir, the Krakow Philharmonic Orchestra, and the Mazowsze folk dance troupe, toured in 1963.

Informing the Polish population about Canada – its geography, people, and cultural life – was one way the government utilized cultural diplomacy to familiarize Poles with as many aspects of Canadian living as possible. The overall objective, while general and modest, was to minimize negative sentiment about democracy, capitalism, and the West. In late 1962, a month-long exhibition took place at the Szczecin Castle. It featured photographs taken in Canada by Polish photographer Witold Chrominski. The exhibition of Canadian photographs generated considerable interest. For example, an official of the Polish Association of Photographers approached the Canadian embassy to discuss the possibility of a major exchange of exhibitions, to take place sometime in 1964. It was hoped that a well-known Canadian photographer would come to Warsaw. In return, a high-profile Polish photographer would present their photographs in Montreal. Southam expressed genuine interest in the proposed project, and the Polish Ministry of Culture also accepted the project in principle.

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5 LAC, RG25 G2, Vol. 2221, File 9901-BA-40 part 1, Aide Memoir Chargé d’Affaires, Warsaw, Poland to Director, Department of Cultural and Scientific Cooperation, Ministry of Foreign Affairs, March 22, 1960.
6 Balawyder, The Maple Leaf and the White Eagle, 182. Balawyder explains that few individual Canadian artists performed in Poland prior to 1970. The number of performers, however, increased markedly in the 1970s. For instance, in 1973 the Stratford Festival Theatre performed in several Polish cities. 182.
7 LAC, RG25, Vol. 7788, File 10496-40 part 1.2, Numbered Letter Canadian Embassy, Warsaw to Under-Secretary of State for External Affairs, "Information Report for the Quarter October-December,
Southam’s interest in the exchange of photograph exhibitions highlights the government’s policy of bringing the two countries closer together through cultural interactions. Film showings also became a regular staple of the Canadian embassy’s cultural diplomacy agenda, and were considered by Southam to be “one of the most important of their informational activities” in Poland. In a 1963 report to External Affairs, Southam lamented that attendance at their film showings from October to December was less than 20,000, “which is about half the figures for the first two quarters of [1962].” The reason for the decline in viewers, he explained, “lies in the fact that we have had on many occasions to refuse requests from borrowers for lack of new titles.” Poles became increasingly interested in Canadian films. In 1962, Canadian titles had been shown to more than 100,000 Poles, but the embassy had only received seven new titles. Southam stressed, “This [...] is clearly insufficient to cope with the ever increasing demand for our films.” He requested that the DEA (again) ask the Canadian Film Board to send more new films on subjects as the Arts, wildlife, sports, recreation, geography, and science. The importance that the Canadian embassy attached to Canadian film is a fine example of how officials perceived it was possible to indirectly influence Polish perceptions of Canada, and

1962,” January 24, 1963. As early as 1961, some officials in the Information Division appeared to want their division to be more proactive in projecting Canada’s cultural image through exhibitions. For instance, one internal memorandum stated, “What worries me is that the initiative behind [existing Canadian exhibitions abroad] lies elsewhere, and we seem to be fully occupied in cooperating in response to outside initiatives that we do not get around to taking initiatives ourselves [...]. When I talk about ‘outside’ initiatives, I mean outside the Information Division in Ottawa; the exhibition in Poland will be the result of initiatives taken by Hamilton Southam and Donald Buchanan, of which I fully approve; but the fact remains that neither the Embassy in Warsaw nor the National Gallery has the same responsibility as we have in the Information Division for development of cultural relations on a global basis.” LAC, MG31 E31, Marcel Cadieux Papers, Vol. 35, File n/a, Memorandum N.F.M Berlie to Mr. Small, “Policy for Cultural Exhibitions,” 30 May 1961.
the West in general. While subtle, it was believed that such exchanges and points of contact could help bridge the divide between the East and West, which, for ideological and propaganda purposes, had traditionally been portrayed as regions of unambiguous contrast.

THE CBC-INTERNATIONAL SERVICE, POLISH DIVISION

Another important element to the Canadian mission’s informational activities was the role played by the Canadian Broadcasting Corporation-International Service (CBC-IS) Polish division. Similar to the lack of scholarship on Canadian-Polish relations generally, little has been written on the CBC-IS; in fact, there is no published, comprehensive account of the CBC-IS in Eastern Europe. Bernard Hibbitts’s unpublished master’s thesis, “The CBC International Service as a Psychological Instrument of Canadian Foreign Policy in the Cold War, 1948-1963,” is an informative work and provides a good framework for understanding the role played by the CBC-IS Polish division in Canada’s policy objectives in Poland.9 Similar to diplomatic and commercial contacts, the CBC-IS Polish division was politically motivated. One significant difference, when compared to previous years, was apparent by the time Prime Minister John Diefenbaker’s government came to power: radio commentary and political motivations were much more innocuous than had been the case prior to 1956.

CBC-IS broadcasts before 1956 generally tended to reinforce traditional Cold War divisions and highlighted the ideological global battles that raged between East

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and West. By 1956, however, events were aligning that encouraged depoliticized programs, most notably the Twentieth Party Congress and Khrushchev’s denunciation of Stalin’s cult of personality.\textsuperscript{10} This direction dovetailed with the DEA’s growing awareness of the increasing heterogeneity of various Eastern bloc states, and its policy of encouraging and promoting their autonomy. The increasingly depoliticized agenda of the CBC-IS complemented the DEA’s objective of luring various Eastern bloc nations into the Western orbit by building contacts and making connections with Eastern European communities. In terms of agenda, the CBC-IS’s role in cultural diplomacy was the distribution of information.\textsuperscript{11}

Canadian officials understood that the Cold War increasingly could be influenced not just by the superpowers, but also by the various secondary and middle powers. Thus, officials believed Canada should promote friendlier relations, not confrontation. As for the CBC-IS, diplomat Robert Ford maintained that

> our immediate problem is to alter the ‘tone’ of our broadcasts to this end. We need a directive which will call for a wholly different atmosphere. [...] It is in the sustained failure to observe [the principles of absolute objectivity in the presentation of news] that the CBC has permitted a tone which differs mournfully from the sobriety and dignity of Canadian public expression as a whole.\textsuperscript{12}

It was within this context that the DEA decided to formulate a new directive for CBC-IS transmissions to the Soviet Union and its satellites. The directive did not overlook political struggle and still regarded IS activity as part of a “coordinated

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\textsuperscript{10} Hibbitts, “The CBC International Service as a Psychological Instrument of Canadian Foreign Policy,” 155.


political offensive of the Western world,” but aggressive rhetoric and the philosophy of aggressive Cold War language was gone. 13 The 1956 directive declared, “broadcasts should be restrained and moderate in approach, clear and vivid in language and style, and should show respects for the foreign listener’s intelligence, common sense, and national feelings.”14 The considerations guiding this direction were twofold. First, moderation was deemed “more likely to attract the listeners’ attention and therefore more likely to be effective propaganda.” Second, moderation would make it easier to suggest to Soviet authorities that “if they are serious in their desire to promote good relations with Canada they should put an end to the jamming of our short-wave broadcasts.”15 Jamming was a serious problem in many countries behind the Iron Curtain. Under the new Gomulka government, however, jamming Western broadcasts had stopped as early as November 1956.16 In early January 1960, the Soviet Union stopped jamming all BBC transmissions, but then resumed the interruptions following the U2 incident in May 1960.17

In August 1960, a joint DEA-IS report was submitted to the Treasury Board, with five major recommendations. Most relevant here was the report’s recommendation to maintain all East European transmissions, even though they had been considered for termination. Significantly, this was recommended at the drastic

16 See note 72 in Hibbitts, “The CBC International Service as a Psychological Instrument of Canadian Foreign Policy,” 189.
17 Hibbitts, “The CBC International Service as a Psychological Instrument of Canadian Foreign Policy,” 176.
cost of eliminating the Italian, Dutch, Norwegian, Swedish, and Danish divisions.\(^{18}\) The decision to keep all East European transmissions highlights the importance of Eastern Europe to Canadian foreign policy initiatives, not to mention, the belief that the transmissions were generating at least some positive benefits.

By the time of the Diefenbaker government, the general policy of the CBC-IS Polish division (as it was for the IS generally) was to increase knowledge and understanding of Canada in all its aspects.\(^{19}\) The Legation in Warsaw, too, understood the importance of a moderate tone for the broadcasts, especially since the Gomulka period “has seen a substantial modification made to previous policy of attempting to isolate Poland from the rest of the world.” The Legation concurred that transmissions should “be a complementary facet to our general information work abroad, that they should assist in projecting an image of Canada and the Canadian way of life, [and] that they should not be regarded or used as a specialized weapon of psychological warfare.”\(^{20}\) The ways in which the CBC-IS Polish division portrayed the “Canadian way of life” were numerous.

Some material was transmitted directly from the IS Polish division in Montreal, while other material was sent directly by the CBC-IS to Polski Radio i Telewizja (Polish Radio and Television), the national institution that managed all

\(^{18}\) Hibbitts, “The CBC International Service as a Psychological Instrument of Canadian Foreign Policy,” 178. The other recommendations included the elimination of all Western European sections except for English, French, and German; the reduction of the Latin American service; the inauguration of an English and French beam to Africa; and the expansion of the shortwave service to northern Canada.


Polish radio and television stations. It was not until late 1958, however, that direct contact was made between the CBC-IS Polish division and Polish radio agencies. Prior to 1958, transcriptions were sent by the CBC-IS to various nations through the DEA’s Political Coordination Section. In mid-1958, the Political Coordination Section inquired with Information Division about sending the senior announcer-producer of the Polish section, Mr. P. Sytpniewski, to Poland. During his visit, it was hoped that he would have unofficial and informal discussions with Radio Warsaw. The Information Division responded by asserting that

in the case of Poland we may now be in a position to make progress towards achieving something approaching normal information activity. [...] The low level of activity is partially our responsibility in that we do not have enough suitable information material for Poland. This is slowly being remedied by the production of Polish language films and a large exhibit in Poznan.

It was argued that direct contact between the CBC-IS and Poland would be highly satisfactory. In other countries where this was the case, the Information Division reported seeing notable results as it puts “experts in touch with experts without the bureaucratic filter.” The memo concluded, “in view of the easing information situation in Poland, our desire to increase Canadian information there, but our limited means of accomplishing this, we are of the opinion that advantage should be taken of Mr. Sypniewski’s visit to Poland to initiate informal and unofficial liaison with Radio Warsaw.”

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Sypniewski’s informal discussions with Radio Warsaw led to Poland’s official request that Polish radio organizations establish direct contact with CBC-IS Polish division. It was hoped Canada would supply Canadian music transcriptions and other requests of a similar nature. Under-Secretary Watkins was pleased with these developments and expressed his satisfaction to the director of CBC-IS, C.R. Delafield, directly:

The International Service is to be warmly congratulated on this commendable initiative in the field of the projection of Canada in Eastern Europe. Indeed, the extension of this kind of cultural contact is highly desirable, and we wish not only to agree to the means of contact discussed above, but also to provide all possible assistance and encouragement in this regard.23

The tape recordings were passed from Delafield directly to Eliza Przastkowa, Head of International Relations of Polski Radio i Telewizja. As for music transcriptions, CBC-IS sent a wide variety of selections to Poland, including vocal pieces by Jacqueline Francois and Dora Kalincwna,24 recitals of the week, performances by the Boys’ and Men’s Choir of the Philharmonic Society of Poznan,25 and Choral Music of the Polish Renaissance and Jazz Jamboree.26

A variety of other material was sent to Radio Warsaw, including general news pertinent to Canada and Poland, commentary on films and film festivals, book reviews, and sports news. For instance, a short news piece was dedicated to the

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Polish ship “BATORY”, which made its fiftieth trip to Canada. During a five-year period (1957-1962), it brought with it roughly fifty thousand passengers. Members from the CBC-IS Polish division interviewed the skipper and other passengers aboard.\(^{27}\) Inherent in the news piece was the obvious cooperation between the two nations.

Hockey was also a frequently covered topic. In 1962, Delafield sent a program that presented “a true picture of what is hockey in Canada today.” Delafield also took it upon himself to remind Przastkowa that the Canadian “hockey season opens here about the tenth of October.”\(^{28}\) The embassy in Warsaw encouraged Ottawa to continue to send material on hockey. The embassy reported that one item of particular interest to Poles is “Canadian participation in the World Hockey Championships [coming up in] Stockholm […] which has evoked a lively interest here.”\(^{29}\) As a result, Delafield sent commentary on the hockey team called the Trail “Smoke Easters” (from Trail, British Columbia), who were representing Canada in the upcoming World Amateur Hockey Championship. “We think that it will be of interest to Polish listeners as Poland is one of the participants of that tournament which will take place in March,”\(^ {30}\) commented Delafield. The CBC-IS also began to keep Polish listeners updated with a once-a-month report from the National Hockey

League. Commentary on other sports, like the International Automobile Grand Prix of Canada, and those less conventional, like the Canadian Soaring Championships, were also sent to Poland. This event seemed pertinent since the only Pole to participate, Adam Witek, placed second, flying a glider of Polish construction. This type of information, it was hoped, would have modestly contributed to projecting the image of Canada in Communist Eastern Europe, an initiative supported by the DEA.

The CBC-IS also tried to keep Poles informed on the exchange of visits between the Polish Academy of Science and Canada’s National Research Council. In 1962, a three-man delegation of Canadian scientists arrived in Warsaw for a two-week tour of Polish universities and research centres. Just months earlier, a delegation of Polish scientists had similarly visited Canada. The transcription contained a discussion on the National Research Council, as well as interviews with scientists from both delegations.

Most of the material CBC-IS sent to Poland had some kind of Polish association. As a result, an image of Canada was modestly projected onto Poland. The cultural realm was an ideal crossroads where ideological barriers could be breached, or simply omitted from the commentary altogether. The material sent by

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the CBC-IS often complemented various cultural exchanges taking place between the two countries, which in turn reinforced the importance of such exchanges.

**POLISH LETTERS TO THE CBC-IS**

“This is Canada calling” were the words uttered at the beginning of each broadcast from Montreal to Poland. Yet, the Polish division was not simply an isolated, one-way broadcasting entity sending transmissions across the Atlantic. In fact, it received a number of letters from Polish listeners. These letters allow the history of Canadian-Polish relations to be viewed through the window of the CBC-IS Polish division. The letters not only attest to the fact that Poles were actually listening, but they also suggest that Canadian broadcasting served a broader, positive political purpose. Additionally, examining the letters sent by Poles gives a human face to an otherwise impersonal government policy. In 1959, the Polish Section surveyed 108 letters they received from listeners; 99 came directly from Poland.

Many of the letters asked the CBC-IS Polish division for help finding relatives or some other type of assistance. For instance, one listener requested that the Polish division send birthday wishes to a brother living in Canada. The broadcast was heard when the listener from Warsaw reported: “Many sincere thanks for your kind help. I have learned that my brother has heard over the radio both the birthday greetings and the music played especially for him.” Others requested help learning English. A listener from Zarnow inquired, “encouraged by your broadcasts, I would like to ask [...] if someone could] send me regularly a Canadian English-language weekly or monthly. I would very much appreciate a geographical magazine.” A
request for English textbooks came from a listener in Gryfice who lamented, "English books are difficult to obtain in Poland [...] contrary to Russian textbooks, which are plentiful on the market, piled up high in the book store, because nobody wants to buy them."

Other letters requested suitable pen pals. The survey indicated, “there are a growing number of listeners who wish to correspond with Canadians of Polish origin and others. The majority of them are young people and they often send their letters in English.” A young collage woman from Skrzyszow stated, “I would like to correspond with a girl aged 15 or 16. I am interested in painting, folk songs and dance, also literatures. I also collect picture postcards.” A young girl from Bydgoszcz appealed to the Polish section to connect her with Canadians of similar age: “I would like to make friends, through letters, with girls and boys in grade 6 and 7. I would appreciate it if you would refer my letter to a scout organization and tell them I would like them to write to me in Poland.”

Other letters simply expressed their general gratitude for the broadcasts. One listener from Bedzin stated, “Thank you in the name of all Poles for your fine broadcasts, for your friendliness and your willingness to help.” Another listener from Cracow expressed her satisfaction: “Since April I have been listening regularly to Radio Canada Polish language broadcasts and find them most interesting. I know Canada only from my school lessons. Nevertheless, books like Jules Verne's Volcano d'Or and Montgomery's Anne of Green Gables left an impression, which remain to this day.” A man from Dabrowka said, “Your constant listeners from Bialystock province sends warmest greetings from Poland. [...] Your broadcasts are very
popular with us in Poland.” A fourth-year economic student from Poznan had this to say about the broadcasts:

Quite by chance, I came across the Canadian broadcast, and then and there our ‘acquaintance’ developed. Many of my friends, too, are listening to your voice from Canada. [...] we would like to hear a lot about Canada and its life – this is what we like very much and we find a great deal of it in the interviews, which are, perhaps, the most interesting feature. [...] Sometime [...] we come across political commentary – your commentary – which saves us reading the eternally monotonous Polish Press, our own press. Tell us as much as you can how things are in Canada, for we know perfectly well what is going on here.35

Caution must be exercised when assessing the importance of these letters from Polish listeners, and their significance should be kept within context. While it is certainly difficult to assess the precise impact of the CBC-IS’s broadcasts on Canadian-Polish relations, it is clear that the transcriptions and broadcasts complemented official Canadian policy by cultivating closer ties on various fronts. The 1956 directive to reduce, or eliminate altogether, Cold War-style rhetoric within transmissions and transcriptions and fostering a more moderate and respectful “tone,” was carried out under the Progressive Conservative government. Indeed, the work carried out by the CBC-IS Polish division during the Diefenbaker government helps to reinforce the notion that the 1957-1963 period was a decisive moment in Canada’s foreign policy in Eastern Europe. Moreover, the broadcasts are meaningful in that they indicate the Polish division’s work seemed to be having a positive impact on at least some of the Polish population. Significantly, these letters highlight the culmination of Canada’s Polish policy “on the ground” or “in the trenches,” so to

speak. They demonstrate the effectiveness of one facet of Canada’s Polish policy, nurturing closer binational ties; the CBC-IS Polish division certainly helped nudge this goal along.

In light of Poland’s nascent policy goal of fostering an independent foreign policy position separate from direct Soviet oversight, Canadian officials sought to nurture such aspirations by expanding cooperation in places other than the traditional political-diplomatic realm. Expanding cultural contacts was one piece of Canada’s policy equation that helped project an image of Canada in Poland, thus exposing it to Canadian social and cultural modalities. Canada’s cultural diplomacy with Poland during this time was slow, but it steadily improved over the course of the PC government’s time in office, partly due to the less ideologically charged atmosphere. While cultural exchanges developed at a leisurely pace, Canadian-Polish commercial relations progressed steadily, relatively speaking, and Poland provided Canada a market behind the Iron Curtain that could prove beneficial, particularly to Canadian farmers.

**CANADIAN TRADE FAIRS IN POLAND**

Poland’s limited trade with Canada in the immediate postwar period was impeded by disagreements over the Canadian customs valuation of Polish imports.36

During the St. Laurent government, however, Canada and Poland resolved the issue,

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36 Historian Aloysius Balawyder states, “On the one hand, Poland claimed that Canada, by imposing a 50 percent customs charge on such Polish exports as glassware and Christmas tree ornaments, was in violation of the most-favoured-nations treatment accorded Poland in the commercial treaty of 1935. Canada, on the other hand, accused Poland of dumping, of offering its goods to Canadian buyers at prices far below the world trade market prices. Since the Polish government continued to refuse to permit Canadian officials to ascertain the value of Polish goods, Canada maintained that its policy of imposing a custom charge was legal.” Aloysius Balawyder, *The Maple Leaf and the White Eagle: Canadian-Polish Relations, 1918-1978* (New York: Columbia University Press, 1980), 93.
when Canadian officials recognized that “the Gomulka government was in difficult times” and that it “was trying to maintain some degree of independence from the USSR and anything Canada could do to help would be useful.” 37 Such accommodationist tactics began under the Liberal government would continue once the Progressive Conservatives came to office.

Given the importance of Poland as an avenue for challenging Soviet hegemony in Eastern Europe, Canadian officials promoted participation in the annual Poznań International Trade Fair. A Canadian presence could showcase Canadian goods and provide an effective means of penetrating the Polish market. The DEA's European Division argued that participation in Eastern European trade fairs could not only improve trade relations, but also foster political goodwill.38 Beginning in 1957, Canadian exhibitions became a regular staple at Poznań, highlighting “one or two of [Canada's] leading export industries” that might prove enticing to the Poles. While the general purpose of the pavilion was to promote “trade as a vehicle for information about Canada,” immediate commercial sales did occasionally occur.39 For instance, during the 1959 fair, the Polish Foreign Trade Enterprise Varimex purchased the Gammacell 220 from Atomic Energy of Canada. The machine, used for checking the reactions of various materials to the effect of

gamma rays, had direct application in the plastics producing industry. While the commercial deals reached at Poznań were not especially lucrative, they do suggest Canada’s awareness that such a venue might serve as a conduit for cultivating favourable trade relations with Poland in the future.

Serving as Canadian chargé d’affaires during the XXVIII International Trade Fair in Poznań in 1959, Southam conveyed Canadian interest in the event in the Polish Journal, *Polska Gazeta Targowa*. Southam stated,

> Although the volume of trade between Poland and Canada is not large in relation to the total volume of trade of either country, the Canadian Government fully appreciates the importance of its development. In order to promote trade, officials of the Canadian Legation in Warsaw are ready at any time to put Polish firms and trading organizations in touch with Canadian firms, and vice versa, in an effort to find markets for each country’s products.

For the past three years, the Canadian Government has participated in the Poznan International Trade Fair to encourage trade further. From a modest beginning in 1957 we entered a larger exhibit in 1958 and this year’s exhibit of Canadian industrial products is much more comprehensive and displays a cross-section of products from a number of important Canadian industries.

It is true, outside the realm of wheat and barley, commercial sales between the two nations were modest at best. Even the sale of Canadian wheat to Poland was not especially striking when compared to sales elsewhere. But the significance lies less in the quantity of wheat sold and more in the political implications of such deals. Canadian participation in the Poznań Trade Fairs supported a key policy objective:

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40 LAC, RG20, Vol. 1261, File T-8-61, *Numbered Letter Canadian Legation Warsaw to Under-Secretary of State for External Affairs*, “Varimex purchased from Canada the Gammacell 220,” Polish Foreign Trade News, October 13, 1959. Inquiries for the purchase of power chain saws from Vancouver’s Power Machinery Limited and C.C.M. hockey equipment were also made by the Poles, but there was no evidence to suggest deals occurred.

bringing the two nations closer together on various fronts. The DEA’s European Division explicitly explained the importance of Canada’s participation at trade fairs in Eastern European countries. They were, in the view of the Division, “one of the only means our missions there have of doing public relations work for Canada. Our participation at [the fairs] is therefore of great interest to us provided our informational activities are not hamstrung.”\(^{42}\) This acknowledgment reinforces the notion that Canadian participation in trade fairs was more political than commercial in nature and that officials deliberately pursued various avenues to cultivate closer relations with Poland.

**CANADIAN-POLISH TRADE RELATIONS**

In his inaugural address on October 20, 1956 to the Plenary Session of the Sejm,\(^{43}\) Władysław Gomułka criticized the five-year plan (1956-1961), which prioritized industrialization and the development of heavy industry. He recognized there was a great gap in production between the state farms and the co-operative and private farms. While making clear his determination to develop home industries, Gomułka regretfully admitted that Poland had no choice but to buy grain.\(^{44}\) Gomułka had reason for concern. From the early 1950s until 1956, Polish agricultural productivity had declined at an alarming rate; communist policies

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\(^{43}\) The Polish Parliament

\(^{44}\) Balawyder, *The Maple Leaf and the White Eagle*, 95.
transformed Poland from an important food exporter to a desperate food importer.\textsuperscript{45}

This helps to explain why, as early as 1954, the Polish government applied to Canada for credit purchases similar to those arranged with Yugoslavia; however, Poland’s request was initially refused.\textsuperscript{46} At the time, Liberal Minister of Trade and Commerce C.D. Howe justified the decision stating, “no monies have been voted by Parliament for the extension of such credits,” and the Yugoslav sale was indirectly explained away by stating that “only under very special circumstances, and only on very few occasions, had the facilities of the Export Credit Corporation been used to facilitate the extension of private credit for wheat purchases.”\textsuperscript{47} By mid-1955, however, Howe modified his resistance to credit sales to Poland, and the Canadian Wheat Board sold it 250,000 tons of wheat on the basis of fifteen percent cash with a balance payable within one year.\textsuperscript{48}

In January 1957, just months before the end of the St. Laurent government, Polish officials approached the Canadian Legation in Warsaw to discuss Poland’s balance owing on a contract of wheat purchases. Under authority of Section 21 of the Export Credits Insurance Act, the Canadian government had guaranteed sales of wheat to Poland totaling \$22 million; \$12.5 million remained to be paid. The Polish government asked for the remaining balance to be deferred for one year. If Canada

\textsuperscript{45} Robert Mark Spaulding, “‘Agricultural Statecraft’ in the Cold War: A Case Study of Poland and the West from 1945 to 1957,” \textit{Agricultural History}, Vol. 83, No. 1 (Winter, 2009), 6.
\textsuperscript{46} Recall in chapter 4, that in 1952-53, Ottawa authorized the sale of wheat to Yugoslavia under short-term credit, which was insured by the Canadian Export Credit Insurance Corporation.
\textsuperscript{48} Morriss, \textit{Chosen Instrument}, 238.
provided Poland with a two-year credit, the Poles indicated they “would give Canada preference over other suppliers on future wheat purchases.” The Minister of Trade and Commerce recommended that “agreement be given in principle to a deferment to Poland up to one year on existing credits only on the proviso that Poland make additional purchases of grain from Canada.”

The terms were agreed to, and unlike the 1955-56 agreement, which stipulated Poland pay fifteen percent immediately with the remaining balance paid over one year, the new agreement was for ten percent, with the remaining to be paid over three years. “The difference is not a significant factor in risk calculation,” explained the Minister of Trade and Commerce, but the Poles “regard the 90% credit as important.” The agreement was also new insofar as it “may set a new pattern for future sales of grain under export credit insurance [...] The essential difference from previous arrangements is the commitment by the recipient countries to guarantee purchases not only for the immediate crop year, but for a year ahead.”

Indeed, this marked the first ever extended credit sale authorized by the federal government, and became known as “Polish Credit terms.” Just over a month later, Polish negotiators requested an additional 150,000 tons of wheat – in addition to the existing 150,000 tons – be

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51 Morriss, Chosen Instrument, 238.
added to the purchase of the current crop year. The Canadian government agreed.

While Howe’s initial reluctance to revise Polish credit terms was clearly reversed, leading to increased wheat sales to Poland in the final years and months of the Liberal government, this may have proved to be too little and too late to address the domestic political consequences of the financial pressures confronting Canadian Prairie farmers. They faced an international wheat market undermined by American wheat surpluses that were partly disposed of through gifts of international aid.

In fact, shortly after Gomulka’s politburo election as first secretary, American Secretary of State John Foster Dulles instructed the American ambassador in Warsaw to inform the new government that the United States was studying possibilities of assistance. According to historian Robert Mark Spaulding, seven months of negotiations followed that produced an economic agreement between the two countries, “the central element of which was ninety-five million dollars in US economic aid to Poland. Sixty-five million dollars of the package was agricultural aid under the terms of PL 480. Half of that amount, thirty-two million dollars, was long-term credit for immediate Polish purchases of five hundred thousand metric tons of

53 An interesting side note to what became known as “Polish credit terms,” was that the Soviet delegation, when negotiating their 1956 purchase, insisted on having precisely the same credit terms as those accorded the Poles written into their agreement. Having received that concession, “the Russians then punctiliously paid cash on all shipments under the agreement.” Morriss, Chosen Instrument, 238.
54 By 1955, the United States had a carryover of more than a billion bushels of unsold wheat. Try as it might, the Canadian Wheat Board could not market the growing glut, particularly in the face of aggressive US competition and giveaways under its PL 480 food aid program. Michael Hart, A Trading Nation: Canadian Trade Policy from Colonization to Globalization (Vancouver & Toronto: UBC Press, 2002), 189.
US grain.”55 The US government, too, saw political value in agricultural aid, and was willing to upset even its closest allies. Spaulding argues, “The US government was so firmly attached to these views regarding the role of agricultural aid to Poland that they refused to heed Canadian commercial objections to US plans.” Spaulding succinctly summarizes Canadian-American tensions:

According to [American] Deputy Under-Secretary of State for Economic Affairs C. Douglas Dillon, “the Canadians object vigorously, claiming that any wheat shipment on a concessional or long-term credit basis will hurt future Canadian sales.” Although the Americans made several high-level approaches to the Canadian government in an effort to resolve these differences, the Department could not convince the Canadians to drop their objections. In a very rare break with its Canadian allies, the State Department “determined that it is necessary to proceed with undertakings to supply wheat to Poland despite Canada’s position in the matter.” [...] [L]arge-scale Polish imports produced an unusually bitter split among North American allies that happened also to be commercial rivals in agriculture.56

While Canadian and American policy objectives coincided, in that they each saw the political benefits of “agricultural statecraft,” in this instance the consequence was a bitter commercial rivalry. This highlights the fact that Cold War alliances were not impervious to serious tension when national self-interests were at stake.

**ACCOMMODATING POLISH AGRICULTURAL NEEDS**

Once Diefenbaker became Prime Minister, historian Michael Hart states, “Prairie wheat farmers had reason to believe that someone in Ottawa would pay attention to their problems.” Silos in the West were still filled with surplus wheat, a situation worsened by the American PL 480 program that continued to undercut

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55 Spaulding, “Agricultural Statecraft,” 23. According to Spaulding, not only did agricultural aid emerge as the chief element in US efforts to influence the Gomulka regime, but the primary purpose of US aid was to help effect a restructuring of Polish agriculture away from its Stalinist practices.

Canadian sales everywhere, through concessional or dumped sales. According to Hart, “the world glut was driving prices to levels that seriously reduced Prairie incomes. [...] The Liberals had lost all but six seats on the Prairies. Now Diefenbaker had to deliver.”57 Consequently, accommodationist tactics with communist Eastern Europe continued under the Diefenbaker government. As has been shown in previous chapters, these same pressures had contributed to the development of the USSR and Yugoslavia trade deals. Ultimately, Canada’s greatest commercial success with Poland would prove to be in the area of grain exports. Hoping to find markets in Eastern Europe, Canada remained eager to sell its surplus wheat to Poland in spite of America’s PL 480 program.

As of the late 1950s, selling wheat under credit agreements was of interest to a limited number of countries, which had found short-term credit desirable because of foreign exchange and other financial considerations.58 Positive results from the sales to Poland led Canadian officials to further promote export of wheat to the Communist nation. Rapid growth in Poland’s population, the industrialization of its economy, and the gradual improvement of its standard of living were factors that ensured a steady market for Canadian grains in Poland.59 In a memorandum to Cabinet, Minister of Trade and Commerce Gordon Churchill supported selling Canadian wheat to Poland and cited the DEA’s perception of the importance of the broader political context in helping Poland during times of internal struggles:

57 Hart, A Trading Nation, 229.
The Department of External Affairs reports that on October 18th (1959) in an atmosphere of crisis the Polish Government announced an increase of 25 percent in the price of meat, reflecting a sharp deterioration in the food supply situation. This is a source of popular discontent, and on the opposite side an opportunity to be exploited by Stalinists who favour greater central control of the economy. [...] In the Canadian view, there is no doubt that the Gomulka regime is the best Polish Government the West can hope for in present circumstances and for the foreseeable future and it is in the West's interest to assist this regime to maintain stability.  

In other words, the sale of Canadian wheat to Poland was advantageous from both commercial and political points of view, aligning as it did with the government's policy of helping to promote Polish stability as a means to strengthen its autonomy within Eastern Europe. Said differently, the wheat sales were both domestic politics with a 'foreign policy hat on' and were motivated by international policy initiatives. As Spaulding aptly states, the importance of agricultural strategies "underscores the power of agricultural factors within the larger set of political and economic relations between Poland and the West."  

In 1961, Polish representatives approached officials from the Departments of Trade and Commerce and Agriculture and indicated they wished to purchase 300,000 tons of wheat under credit arrangements. They stated that Poland wanted to increase trade with Canada in order "to reduce its dependency for imported wheat requirements on the USSR and the USA." Years prior in 1959, however, Polish authorities were told the Canadian government wanted a ceiling of

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approximately $40 million, at any one time, on total export insurance coverage. As of September 1961, Canada’s Export Credit liability for previous grain shipments to Poland amounted to $38.9 million. Given that the maximum estimated insurance coverage required for the purchase of 300,000 tons of wheat was an additional $25 million, the export insurance coverage for Poland would total approximately $64 million, substantially higher than the $40 million ceiling agreed to in 1959. Despite this, both the Departments of Trade and Commerce and Agriculture recommended that “Poland be granted the request given its excellent record with respect to payments against previous shipments.”\textsuperscript{64} DEA officials also supported this position, despite suggestions then being advanced in NATO for the potential use of economic sanctions on bloc countries if access to Berlin was further threatened. It was recognized “the sale of wheat on credit at this time to a Soviet bloc destination might appear inconsistent” with potential NATO policy.\textsuperscript{65} Nevertheless, DEA officials felt “recent developments should not stand in the way of this sale.”\textsuperscript{66} Cabinet made no immediate decision.

In the meantime, Polish ambassador, Zygfryd Wolniak met with Diefenbaker to discuss Canadian-Polish trade relations, among other things. Ambassador Wolniak stressed Poland’s appreciation that the credit balance would exceed the $40 million ceiling, and “according to Poland’s traditional record, due payments would follow in due times.”\textsuperscript{67} Diefenbaker explained that the recommendations of

\textsuperscript{64} LAC, RG25, Vol. 5321 File 9533-40 part 6, Memorandum to Cabinet, September 5, 1961.
\textsuperscript{65} LAC, LAC, RG25, Vol. 5321 File 9533-40 part 6, Memorandum to the Minister, August 17, 1961.
\textsuperscript{66} LAC, LAC, RG25, Vol. 5321 File 9533-40 part 6, Memorandum to the Minister, September 12, 1961.
\textsuperscript{67} LAC, RG25, Vol. 5321 File 9533-40 part 6, Letter Polish Ambassador to Prime Minister, October 3, 1961.
the Ministers of Trade and Commerce and Agriculture were “favourable,” and that Cabinet would consider the question soon. Before Wolniak had the opportunity to write Diefenbaker expressing his gratitude for their cordial discussion, Cabinet met and approved further credit sales to Poland. The 1961 Canadian-Polish wheat agreement confirms Canada was pragmatic in its business relations with Poland. Additionally, it is an example of Canadian independence within the broader NATO alliance, demonstrating how officials in External Affairs, Trade and Commerce, Agriculture, and the Prime Minister were willing to resist potential NATO alliance policies. Officials not only understood that Poland was a good market for surplus wheat, but also that such deals proved politically advantageous on the domestic front.

THE CANADIAN WHEAT BOARD VISITS POLAND

Having become an important component of Canada’s export market to the Communist world, in April 1962 the Canadian Wheat Board sent a two-man team to Poland to investigate and analyze the Polish agricultural economy. While the task of Mr. C.C. Boxer, Canada’s European representative of the Board, was to engage in sales talks with the proper Polish authorities, Adolf Presber, a Canadian official of the Board’s Technical Services and Market Research Department, was to “go beyond the normal points of contact for foreign sales organizations,” by meeting “officials and organizations not directly involved in the grain importing business, but

representing that part of the country’s productive and distributive system which is using grain, and especially wheat, as a raw material for industrial food processing.”

As Presber explained in his report on the mission to Poland, “No previous attempt had been made to get acquainted with intermediate or end-users of Canadian wheat in Poland.” In fact, officials were initially skeptical about whether the mission would be well received by Polish authorities. Their skepticism was quickly dispelled. As it turned out,

the cordiality with which the mission was actually received and the detailed and drawn-out execution of the programme exceeded [Boxer and Presber’s] most optimistic expectations. [...] The hosts’ immense interest in technical details of Canadian grain handling and processing was only surpassed by their pride in their own work, and their eagerness for comments regarding it. [...] There was a marked tendency to compare the information [Presber] could provide with their knowledge of Russian methods and of technical progress in that country.

From the Polish perspective, the mission was valuable as it provided insight from one of the world’s leading agricultural experts. This was particularly important since, as Presber explained, “Poland [is in] the throes of industrial expansion, which is pushing her towards a place with the league of modern industrial states, but experiencing the agonies of lagging progress in agricultural development.” As a result of their visit, the mission made a few suggestions and voiced some apprehensions:

[The Wheat Board and Canadian government] should try and do more to make known to interested [Polish] government officials and technical people the nature of the foundations on which the reputation of our wheat has been established, and try to see that these groups receive the reports on the quality of Canadian shipments, regularly published by the Grain Research Laboratory. The Poles are very eager for further exchanges of technical experience and data. It was quite evident [...]

that their admiration for Canadian quality wheat found its match in their conviction of Russia’s lead in technical progress. Such a conviction could have detrimental consequences for Canada if the time comes when Russia is able to improve her export volume and grading programmes. Continuous proof of the West’s advances in milling and baking science might easily be a factor in persuading Poland to adhere to its policy of ‘two-source’ supply, even when such policy is no longer essential.70

From the mission, it was clear that Polish officials admired Canadian agricultural techniques and products. The hope was to maintain these positive impressions in the face of Soviet advances in agricultural techniques. Accommodating the Poles in the area of wheat sales and working closely with them to help improve their utilization of imported Canadian wheat complemented the government’s broader policy objective of supporting Poland’s drive toward self-sufficiency and greater international autonomy. Additionally, it showcased the triumphs of Western industrial innovations in the agricultural industry. The Canadian embassy in Poland was a proponent of the visit and was responsible for preparing the mission’s entire programme.71

The Wheat Board’s mission undoubtedly set a precedent for how to do business in Eastern Europe. Shortly after the visit, an article was published by the Department of Trade and Commerce’s periodical Foreign Trade titled, “Trading with Eastern Europe.” The article explained to readers that foreign trade in these countries was conducted as a state monopoly, with trading carried out by a small group of state-owned and operated foreign trade enterprises, comparable in scope

70 LAC, RG20, Vol. 2857 File 490-P6 part 10.1, “Report: on a Mission to Poland,” A. Presber, 1962. The exact date the report was completed is not given. The mission took place from 3-4 April 1962, so it is assumed the report was submitted shortly thereafter.
and operation to substantial import/export firms in Canada. When dealing with the foreign trade enterprises, the article explained,

> personal contact is by far the most effective method of introducing a new product. When discussing business [...] a number of copies of trade literature, specifications and price lists should be made available [...] It is sometimes possible for Canadian businessmen to achieve direct contact not only with the trade enterprise but also with the end-users; in this way, technical salesmanship can be made more effective.72

The personal contact and technical salesmanship of Boxer and Presber’s visit certainly proved valuable to Canada’s Wheat Board. The Poles were altogether impressed with the Canadians’ knowledge and willingness to engage in technical discussions.

In September 1964, the Canadian Wheat Board sent another two-man mission to Poland, this time for a full week. In their 1964 report, Adolf Presber (who went to Poland on the 1962 mission) and A. Kubicek stated, “the outstanding feature of our one weeks stay in the country was the overwhelming hospitality with which we were received by government officials, traders, millers, bakers, and, indeed, everybody concerned with our visit.” As a result of their visit, they recommended Poland be included in the Boards’ 1965 Mission program. The report explained,

> the use of Canadian wheat has become part of the established order for mills and bakeries and we are convinced that regardless of further development of the economy this state of affairs is not likely to change [...]. As far as our competitors are concerned we found that French wheat was considered generally unreliable in quality [...] With regard to Russia, Poland’s traditional supplier of cereals, our hosts were manifestly uncertain as to whether they could expect a partial restoration of the usual pattern of imports.

Presber and Kubicek’s recognition of Canadian wheat as part of the “established order” in Poland is in stark contrast to the 1962 report and alleviated some of the earlier 1962 mission’s concerns over the potential improvement of Russia’s export problems and grading programmes. According to their report, regardless of Soviet improvements, Poland intended to continue buying Canadian wheat because of its reliability and quality.

Similar to the Board’s 1962 report, in 1964 Presber and Kubicek explained that the Poles made very evident their desire to establish closer relations with technical people, and the Canadian officials recommended that the regular publications of the Wheat Board and of the Board of Grain Commissioners be made available to a number of Polish scientific institutions and flour mills. They claimed, “our own welcome would not have been worn out had we extended our stay by another two weeks, and were told time and again that visits such as ours should continue on a regular basis.”73 The experience and expertise provided to Polish officials and others concerned with the visit by the Canadian mission is a clear sign of bilateral cooperation that positively buttressed both commercial and political aspects of Canada and Poland’s relationship. As Canada sought new markets for its wheat – particularly in the face of America’s PL 480 program – Poland became a steady market for wheat export, albeit smaller than their relatively new Soviet and Chinese customers.74

74 For instance, China purchased a total of $91.8 million of Canadian wheat in 1961, and $134 million of Canadian wheat in 1962, and the USSR purchased $147 million of Canadian wheat in 1963. Ian M.
The wheat sales to Poland that took place from the 1956 to 1962, which were marked by annual short-term individual contracts, ultimately generated a series of long-term grain agreements between the two countries, with the first negotiated in 1963. As a result, in 1964, Canada sold to Poland the largest amount of wheat bushels to date – over $55 million worth – an amount that would not be surpassed until 1976, when Canada sold over $63 million in wheat to Poland. Subsequent long-term grain agreements were signed in 1966, 1972, 1977, and 1979.\textsuperscript{75}

Credit is given to Alvin Hamilton, Diefenbaker’s Minister of Agriculture from 1960 to 1963, for finding new markets for Canadian wheat. With his Cabinet appointment, Hamilton assumed responsibility for the Wheat Board, which, according to one historian, marked a breakthrough for Canadian wheat sales, since the minister was willing to be “unconventional” and gave “officials in the Wheat Board room to try new approaches”\textsuperscript{76} While attention is usually focused on Canada’s wheat deals with the People’s Republic of China and the USSR during the 1960s, wheat sales to other Eastern European Communist nations should not be overlooked; their importance is particularly noteworthy when placed in the broader context of Canada’s general policy toward Communist Europe.

While the Tories survived the 1962 election with a minority government, Canadians voted in a Liberal minority government the following April. Lester B.

\textsuperscript{75} Balawyder, \textit{The Maple Leaf and the White Eagle}, 95. Grain sales statistics were taken from a table on Canadian Grain Exports to Poland, which can be found in Balawyder, \textit{The Maple Leaf and the White Eagle}, 98.

\textsuperscript{76} Hart, \textit{A Trading Nation}, 231.
Pearson’s new government was held to a minority thanks largely to Diefenbaker’s strong support in the Prairies. Somewhat ironically, at least given the loyal support of the prairie demographic for Conservative agricultural policy, even more wheat was then sold under the Liberal government in subsequent years. Yet, the Tories continued to take credit for the breakthrough in wheat sales, and arguably they were justified in doing so.

**CANADA, POLAND, AND GATT**

Canadian-Polish wheat deals were carried out bilaterally, and this continued until Poland was admitted into the General Agreement on Tariffs and Trade (GATT) in 1967. Poland’s road into GATT was quite long, but the Diefenbaker government had supported Poland during its various stages of membership and since it first announced its desire to participate in the multilateral trading organization in 1958. The Canadian government’s support for Poland’s participation in what was, to that point in time, primarily a Western economic club, was motivated by both economic and political objectives. Essentially, the debate surrounding Poland’s accession to GATT was tied closely to its role in the Cold War and East-West relations, and Ottawa’s support of Poland’s accession reflects its broader policy of luring in the Poles as a means of attenuating their connection to the Soviet Union. Moreover, it highlights Canadian officials’ desire to use multilateral organizations as a means of buttressing its policy objectives for Eastern Europe.

In April 1958, Poland announced its desire to join GATT. If accepted, it was to be the first Communist nation to join the organization since its inception in 1947.

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Czechoslovakia, while a member, was not Communist when it participated in the organization of GATT.\textsuperscript{78} Since its inception, many GATT members wished to keep the organization predominantly Western. But as historian Francine McKenzie explains, “the desirability of keeping Communist countries out of GATT became a more complex and pressing question in the late 1950s when Poland, Romania, Hungary, and Yugoslavia all applied to join.”\textsuperscript{79} The move by Poland, Hungary, and Romania to join GATT was especially politically charged given they were also founding members of the Council of Mutual Economic Assistance (CMEA), established by Stalin in 1949 as a means to tighten Soviet control over the satellites.\textsuperscript{80} As a result, accession into GATT by communist nations could have repercussions on the CMEA, causing it to loose strategic value. Considering Communist applications to enter GATT were multidimensional, McKenzie explains some of the perplexities:

At one level, the contracting parties considered these applications in terms of commercial compatibility with the GATT. How could countries without a tariff structure or a free market join GATT? How could they participate in trade negotiations that had hitherto primarily involved the lowering of tariff barriers? Making a decision about their admissibility based on GATT rules alone would have led to a fairly straightforward refusal despite GATT provisions for state trading countries.\textsuperscript{81}

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\textsuperscript{80} Francine McKenzie states that early US assessment had predicted that “jolting” the CMEA would weaken Soviet dominance and that “the repercussions are bound to be felt in the political, military, and cultural spheres.” See, fn. 79, FRUS, Vol. V, p. 53, Report to the President by the National Security Council, “United States Policy toward the Soviet Satellite States in Eastern Europe,” December 8, 1949, in McKenzie, “GATT and the Cold War,” 97.
\textsuperscript{81} McKenzie, “GATT and the Cold War,” 97-98.
Economic considerations were not the lone driving force behind the decision of whether or not to admit Communist nations into GATT. Political and geostrategic considerations were also important.

From the moment Poland applied to GATT, Canada’s position revealed the nuanced perspective of the contracting parties; Canada’s views aligned with the executive secretary of GATT, Eric Wyndham White. Wyndham White believed that GATT had to come to terms with state trading countries, and his position was exemplified when the secretariat unilaterally granted Poland and Romania observer status in 1957. Some members feared that Polish membership would undermine GATT and be unfair to the contracting parties who were trying to adhere to GATT standards; this objection, however, was often exaggerated. Canada had already extended most favoured nation status to Poland, so Polish access to GATT would not necessitate any drastic change in economic relations. The American position was noncommittal and other contracting parties supported a variety of positions. Some favoured Polish accession while others were opposed, fearing Poland might be a stalking horse for the Soviet Union. A compromise was reached, which neither shut Poland out, nor let it in. A new category of “associate state” was created for Poland that gave it partial access to GATT forums without the commercial privileges.

82 McKenzie, “GATT and the Cold War,” 100.
85 McKenzie, “GATT and the Cold War,” 103.
As McKenzie aptly puts it: “This in-between stage reflected different Western views about whether isolation and containment were more effective than contact and engagement as tactics to bring about the defeat of Communism.” Canada clearly supported the latter position, preferring engagement and cooperation to temper Polish dependence on the USSR. Polish Vice Minister of Foreign Trade, Franciszek Modrzewski, expressed his appreciation for the part played by the Canadian member of the working party during discussions pertaining to Polish membership: “the Canadian was the most active member of all in seeking a formula for a meaningful association for Poland.” Not only does Modrzewski’s statement indicate Polish appreciation for Canada’s genuine desire for a meaningful association, but it also reflects Canada’s use of multilateral organizations in its pursuit of carrying out its foreign policy in Eastern Europe.

The DEA was even anxious about potentially delaying responses to Polish requests. Following its admission as an “associate state,” the Polish government had engaged in informal discussions with various contracting parties to assess whether full membership should be pursued. Canadian officials believed the Poles would expect a firm decision on their application to be taken at the fourteenth session in 1959. Norman Robertson expressed the DEA’s trepidation: “In this department we are concerned about the possible effects of the long delay in dealing with the Polish issue on the efforts of the Polish authorities to develop their political and economic

86 McKenzie, “GATT and the Cold War,” 103.
relations with the West and to some extent to reduce their dependence on the USSR.” The Under Secretary stated, “even a negative decision on the Polish application would be preferable to a continuation of the present uncertain situation.” Essentially, the DEA feared that any prolongation of a decision might lead Poland to withdraw its application.\(^8^8\) In the end, the DEA’s anxiety proved unwarranted since Poland did not withdraw its application. To Canadian officials, however, whether Poland was incorporated into GATT was considered “especially significant since it may set a pattern for relations under GATT with the Communist countries.” In the view of USSEA O.G. Stoner,

> The formula adopted for Poland simply provides the framework for closer relations and for consideration in GATT of particular problems and difficulties. The exact significance of the Polish association will therefore emerge gradually as particular problems come to be considered and the policy of the Polish government is developed.\(^8^9\)

In other words, the value of Poland’s association with GATT – even though this would require a pragmatic and flexible approach to ongoing initiatives – trumped the challenges bound to surface as a result of their state trading policies.

At GATT’s fifteenth session in November 1959, members agreed on a declaration that stated their “desire to have the further development of their trade relations [with Poland] guided by the objectives set out in the Preamble to the General Agreement on Tariffs and Trade.” This meant essentially a limited association for Poland, and that contracting parties wished to see an expansion of

\(^{88}\) LAC, RG19, Vol. 4206 File 8714-33/P762 part 1, Under-Secretary of State for External Affairs to Deputy Minister, Department of Trade and Commerce, Deputy Minister, Department of Finance, Deputy Governor, Bank of Canada, “GATT – Polish Application,” April 27, 1959.

trade with Poland. The declaration would only come into force when it was accepted by Poland and by two-thirds of the contracting parties. Modrzewski explained to Southam that Polish officials sincerely hoped that Poland’s new association would be helpful in developing its trade relations with Western countries. “The next step,” Modrzewski noted, “was to round up the necessary ratifications by two-thirds of the GATT's members.”

Southam suggested to the USSEA that since Canada “was one of the countries which gave particular support to the idea of Poland’s association with GATT, it would be seemly for us to be among the first countries to ratify [the declaration].” Howard Green agreed. On behalf of the Minister of Finance, Minister of Trade and Commerce, and his own department, Green asserted, “it is expedient that this declaration be signed on behalf of Canada.” In the end, the contracting parties kept the declaration vague. Only a weak form of association between Poland and GATT was formed, and there was no reference to the possibility of future, full GATT membership for Poland. While Canadian officials took the lead in pressing for a more meaningful formula with substantive commercial policy content, their efforts were frustrated, mainly by the UK, various other Western European countries, and the United States, which worked for a compromise formula that mostly favoured the UK. Canadian officials believed the UK favoured a weak association partly due to a

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90 LAC, RG19, Vol. 4206 File 8714-33/P762 part 1, Secretary of State for External Affairs to the Governor General in Council, April 5, 1960.
93 LAC, RG19, Vol. 4206 File 8714-33/P762 part 1, Secretary of State for External Affairs to the Governor General in Council, April 5, 1960.
disinclination to forego benefits arising from their bilateral trade relations with Poland. Additionally, as McKenzie explains, British officials “were sceptical that trade ties could facilitate a diplomatic realignment, particularly because Khrushchev’s intention to use CMEA to create ‘an integrated economic empire’ was moving forward and Poland’s ‘freedom of manoeuvre’ seemed restricted because it now required CMEA’s permission to import Western products.” Regardless, this is another example of Canadian officials pursuing a policy at odds with its most important allies, thus highlighting how the blocs were not always united.

The next decision for Canada was whether it would negotiate with Poland during the course of GATT’s 1960/61 Tariff Conference. The Poles proposed to negotiate “minimum import commitments” against tariff concession by GATT countries. This was not in the original declaration, but the Ministry of Finance argued that going beyond what was embodied in the recent GATT declaration would be in Canada’s economic and political interest. Canada’s Permanent Representative to the European Office of the UN in Geneva, Max Wershof, saw six major benefits to Canada’s engagement with Poland during the Tariff Conference. First, a closer trading relationship between Poland and GATT countries would have important political implications as “it would bring Poland closer into the orbit of the Western world and make a lasting contribution to improved and more stable East-West relations.” Second, if trading arrangements could be worked out they “could

94 LAC, RG19, Vol. 4206 File 8714-33/P762 part 1, Note on the Association of Poland to the GATT, Finance Central Files, n.d.
95 McKenzie, “GATT and the Cold War,” 103.
96 LAC, RG19, Vol. 4206 File 8714-33/P762 part 1, Note on the Association of Poland to the GATT, Finance Central Files, n.d.
provide a general basis for orderly multilateral trade relations between state trading and free trading enterprise countries.” Third, the Polish proposal would open up new opportunities for expanding trade, since

the greater multilateralization of trade with Poland, and the corresponding decrease in bilateralism in its trade with Western European countries would open up new opportunities for competitive suppliers. This in our view is an important consideration for countries such as Canada, which are efficient producers of raw materials and agricultural products, and whose trading interests are being damaged by bilateralism, not only in the Polish market but also in the markets of Western European countries which exchange trade advantages with Poland on a bilateral basis.

Fourth, negotiating with Poland would likely lead to a steady growth of the Polish import market. In turn, this would result in increases in living standards in Poland. And in a country with a population of nearly 25 million, sharing “the benefits of the expansion of the Polish market is [...] an important long term consideration.” Fifth, Canada already extended MFN tariff treatment to Poland and had no quantitative restriction against Polish exports. A number of other contracting parties, however, had not extended MFN status to Poland (particularly the US) while others had quantitative restrictions on Polish goods (notably most Western European nations and the UK). If these obstacles could be reduced, the possibility for Poland to export would increase, which would lead to an increase in its capacity to import, which could lead to “a substantial increase in Canadian export sales to Poland.” Lastly, since Canada already extended MFN tariff treatment to Poland, “satisfactory commitments by Poland to purchase products in which Canada enjoys a competitive advantage (like hard wheat, aluminum, synthetic rubber, or wood products) might be expected in return for little or no further tariff concessions on the part of
Canada. While all but one of the beneficial factors are specifically and firmly rooted in economic concerns, political sensitivities still informed the others and buttressed all commercial considerations by relating them to the inescapable political context of the Cold War.

Cabinet saw the benefits as well. In his instructions to the Canadian delegation of the sixteenth session of GATT in May 1960, Green advised,

Cabinet has approved the Declaration associating Poland with the General Agreement and has agreed to procedures whereby consultations are to be conducted by individual contracting parties to explore the possibility of Polish participation in the negotiations.

In line with the Canadian Government’s policy of exploring ways and means of establishing mutually advantageous trading relations with countries in the Soviet Bloc, the Canadian Delegation should be authorized to enter into consultations with the Polish representatives at this Session and to explore the possibility of meaningful negotiations between Canada and Poland... Canada’s position regarding the accession of Poland into GATT is telling insofar as it reveals Canada’s desire to engage with Poland through a multilateral organization. Canada’s objective to have Poland play a more meaningful role in GATT was often contracted by various Western nations. Regardless, Canada’s position exemplifies its desire to engage with Poland to expose it to capitalist modalities and to attenuate the USSR’s control over that country. Moreover, the Canadian government’s desire for Poland to be an active member of GATT is a reminder that matters of commercial importance were rarely isolated from political considerations.

CONCLUSION

As bilateral Canadian-Polish relations improved, Canada engaged in a modest cultural diplomacy program. While cultural exchanges were not as prevalent as compared with Yugoslavia or the USSR, Canada and Poland did slowly nurture these relations, and they became an important component of Canada’s Polish policy equation. Whether through art exhibits, academic exchanges or film showings, the predominant motivation was exposing the Polish population to Canada’s “way of life.” The CBC-IS Polish division was one important element of Canada’s informational activities, and its actions dovetailed nicely with External Affairs’ policy of increasing Polish autonomy with respect to the Soviet Union. The 1956 directive to eliminate Cold War-style rhetoric and foster a more moderate and respectful “tone,” was carried out under the Progressive Conservative government, and the work carried out by the CBC-IS Polish division during this time helps to reinforce the notion that the 1957-1963 period was a decisive moment in Canada’s foreign policy in Eastern Europe. On top of that, it highlights consistency across Conservative and Liberal administrations.

Through direct transmissions from Montreal and by sending transcriptions to Radio Warsaw, Canada was able to disseminate knowledge of Canada, on various subjects, within Poland. As a result of the CBC-IS Polish division’s efforts, a modest following of Polish listeners developed, some so engaged they would send letters to Montreal. Often this correspondence expressed gratitude and appreciation for the content. Many of the letters also conveyed a sense of relief, knowing that others were listening to their struggles and providing hope. The CBC-IS Polish division
illustrates an effective approach to Canadian cultural diplomacy, intended to challenge and break down ideological barriers.

While Canada’s cultural diplomacy in Poland was one arrow among many in its Cold War foreign policy quiver, commercial relations opened other important avenues for influencing developments in Eastern Europe. Canadian participation in Poland’s annual Poznań trade fair created opportunities to penetrate the Polish market, engendered political goodwill, and became a consistent component of Canadian economic statecraft in the region.

International and environmental events aligned to bring the two nations together, as Poland needed wheat and Canada needed international consumers for its excess grain supply. Sales with Poland were carried out under Section 21 of Canada’s Export Credit Insurance Act, whereby the government guaranteed payment in case a purchasing party defaulted on payment. The Canadian government proved flexible with respect to the grain sales to Poland, as seen when it agreed to temporarily increase the existing insurance ceiling by approximately $24 million. Poland became an important market for Canadian grain when the Canadian Wheat Board looked east of the Iron Curtain to bolster international sales undermined by America’s crippling PL 480 program.

In 1962 and 1964, the Wheat Board sent a two-man delegation to Poland to expand networks of contacts. The delegation struck an immediate rapport with Polish officials and others involved in various stages of cereal processing. Canadian wheat and technical knowhow in the handling and processing phases greatly impressed the Poles, and undoubtedly contributed to Poland’s continued desire to
buy Canadian grain. Initially, the two nations conducted short term wheat agreements until 1963, when the first long term contract was signed, ultimately leading to a series of future long-term arrangements.

Most often, if not always, Canada’s relations with Poland were politically motivated, and the debate surrounding Poland’s accession to GATT was no different. From the beginning, Canadian support for Polish accession into GATT was tied closely to its role in the Cold War and East-West relations. Essentially, Ottawa’s support of Poland’s accession reflects its broader policy of engagement as a means to attenuate connections with the Soviet Union. Moreover, this episode highlights Canadian officials’ preference to use multilateral organizations as a means to achieve their foreign policy objectives in Eastern Europe.

Overall, relations between Canada and Poland were governed by the nexus of middlepowerism, as both countries wished to see international tensions eased in order for each to exercise some degree of autonomy and national control relative to their superpower Cold War patrons, especially given that relations were often governed by international events beyond their control. Direct bilateral relations, as well multilateral institutions, proved important for advancing their relationship. Clearly, contact and engagement with Poland was preferred over isolation and containment. Canada sought to cultivate closer ties with Poland to encourage Polish independence, and promote Gomulka’s independent course, which Canadian officials understood to be a vital component of Poland’s foreign policy. Simultaneously, this policy of engagement was mutually advantageous for quite pragmatic reasons, such as buying and selling grain. Regardless of the context –
bilateral or multilateral – and despite the motive – political, cultural, ideological, or economic – Poland became an important component of Canada’s policy toward Communist Eastern Europe, an especially notable development given Poland’s obvious alliance with the group of Warsaw pact nations.
Conclusion

In a Cold War dominated by two superpowers, it was not always easy for Canadian governments to navigate the waters of international relations in directions that maximized a middle power’s freedom of maneuver. Building on the post war foundation established by Liberal governments from the late 1940s to the mid 1950s, John Diefenbaker’s Progressive Conservative government, when it came to office in 1957, mainly adopted a moderate stance towards the USSR and Eastern European communism generally. Such an approach was informed by a fundamental understanding that reduced global tensions created opportunities for more independent directions in Canadian policy-making, both in and out of alliance frameworks.

Why this period is significant lies not in the idea that stark policy changes occurred under the Diefenbaker government, but in the reality that the general policy direction toward Communist Eastern Europe remained consistent. Much of the existing scholarship on Diefenbaker’s foreign policy unfavourably compares the dismal failures of the Progressive Conservative leader to the so-called ‘golden age’ of Canadian foreign policy that was shaped by preceding Liberal governments. Yet, the progressive thinking and pragmatic policy development that began during the post-war Liberal government continued with the Progressive Conservatives, even as the international situation changed significantly, suggesting Diefenbaker’s foreign policy was less an aberration than has been previously argued. Canadian diplomats and civil servants worked equally hard to cultivate closer political, commercial, and
cultural relations with Communist Eastern Europe during Diefenbaker’s time as Prime Minister as they did under Louis St. Laurent’s Liberal government.

Another reason why this period is important lies, again, not with policy directions set by the Progressive Conservatives, but instead with the fact that their time in office coincided with major international changes beyond their control, in the Soviet Union and Communist Eastern Europe. The increased liberalization campaign ushered in by Khrushchev encouraged the Canadian government to pursue a policy of Cold War by “other means,” engaging in cultural and commercial policy more proactively and aggressively. This is a policy that would have most surely been pursued by the Liberal Party had they been re-elected in 1957.

Arguably, Canada’s international stature was at its height in the immediate post-war period and then began to wane in the years that followed, largely due to broader global developments well beyond its control. Still, Canada’s international influence was not completely diminished and its foreign policy was hardly dormant or unproductive in the 1950s and 1960s. In fact, as noted in chapter one, widely respected diplomat Robert Ford maintained that Canada was actually entering an era of greater flexibility in the international arena, in large part due to the strategic stasis that had developed between the superpowers. As a moderate middle power and a nation that shared a continent with one of two global superpowers, other governments sometimes perceived Canada as uniquely situated to influence international affairs. And, Canada shared many geographic and natural similarities with its Soviet superpower neighbour, so both countries inevitably had vested
interests in one another’s innovations and developments, further contributing to Canada’s unique global position.

Having fully recognized the important political developments occurring east of the Iron Curtain, most notably the changing of the Soviet old guard and subsequent effects of this throughout Eastern Europe, the Diefenbaker government continued the nascent approach of its predecessor and pursued a pragmatic policy with Communist Eastern Europe. Broadly speaking, the primary goal of the government’s policy was to attenuate Soviet control over Eastern Europe by fostering closer ties with select Eastern European nations. Engendering closer political, commercial, and cultural relations with the region, it was believed, would build bridges between East and West, break down ideological barriers, and ultimately reduce Cold War tensions. The Canadian government viewed Yugoslavia and Poland as two important countries where Canada could cultivate closer relations to offset Soviet influence. Recall from chapter one, for instance, SSEA Sidney Smith’s advice to Cabinet that the government should be as forthcoming as possible with exchanges with Poland and Yugoslavia in order to weaken the ties of these countries with the Soviet bloc and to increase their political and commercial links with the west. Yugoslavia, having broken with the Warsaw Pact in 1948 and having championed the non-aligned movement, was a more obvious target of Canada’s attention in Communist Europe; yet even Poland, firmly situated in the Soviet bloc, was also courted. Additionally, Canada pursued closer political, commercial, and cultural relations with the USSR as well, hoping to expose it to
Western modalities and showcasing that the West was neither entirely homogenous nor blindly following American foreign policy initiatives.

As the communist and capitalist camps moved ever closer to military strategic stasis by the mid-1950s, various other “battlegrounds” would prove important in waging the Cold War by “other means.” Of course, geostrategic and geopolitical considerations were still very much woven into the fabric of international policy frameworks. Other strategic policy initiatives, however, were becoming increasingly recognized as viable means to advance a nation's foreign policy objectives. As a result, the Canadian government pragmatically pursued favourable political, and ad hoc commercial, and cultural relations with the USSR, Yugoslavia, and Poland.

Khrushchev's revelations at the Twentieth Party Congress in 1956, and his denunciation of Stalin's cult of personality, paved the way for a new direction in international diplomacy. Canadian officials understood that Khrushchev still believed in the inevitable victory of communism over capitalism, but now most believed that the Soviet Union would not pursue this end through aggressive military means. Instead, ideological supremacy would be achieved through economic and cultural methods.

Within the framework of Cold War by “other means,” the Canadian government pursued a three-pronged approach to advance its policy interests: constructive political-diplomatic engagement through traditional interactions and exchanges of diplomats and civil servants, closer commercial relations, and the development and implementation of cultural exchanges.
On the political-diplomatic front, Canada’s foreign relations with the three communist nations were quite different. When Secretary of State for External Affairs Lester Pearson visited Moscow in 1955, this proved to be a watershed moment in Canadian-Soviet relations. While the visit reaffirmed Pearson’s belief that the Soviet Union’s main objective remained national security, it also opened the door to more open political discourse, not to mention fruitful trade deals. What contemporaries deemed the Soviet economic offensive represented the broad extent of the Soviet Union’s non-military “threat” and epitomized for Canadian officials the new course of Soviet foreign strategy. Other Western nations also regarded the economic offensive as a significant issue requiring serious analysis and response. Yet while there was open dialogue on Soviet economic tactics within the NATO alliance, its members, particularly Canada, insisted that this economic dimension of the Cold War could be better addressed not just through multilateral relations, but also through direct bilateral approaches with the USSR.

With all three communist nations, Canada engaged in constructive diplomacy. The issue of the Polish art treasures initially stunted Canadian-Polish relations. The Polish government refused to promote its diplomatic mission to embassy status until the treasures were at least partially returned. Yet, the issue was kept relatively quiet, and the Polish government did not use the affair for political propaganda purposes. This suggests an implicit mutual understanding between middle powers: neither party would gain politically if the issue became a Cold War spectacle. Once the issue of the Polish art treasures was resolved, the Canadian and Polish governments pursued open communications and promoted
sound diplomatic relations, best illustrated by the establishment of their respective embassies in April 1960. The Canadian government also displayed deference for the Polish government when it entertained, at least modestly, the Rapacki Plan. For Canadian officials, it was believed that open and respectful political dialogue was an important first step in softening the Polish communist doctrinal attitude, which in turn could help loosen ties with the USSR.

While diplomatic relations with Yugoslavia were politically and ideologically charged, they were mostly positive and were seen as mutually advantageous. Yugoslavia’s refusal to sign the Twelve Party Declaration in late 1957 signaled Canada’s opportunity to establish closer ties with the “renegade” communist nation. Yugoslavia’s position as unofficial leader of the non-aligned movement meant it occasionally faced, head-on, the wrath of the Soviet bloc. Canada generally supported Yugoslavia’s non-aligned position, since it presented a clear alternative to Soviet communism and showcased for other Eastern European communist nations that independence was attainable, at least theoretically. While Canada and Yugoslavia subscribed to fundamentally different ideologies, both saw in each other the similarity of living in the shadow of a powerful superpower; middlepowerism became common ground on which to build a working relationship.

While high-level meetings between superpowers have received much attention, much less has been accorded great power-middle power meetings. Anastas Mikoyan’s brief stopover in Nova Scotia in 1959 and the genial reception he was accorded testified to the Canadian government’s efforts to maintain a good political rapport with the USSR. The exchange of letters between Prime Minister
Diefenbaker and Premier Khrushchev confirmed the Prime Minister's belief in the value of frank exchanges of views and the Progressive Conservative government’s desire to foster an open political dialogue with the communist superpower, despite the fact that the ideas expressed never went beyond the general positions of each respective alliance. The exchange of letters proved a stark contrast with Diefenbaker’s scathing address to the UN General Assembly in 1960, during which he fiercely criticized Soviet “imperialism” and their treatment of the region’s “captive nations.” The speech was a public forum through which Diefenbaker could engage in a fiery rhetorical assault on Soviet communism, but the exchange of letters proved that he was equally capable of engaging in cordial private diplomacy.

While the Canadian government was well aware of the so-called Soviet economic offensive and its potential implications for Canadian businesses, an almost equally disconcerting problem came not from Canada’s communist neighbour, but from its closest alliance neighbour to the south. The United States’ PL 480 program significantly harmed Canadian wheat exports. As a result, the Canadian Wheat Board sought out new markets, and Communist Eastern Europe proved itself a viable export region. The USSR, Poland, and Yugoslavia all purchased Canadian wheat in large quantities during Diefenbaker’s time in office. With respect to the USSR specifically, Canadian officials expediently dropped the ideologically charged economic offensive perspective and welcomed the USSR as an important customer. Moreover, the Diefenbaker years should be seen more as a bridge in bilateral relations between the two nations rather than a decisive moment. While the Liberal government signed a groundbreaking trade deal with the USSR in 1956, such an
agreement would not again be reached during the subsequent Progressive Conservative government. Although, negotiations surrounding the renewal of the 1956 agreement (which saw a fraction of the trade of the previous agreement) are telling insofar as they represented a crossroads between the USSR’s state-trading and Canada’s capitalist economic systems. The Soviets, with grain supplies boosted by the success of their Virgin Lands campaign, pushed hard to level a large trade imbalance with Canada, while the Canadians sought not to commit to any kind of purchase obligation and instead offered to promote Soviet imports in a “presidential manner.”

The Diefenbaker government witnessed more success in both Yugoslavia and Poland. Granted, while the amount exported to both countries was modest when compared to Canada’s overall wheat exports, the broader political significance cannot be overlooked. Both trade deals were carried out under Section 21 of the Export Credit Insurance Act, which provided that the ECIC guarantee payment should the contracting government fail to pay its bills. It is also notable that the terms of the agreements were made more favourable for both nations, when compared to the previous Liberal government; for instance, the Diefenbaker government allowed the ceiling to be raised on the dollar amount of export insurance coverage on a Polish purchase of wheat.

The two-man delegation sent to Poland by the Canadian Wheat Board in 1962 and 1964 is a fine example of Canada’s economic statecraft taken to the next level. The delegation went beyond talk of sales and directly engaged with Poles involved in the productive and distributive system. This unquestionably
strengthened Poland’s commitment to purchase Canadian wheat as a deep respect for Canadian understanding of agricultural processes was entrenched within Polish officials and professionals.

Wheat exports to the USSR, Poland and Yugoslavia are good examples of domestic politics ‘with a foreign policy hat on’ – as they sought to alleviate the growing surplus of Canadian wheat – and were calculated foreign policy initiatives designed to bridge the gap between East and West. Moreover, wheat exports to Communist Eastern Europe were not only calculated moves in the government’s Cold War economic statecraft with respect to the Soviet bloc, but were also motivated by the need to address the challenging global wheat market that was undermined by Canada’s most important ally, the United States, through its PL 480 program.

Canada also participated in Poland’s annual Poznań trade fair, largely in an effort to penetrate the Polish market and to engender political goodwill. With Yugoslavia, Canadian officials understood the importance of raw materials and capital equipment to Yugoslavia’s industrialization process. As a result, Ambassador Robert Ford pushed aggressively to see certain Canadian firms engage in business deals with the Yugoslav government, sometimes to the annoyance of Canada’s Ministry of Finance.

The third non-military prong of the government’s foreign policy equation was cultural diplomacy. Cultural exchanges during this time were beginning to be seen as a real and viable foreign policy tool. Primarily, they supported broader political initiatives that had been defined by normal policy channels. In this period,
the Canadian cultural footprint was indeed imbedded into select Communist Eastern European states. Canada and the Soviet Union made impressive strides in the realm of cultural exchanges during this period. Canada did not establish a formal cultural agreement with the USSR, or with any nation for that matter. Instead, the governments worked within a *quid pro quo* style arrangement. While the Soviets pushed for a formal agreement, the Canadian government hesitated principally because there was no federal agency through which to administer such exchanges and because Canada’s federal system of government complicated matters when it came to the subject of culture.

The Canadian government struggled to maintain equal and balanced reciprocity of exchanges with the Soviets in this field, especially since Soviet artists, athletes, and academics had the weight of the government behind them in the form of the Ministry of Culture and the State Committee on Cultural Relations. Canadian ambassadors in Moscow, notably Arnold Smith, worked hard to try and even imbalances and suggested that the government actually exercise some power and authority by withholding the necessary visas for Soviet artists, athletes, and academics. Additionally, Smith himself was initially involved in the exchange of visits between the Montreal Symphony Orchestra and the Red Army Chorus, among others, thus highlighting that government officials both saw the importance of such exchanges and were willing to do their part in advancing them.

Hockey also became a viable point of contact between Canada and Communist Europe. Poland and the USSR were keen to be kept up to date on Canadian hockey. Canadian amateur teams often visited the USSR and were greeted
with much fanfare by both the public at large and the media. The Poles were kept informed through radio broadcasts.

Canadian radio broadcasts to Poland by the CBC-IS Polish Division proved to be an important component of Canada's informational activities in Communist Eastern Europe, and dovetailed well with External Affairs' desire to increase Polish autonomy through increased exposure to Western culture and practices. Letters sent directly to CBC-IS's Polish Division do suggest that Polish citizens were listening and that Canadian broadcasts were, at least modestly, building cultural bridges between East and West.

Of the three countries examined, Canadian-Yugoslav cultural exchanges perhaps witnessed the greatest, though still modest, success with respect to academic and technical exchanges. NRC fellowships, while setting off at a snail's pace, slowly generated momentum. Yet, hanging over these exchanges was the fear of Yugoslav authorities who worried that, once in the West, Yugoslav scientists would never return home; this highlights the very real fact that cultural relations were still governed by ideological proclivities.

Overall, the Diefenbaker-Khrushchev period marks a decisive moment in Canada's history with Communist Eastern Europe. This is not to suggest that the period witnessed groundbreaking initiatives or that the government wielded power beyond its moderate, middle power influence. Rather, building on the foundations laid out by the previous Liberal government, the Progressive Conservative government pragmatically utilized its unique position between the two global superpowers – both within multilateral frameworks and bilaterally – to engender
closer political, commercial, and cultural relations with select Eastern European nations as a means of building bridges between East and West. With its goal of attenuating the influence of European communism, the Canadian government pursued avenues old and new, as they engaged in the Cold War by “other means.”
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