

as well as links with and influence in South-East Asia, through the location of East Pakistan.

(c) It is now evident that Pakistan, although a somewhat artificial creation, will survive as a separate state for an indefinite period. Like India, it is now one of the few Asian countries with a strong, stable government. It is anti-Communist in its outlook and should be encouraged in every possible way to resist the spread of Communism both within Pakistan and among its neighbours. We should do our share in maintaining and strengthening the Western influences in Pakistan. Pakistan favours continued membership in the Commonwealth and has advocated closer Commonwealth co-operation and consultation. It has, however, on occasion been critical of what it considers to be lack of support from Commonwealth countries. It is uncertain at present whether Pakistan will continue its present form of membership in the Commonwealth or whether it will follow the example set by India and establish a republic within the Commonwealth. It seems important that we should, by the sending of a High Commissioner, indicate that we attach importance to Pakistan's membership in the Commonwealth and that we do not relegate Pakistan to a less favoured position than India.

(d) Because of the strategic value of Pakistan's location, it would appear that Canada should make some effort to cultivate good relations and to understand Pakistan affairs. Pakistan, particularly West Pakistan and the air bases about Karachi and further north, would have great strategic importance in the event of a war with the Soviet Union. The defence of Pakistan against Soviet pressure on her North-West Frontier is of great value to the Western Powers, and might be vital in keeping the Persian Gulf open in the event of war.

In addition, as Pakistan has demonstrated her interest in what Canada is doing in the defence field by sending a military mission to Ottawa, it is felt we should do what we can, despite the security difficulties, to develop closer relations in this field.

(e) It would seem important to keep ourselves informed of political, economic and other developments in Pakistan and the aims and problems of her government, partly for the reason given in (d) above. The opening of a mission would seem to be the only way to obtain adequate and systematic reports on Pakistan. For example, on the Kashmir dispute it has been felt that we have been receiving, inevitably, somewhat one-sided accounts from our mission in New Delhi. It is desirable to obtain an understanding of Pakistan's views on her relations with India on Kashmir and other questions, as well as of Pakistan's present tense relations with Afghanistan.

(f) Over a period of time there should be great possibilities for expanding Canadian exports to Pakistan, particularly if the Pakistan Government pursues its declared policy of industrialization. Pakistan, in contrast to India, has enjoyed a favourable trade balance and has recently been in the perhaps unique position of being a net earner of United States dollars. The Pakistan Government, through its officials in Washington, have placed substantial orders for military equipment with Canadian Arsenals Limited. This has occasioned a number of visits to Ottawa by Pakistani missions and officials, including the Ambassador in Washington, and the