# UK convinced, Pak still on US m

### Acid Production Contract

Dec. 20. — While the US continued to seek evidence from India detailing involvement of Lashkar-e-Taiyaba and Jaish-e-Mohammad in the 13 December attack on Parliament, its most crucial ally in the "global war against terrorism", Britain, against seemed convinced of India's stand on the matter.

The contrasting positions of the USA and Britain became clear after the British envoy in New Delhi, Sir Rob Young, met the home minister, Mr LK Advani, in North Block this afternoon.

Britain has so far not asked New Delhi to furnish any evidence indicating complicity of the two terrorist outfits. It is apparently convinced that Pakistansponsored terrorists were involved in the attack on Parliament. Sources said Britain has assured India that it would put pressure on Pakistan to take action against the two terrorist outfits and others

## Jaish threatens attacks

Statesmen Nove Service

NEW DELHI, Dec. 20. — The Jaish-e-Mohammed has threatened to carry out "shocking attacks" in major Indian cities to create a situation which will compel the BJP to step down.

It has warned that Indian paramilitary and military camps would

also he targeted.

The Jaish has, however, denied its involvement in the attack on

Parliament. But its denial has few takers in Jammu and Kashanir.

The people of Kashmir have rejected the Jaish denial because the 13 December attack was similar to the 1 October attack on the Jammu and Kashmir Assembly.

The APHC has already condemned the "act of terror" and it feels that all its efforts for a dialogue with the Centre have gone awry with this attack. "This attack is a setback to the dialogue process," said an APHC representative.

accused in the case.
Sir Rob said: "We know that these organisations are terrorist outfits and Britain has already banned them." He clarified that Britain had not asked India to

against terrorists.

The envoy said India had a right to self-defence in the wake of the terrorist attack. He, however, added that India was a responsible deniocracy and would take any show "restraint" in its hot pursuit action on strategic matters only

9mb - une me after due consideration.

In contrast, a US State Department spokesperson said 'they had seen' statements by Indian authorities that two Pakistan-based groups were responsible for this. "We think, first of all, those two groups have, engaged in terrorist activities, but the specific case here needs to be investigated and the Indians, I am investigated and the indians, I am sure, will do that. President Musharraf has very clearly condemned this attack. Any information or evidence that the Indians would provide or make public would provide a better basis to do that," he said.

Top sources in the government said India was willing to furnish evidence to the Americans to convince them of India's position.
They had "bundles of evidence" which clearly indicated Pakistan's involvement.

Bodies of all five Pakistani militants who stormed Parliament have not yet been buried. The government would ask Pakistan to take the bodies.

THE STATESMAN

2 1 DEC 2001

Bilateral talks on J&K will help; Jack Straw international community are ready to assist. But our assistance President, Gen. Pervez Musharraf. Mr. Straw said he had a general of definition of terrorism. The British of terrorism of terrorism. The British of terrorism of terrorism of terrorism. The British of terrorism of terrorism of terrorism. The British of terrorism of terrorism of terrorism of terrorism of terrorism. The British of terrorism of t

By B. Muralidhar Reddy Winternational

ISLAMABAD, NOV. 23. The British Foreign Secretary, Mr. Jack Straw, has said that resolution of the Kashmir issue is important for peace and stability in South Asia.

He told correspondents at the

U.S. coalition information centre in response to a question that the Kashmir issue could be resolved through bilateral talks between India and Pakistan.

"We and other members of the

would only be meaningful if we were invited for assistance by both the sides," he said. Earlier at a joint press conference with Mr. Straw, the Pakistan Foreign Minister, Mr. Abdul Sattar, said there had to be a clear distinction between 'freedom movement and terrorism'.

Mr. Sattar said the Kashmir issue figured during discussions be-tween Mr. Straw and the Pakistan President, Gen. Pervez Musharraf. Mr. Straw said he had a general discussion on the security tion in the region and Pakistan's relations with its neighbours.

He specifically referred to the news report about possibility of a meeting between the Prime Minister, Mr. Atal Behari Vajpayee, and Gen. Musharraf, at the coming SAARC summit in Kathmandu in January first week.

Mr. Sattar said the United Na-

tions was now discussing the issue of definition of terrorism. The Organisation of Islamic Conference had a clear position on freedom movements and terrorism, he said and maintained that they could not be equated.

"In Kashmir, according to Kashmiris, more than 75,000 people have died in the last 12 years. Here I want to know who is the killer and who is the terrorist. The victim or the perpetrator?"

THE HINDU

1 4 10. 24

## PM seeks war beyond

#### PRESS TRUST OF INDIA

LONDON, Nov. 12. - Mr Atal Behari Vajpayee and Mr Tony Blair today agreed that the international coalition against terrorism must be strengthened to fight "terrorism in all its forms"

The two leaders held a 90-minute summit meeting at 10 Downing Street.

Addressing a joint press conference later, Mr Vajpayee said: "We have agreed that terrorism shall not be encouraged for any purpose.

Focussing on Pakistan's support to cross-border terrorism in Jammu and Kashmir, he said:
"The current global fight against

terrorism must go beyond the Al-Qaida and we have to target all those who finance, harbour, train, equip, and arm terrorists.

Recalling the 1 October attack on the LEK Assembly. We Plain said. the J&K Assembly, Mr Blair said: "It cannot ever be right for people to pursue their cause by slaugh-tering of innocents." Mr Blair said: "All I can say is that British position has not changed and it was opposed to those pursuing terrorism against innocents."

An Indian journalist asked whether it would take more strikes like the 11 September or the 1 October attacks to recognise the seriousness of ter-rorism in Kashmir. Mr Blair said: "People are well aware of acts of carnage involving inno-

cent civilians including in Srinagar, which was strongly con-

demned by all."
However, Mr Blair stressed
the "desirability" of a dialogue
between India and Pakistan. He said the talks with Mr

Vajpayee were "constructive and detailed".

"It is important that we must "It is important that we must have the strongest possible coalition to fight terrorism in all its forms. I would like to pay tribute to the Indian cooperation and the strong role it plays in the international campaign," he said.

#### On page 5

■ Aid to Alliance raises Pashtun hackles

THE STATESMAN

## Indo-UK defence ties perk up

By Rajat Pandit
Times News Network

NEW DELHI: Indo-British defence ties, which went into the doldrums following the 1998 Pokhran-II nuclear tests, are poised to take a big leap forward now. The two sides are expected to sharply boost military-to-military cooperation which will, among things, include joint exercises, operations and training programmes.

Britain is also likely to reemerge as a reliable supplier of defence equipment and spares. Though New Delhi is looking at other options also, it may well decide to buy the Hawk Advanced Jet Trainer (AJT) from British Aerospace for the Indian Air Force in the near future.

"The aircraft (the Hawk AJT) is the very best and the most advanced of its kind anywhere in the world. The fact is that threequarters of the aircraft will be assembled in India," said the visiting British secretary of state for defence Geoff Hoon, in an exclusive interview with *The Times of India*.

Even defence minister George Fernandes seemed quite enthusiastic about the AJT deal, which at the moment stands deadlocked in the final price negotiation stage for the purchase of 66 trainers. The deal, worth over 1 billion pounds, if clinched, is expected to reenergise British Aerospace which is facing some financial problems.

"We both believe there will be a solution (to the AJT impasse) in the near future," said Mr Fernandes. Mr Hoon, in turn, said, "It is obviously in Britain's interest to try to resolve this issue...I hope it is done quickly."

The British defence minister said he was very impressed with the facilities at the Hindustan Aeronautics Limited in Bangalore, where British-origin aircraft are also being manufactured. "This is a sign of how I see the future of our defence cooperation...I look to the day when India will be supplying equipment to the armed forces of

UK," said Mr Hoon.

The Indian Navy has also complained about the problems of spares and services for the Britishmade Sea Harrier jump jets and the Sea King helicopters. The sale of spares was affected after the 1998 nuclear tests. Mr Hoon said efforts were in progress to resolve such problems. "Eighty per cent of all export licence applications from India are now being dealt with within 20 days...this is pretty remarkable," he said.

Underlining that bilateral defence cooperation was now "progressing well", Mr Hoon said both countries were implementing defence reforms at present. "I believe that by working together, we can improve cooperation between the two defence ministries," he said.

Mr Fernandes, in turn, said, "Some problems have been resolved. Some may be remaining, but we look forward to a much wider and deeper defence relationship in the coming days."

# No change in U.K. position on Kashmir, Says Blair

By P. S. Suryanarayana

LONDON, NOV. 12. The Prime Ministers of India and the United Kingdom today explored ways to streamline the ongoing campaign against international terrorism. No specific blueprint was announced at the conclusion of their summit here, but their strategic consultations were hailed by both sides.

The British Prime Minister, Mr. Tony Blair, paid a handsome tribute to India for its role as a strong member of the evolving international coalition against terror.

The two leaders met as the news flash about a plane-crash in New York soured the international mood despite no immediate reports of a terrorist link.

Mr. Blair and Mr. Vajpayee discussed the current phase of the U.S.-British military and diplomatic moves to eliminate the terror bases in Afghanistan that lies in India's geostrategic neighbourhood.

Today's summit was held to sustain the political thrust that Mr. Blair and Mr. Vajpayee had given to the international anti-terror movement during their previous meeting in New Delhi last month.

Mr. Blair had invited Mr. Vajpayee for today's consultations. The Prime Minister reached London from New York, where he addressed the U.N. General Assembly after holding talks with the U.S. President, Mr. George W. Bush, in Washington.

Mr. Vajpayee began his current three-nation voyage with substantive talks with the Russian leadership. With the prime focus being the ongoing battle against globalised terror, Mr. Vajpayee today concluded this significant round of consultations on a high note of satisfaction that India was being recognised now as a key player in the vanguard of the international movement against terror.

India's emergence as a leader of this movement and the possibility of any role for New Delhi within the inner circle of campaign managers remained issues for the future.

In a brief media event at the conclusion of the summit, Mr. Blair not only praised New Delhi's relevance to the anti-terror coalition but also indicated that the boat of British-Indian relationship would not be rocked by the tensions between New Delhi

and Islamabad over the former's dim view of the latter as an inveterate sponsor of terror.

On Kashmir and the implied question whether Pakistan might have ingratiated itself with the major powers by promising support for the present operations in Afghanistan, Mr. Blair said he thought that no country had changed its position on the Kashmir issue on account of Pakistan's stance on the maelstrom of terrorism.

India, he noted, had a very strong and firmly held position on Kashmir. Britain had not altered its perspective on Kashmir in the face of these overall dynamics.

Mr. Vajpayee said his discussion with Mr. Blair took place in the context of the current fight against international terrorism.

On the bilateral front, the trade ties as also the presence of a sizable community of people of Indian origin in Britain served as assets, Mr. Vajpayee underlined. He also made a specific mention of Britain's recent action of banning several terrorist groups that had wreaked havoc in India.

It was evident from the subjects discussed that official India was now beginning to look towards playing a prime role in the campaign against terror without waiting simply for a possible spin-off effect of some benefit to India in regard to the current campaign in Afghanistan.

Mr. Brajesh Mishra, Principal Secretary to the Prime Minister and National Security Adviser, said at a press conference that Afghanistan was the prime focus of today's summit.

On whether India had given Mr. Blair any indication about its actual role, Mr. Mishra said New Delhi, without being a military partner of either the U.S. or the U.K. in Afghanistan at this time, had already offered logistical support in cases of specific requests.

"The sooner the Taliban is replaced (in Afghanistan) the better it will be," he said. However, it was necessary that all concerned should first agree upon a post-Taliban set-up, He said, in response to a question, that Mr. Blair had not asked India to exercise restraint in its own anti-terror war at home. On Kashmir, he said, it was a known British position that India and Pakistan should sit down and talk.

9 mla - w

New Delhi, October 6 Saurabh Shukla

that "condoning a terrorist act in one place may lay the foundation hour visit to India following a Delhi's allusions to Islamabad's responded guardedly to New ARTICULATING INDIA'S concerns over terrorist violence in Kashmir, Prime Minister Atal Bihari Vajpayee told his British counterpart, Tony Blair, today for a far more virulent terrorist act elsewhere". Blair, on a 12similar stopover in Pakistan, errorist links.

accepted an invitation to come to agree on the need for a broad-based, stable regime in Afghanistan that would bring stability to the region. Blair also India, probably some time early However, the two leaders did next year.

Vajpayee and Blair spoke to the Press after a 35-minute meeting at 7, Race Course Road. The Indian Prime Minister used excerpts from Blair's recent action against those global action against those behind the September 11 attacks. have underlined the importance comments on terrorism to drive agenda "under the cover" of "In your recent speeches, you home India's concerns that Pakistan was pursuing a terrorist

Vajpayee said, arguing against the selective targeting of terroragainst every organisation and every country that funds, arms, of political will for firm action trains or sponsors terrorism,

Jammu and Kashmir Assembly, said, "The terrorist bomb in Srinagar hit at the symbol of the State's democratic polity." He implicitly pointed out the fact that democratic India was the recent car bomb attack on the Vajpayee, referring to the



Prime Minister Atal Bihari Vajpayee with his British counterpart Tony Blair and Foreign Minister Jaswant Singh in New Delhi on Saturday.

victim of terrorist activity spon-Blair agreed that "such outsored by Pakistan.

civilised society" and those responsible "should be brought rages have no place in any to justice'

uted Blair's reticence to the central role Pakistan is playing in the US-led offensive against Kabul. The focus of Blair's visit was Afghanistan, not Kashmir, ment in terrorism in Kashmir, He was guarded in his comments apout Pakistani involve-Sources attrib "Our focus is upon deal situation the Afghanistan." with they said saying, ing

partmentalised, the Indians While the British accepted that terrorism could not be com-

too much in the first stage of the understood they couldn't expect campaign.

hijac**king. He** also recognised that Pakistan-based groups like the Jaish-e-Mohammed operated reportedly endorsed Indian claims that there were linkages rorist strikes and the IC-814 in tandem with Osama bin Blair was extremely candid between the September 11 terwith Vajpayee, say sources. He Laden's Al Qaeda.

must end. This was stated by White

House spokesperson Art Fleischer

anywhere affects everyone. They saw United Nations Resolution phases. Their view was that September 11 had made countries more conscious that terrorism The British stressed that this there had to be priorities and was a long process, and

1373, the first-ever mandatory resolution on terrorism, as a

Singh, said that terrorism in Kashmi President George W Bush, during TERRORISM IN KASHMER his recent meeting with Jaswant WINDSTEND: BUSH

attended by External Affairs Mishra and Foreign Secretary Chokila Iver Later, Home Minister LK Advani and KC Pant also joined the breakfast meeting Tony Blair. Between the Press between Vajpayee and Blair was Minister Jaswant Singh, Nation-Security Advisor Brajesh with British Prime Minister The first round of talks interaction and the breakfast

> Kashmir. So the President made that Foreign Minister". PTI, Washington

very clear himself to the Indian

ism must end everywhere, including attacks in Kashmir, and said terror-

"directly condemned the terrorist

on Friday. Bush, said Fleischer,

one-on-one

Blair that

major forward step. Vajpayee told

despite India's concerns regard-

strikes. anti-terrorist coalition-building efforts. But there had to be a "did not export insurgency and AJAY AGGARWAL/HT ing Pakistan, India did not intend to be the "spoil sport" in the international community's place in Kabul for a regime that extremism

the two leaders had a 15-minute

# can even hide in Kashmir: Osama

Islamabad, October 6

nistan at hideouts in Indonesia to Algeria, Chechnya to Kashmir FOR OSAMA bin Laden, the world is his playground as he can easily find a safe havén to carry out his "mission" outside Afghaand Bosnia to Sudan.

people" while naming India as one of the countries that could Saying this in an interview to beer, he described Pakistan as sacred land and abode of pure have engineered the US terror Pakistan's Urdu weekly Tak

The weekly has not specified from where and when obtained the interview.

He further said he considered istanis are ready to fight against the enemies of Islam shoulder-Had there been such valiant Muslims in at least two other Muslim states, the West would Pakistan a great hope for Musto-shoulder with the Taliban. lims of the entire world. "Paknot have dominated the world."

ple." He alleged the attacks could be the handiwork of Israel, Russia or Serbia besides , He alleged the attacks the "slave of the almighty," Osama bin Laden said he could US terror Stating that he has become not accept hegemony of any Denying involvement of any of his comstrikes, he said: "Islam prohibits killing of innocent peoearth. patriots in the on power

would make no difference because the organisation has more independent. "Educated people are running the affairs of these than three alternative "financial systems" that are free and institutions. The number of Osama said freezing the assets of his al-Qaida network these people are in lakhs, not hundreds.

lims so that they can wage are not against any Muslim country, rather we are against those Muslim rulers who are slaves of infidels. We are in favour of launching an armed rulers. We are not against the US, rather we are against its diabolic system and policy. This system of the US is in the hands He said the main task of the network was to "awaken" Musout to make their countrymen struggle against these Muslim of the Jews and their first prijehad against "infidels". ority is Israel.

got huge funds during the Cold War era, but after the collapse of the Soviet Union, the going able number of Jews who con-Alleging that Americans are slaves of the Jews, Laden said: "They are bound to follow those policies that Jews are making for them. There are several secret agencies in the US. These got tough." He alleged that these agencies have considerspired the attack

#### IMMEDIATE FOCUS IS ON OSAMA: TONY BLAIR

# Check countries sponsoring terrorism, says Vajpayee

By Our Special Correspondent

NEW DELHI, OCT. 6. Citing the suicide bomb attack in Srinagar, the Prime Minister, Mr. Atal Behari Vajpayee, today urged the world community to restrain individual countries from pursuing their own terrorist agenda in the name of counter-terrorism campaign, even as the visiting British Prime Minister, Mr. Tony Blair, stressed that Afghanistan was the immediate focus of the coalition of nations battling extremism.

In an obvious reference to Pakistan, Mr. Vajpayee said, "we discussed the sinister agenda behind the Srinagar bomb blast. Even while extending our whole-hearted support to the pursuit of the guilty terrorists of September 11, we should not let countries pursue their own terrorist agenda under cover of this action". He made these observations at a joint press conference with Mr. Blair this morning.

The British Prime Minister was here on a working visit as part of a whirlwind tour which also took him to Russia and Pakistan. During the talks, Mr. Vajpayee was accompanied by his Principal Secretary and National Security Adviser, Mr. Brajesh Mishra, and the External Affairs and Defence



The British Prime Minister, Mr. Tony Blair, with Mr. Atal Behari Vajpayee at the latter's residence in New Delhi on Saturday.

— Photo: Rajeev Bhatt

Minister, Mr. Jaswant Singh, among others.

Asserting that India was not prepared to lower its guard, Mr. Vajpayee said New Delhi "will re-

main vigilant against such threats and will counter them decisively". This is his second statement in a week highlighting India's concerns on terrorism in Kashmir after the suicide-bombing in Jammu and Kashmir.

Mr. Vajpayee said the struggle against terrorism had to be truly global in its sweep. India had for over two decades virtually waged a lone battle against terrorism. But "in this globalised world, distance and time do not provide insulation from the reach of terrorism".

Illustrating the global nature of terrorism, he drew a connection between the hijack of the Indian Airlines plane from Kathmandu two years ago to the attacks in the U.S. "The hijack of an aircraft from Kathmandu to Kandahar may have linkages with four other aircraft creating havoc in the U.S. nearly two years later. This is precisely why terrorism has to be dealt with globally." Mr. Vajpayee said that "condoning a terrorist act in one place may lay the foundation of a far more virulent act elsewhere".

Mr. Blair reiterated his condemnation of the terrorist attack in Jammu and Kashmir. "We extend our deepest sympathies to the families of those who are victims of the terrorist outrage in Srinagar."

But to a question on Pakistan's credentials as a partner in the counter-terrorism drive, Mr. Blair said "our focus is upon dealing with the situation in Afghanistan and closing down Osama bin Laden's camps and his terrorist networks." He hoped there would be efforts to ensure stability in the region based on proper respect to the rule of law and civilised values.

Both leaders agreed to promote a new and stable Government in Afghanistan that was broad-based and represented all the ethnic communities there.

Mr. Vajpayee, however, made two specific points in reference to Afghanistan. Contrary to the Pakistani view, India has a legitimate interest in Afghanistan with which it has maintained "traditional ties". And any new arrangement in Afghanistan should not be inimical to Indian interests.

## Address Kashmir, Palestine issues: Pak.

By B. Muralidhar Reddy

ISLAMABAD, OCT. 6. Pakistan today categorised Kashmir and Palestine as problems that bred an environment of injustice, humiliation and desperation and expressed the hope that in the long run the international community would address them as part of the campaign against terrorism.

At the daily special briefing on the post-September 11 situation, the Pakistan Foreign Office spokesman, Mr. Riaz Mohammad Khan, said problems which created an environment of injustice and humiliation needed to be addressed by the world community.

Ever since the September 11 incidents, Pakistan has accused India of trying to mislead the world by bracketing the "struggle of people of Kashmir for their right to self-determination" with terrorism and has been at pains to emphasise that it is an "indige-

nous struggle". Answering a question about the reported remarks made by the Prime Minister, Mr. Atal Behari Vajpayee, in the presence of the British Prime Minister, Mr. Tony Blair, linking the hijack of the Indian Airlines plane in December 1999 to the attacks on the American cities on September 11, the spokesman said that Pakistan did not see any linkage.

When his comment was sought on the reported complaint made by Mr. Vajpayee that Pakistan was unjustly being 'rewarded' by the international community despite its track record on terrorism, Mr. Khan said the Indian allegations were quite familiar.

The spokesman said Pakistan was part of the international coalition against terrorism as a matter of 'principle'. It had always been opposed to terrorism in all forms and manifestations.

## CII team to visit U.K.

By Our Special Correspondent

**NEW DELHI, JULY 22.** A top-level team of the Confederation of Indian Industry (CII), headed by the organisation's President, Mr. Sanjiv Goenka, is to visit the U.K. and Scotland between July 23 and 27.

The delegation, comprising 14 members, will focus on forging new links with the British industry and stepping up bilateral trade. The U.K. is India's second largest trading partner and accounts for seven per cent of India's total exports.

The CEOs team will meet the British Minister for e- Commerce and Competitiveness, Dr. Douglas Alexander, and the Secretary of State for Transport, Mr. Stephen Byers.

A strategic meeting is also scheduled with the CEO of the London Stock Exchange, Ms. Clara Furse, and members of the International Financial Services Limited. The CII will be organising two seminars on partnerships in Indian business and the Indian IT sector during the mission.

The Director-General of the Commonwealth Business Council, Dr. Mohan Kaul, and Earl Cairns, chairman of CBC and CDC Capital Partners, will address the Indian investment seminar along with Mr. Goenka.

A CII release says that software and IT services have been identified as key sectors for Indo-British cooperation. The Infosys chairman, Mr. N.R. Narayanamurthy, and Mr. Ashok Soota of Wipro will address a seminar on Indo-British cooperation in the IT sector organised by the CII in association with the Confederation of British Industry (CBI).

#### 4-5 p.c. growth expected

Over 60 per cent of CEOs in the Confederation of Indian Industry (CII) expect GDP growth to be around 4 to 5 per cent during 2001-2 while 35 per cent expect it to be around 4 to 5 per cent.

These are the findings of a snap poll by the CII which shows these CEOs believe that boosting domestic demand is crucial for a turnaround in the economy and industry. The trends reflect the fact that demand would be generated largely within the country as India's major trading partners are in the grip of a slowdown since exports have shown a deceleration in the first two months of the current year.

About 73 per cent felt that domestic demand should be the primary focus for stimulating growth and only 27 per cent believe that efforts should be made to boost exports.

Of more serious concern is the fact that nearly 55 per cent of those surveyed felt that the current slowdown in the economy is an indicator of a recession though 35 per cent felt otherwise.

On the outlook for GDP growth, the survey reflects the assessment made in the latest Central Statistical Organisation (CSO) estimates which pegged the revised GDP growth for 2000-1 lower at 5.2 per cent. Most of those surveyed also noted that the recent developments in the financial sector have dampened the already gloomy economic environment.

An overwhelming 94 per cent of the CEOs were of the view that speedy implementation of a few large infrastructure projects would boost demand for a wide range of industries, including capital goods and steel. On the three critical factors to revive the economy, they ranked infrastructure development on top followed by privatisation and reduction interest rates.

i 1

# India, US to revive Defence group & military visits

HT Correspondent New Delhi, July 19

THE CHAIRMAN of the US Joint Chiefs of Staff, General Henry Shelton, today said the primary purpose of his visit to India was to revive the Indo-US Defence Planning Group (DPG).

Shelton said his trip was designed to "revive senior-level military visits between the two countries and reenergize the DPG". He hoped that the DPG will be revived by the year-end.

The group would see that the Indian Ministry of Defence and the Pentagon seek to work out the framework of a military-to-military relationship. Shelton said the DPG was expected to work out common military, strategic and political issues as well as the "detailed aspects" of this relationship.

Officials said the DPG had become bogged down early on because low-level bureaucrats had lacked authority. By raising the level of participation, such decisions would be easier to come by.

Shelton said that while US sanctions against India were "still under review", work on the DPG would be a separate path, distinct from the sanctions. The final blow to the earlier DPG had been the post-Pokhran sanctions.

The US armed forces chief



AP PHOTO

General Henry Shelton lays a wreath at India Gate on Thursday.

said that the US and India could change the name of the DPG. "We want to start with a clean sheet of paper."

Shelton said the US saw India "as a major power with global interests". He said the two countries had many common inter-

ests and could cooperate in many fields.

The Indian and US militaries were already working together on search-and-rescue operations, were exchanging military instructors and had an officer-exchange programme in place.

## 10-10 K

## U.K. hails summit move 177

By Sushma Ramachandran

**NEW DELHI, JULY 4.** The United Kingdom has welcomed the initiative taken by India to convene a summit meeting with Pakistan and has expressed the hope that it will reduce tensions in the sub-continent.

The issue was discussed today by the visiting British Deputy Prime Minister, Mr. John Prescott, with the Foreign Minister, Mr. Jaswant Singh, when he also handed over a letter from the U.K. Prime Minister, Mr. Tony Blair, to the Prime Minister, Mr. A.B. Vajpayee.

Mr. Prescott felt that the Indian Government has taken "a number of initiatives" to defuse tensions with Pakistan including the bus journey to Lahore.

These were all welcome, he maintained, as these prevented creation of a war-like scenario between the two neighbours.

The British Deputy Prime Minister, the first Minister of the newly-elected Blair Government to visit India, told *The Hindu* that strengthening bilateral ties with this country is considered important by his Government. This is the reason for a Ministerial visit coming so soon after the Labour Party was voted back to power.

He said several bilateral issues, including the Indo- Pakistan summit and consequences of the British elections, were discussed with Mr. Jaswant Singh, and the Principal Secretary to the Prime Minister, Mr. Brajesh Mishra.

The key subject of the visit, however, is climate change as a prelude to next week's conference in Bonn.

Mr. Prescott noted that India played an important role in the climate change negotiations as well as within the G-77 which has to



Mr. John Prescott

ratify the Kyoto protocol. He would also be visiting China, which is the other key player, as well as Japan prior to the Bonn meeting.

Asked about the decision of the U.S. President, Mr. George Bush, to withdraw from the Kyoto protocol, he said this is bound to affect ne-

gotiations since it means the elimination of a major player in the developed world. The British stance, Mr. Prescott clarified, is in favour of ratifying the protocol despite the withdrawal of the United States.

At the same time, he felt there was "some movement" with the U.S. now deciding to carry out a review of the protocol.

Even so, the parties to the protocol had to work within a framework and had to meet certain targets. This, he felt, should not be derailed as a result of the U.S. decision to opt out.

On the investment climate in this country, Mr. Prescott stressed that U.K.-based companies have a long-term view of the Indian market and are seeking to establish their presence in areas which have opened up recently.

For instance, negotiations are now being carried out by British companies in the insurance sector and there are several power utilities also engaged in projects.

He felt the U.K. has a significant contribution to make in this country since it believes in a regulatory framework for liberalisation and is not in favour of completely eliminating Government's role in areas of public interest.

Mr. Prescott, who also met the Power Minister, Mr. Suresh Prabhu, said the United Kingdom, which has undertaken large-scale privatisation programmes in the past, has faced dilemmas similar to the ones in this country regarding this process.

In sectors such as power utilities where the public interest is involved, he said a fine balance must be maintained between the private sector's need for profitability and reasonable pricing.

It is also difficult to work out a pricing mechanism to suit consumers' interests while attracting investment flows. The British authorities have been working on public-private partnerships to overcome this difficulty, he said.

On proposals for a new trade negotiations round at the forthcoming World Trade Organisation (WTO) Ministerial conference, he said the British Government is in favour of all measures to free global trade.

He said every country has to take its own view but noted that there are numerous complex issues involved in the WTO negotiations including areas of human rights in countries such as China.

Replying to a question on race relations in the U.K. as a fall-out of the recent race riots, he said it is a challenge for the community and is being taken very seriously by the Government.

"It's about housing, it's about economic de velopment and it's about social justice which is what this Government is all about," Mr. Prescott said.

THE HINDU

# British diplomat to meet Advani, Jaswant to push Bleach release

PRESS TRUST OF INDIA

KOLKATA, MAY 26

BRITISH High Commissioner in India Sir Rob Young is likely to meet Union Home Minister L K Advani and External Affairs Minister Jaswant Singh next week to negotiate the release of Peter Bleach, a key accused in the Purulia Armsdrop Case. Bleach is currently serving a life sentence in Presidency Jail here.

Asked when Bleach was likely to be released, British Deputy High Commissioner John Mitchiner, who met the arms trader in jail today, said that in December last year, British Foreign Minister Robin Cook made a formal request to Singh for the release of

Bleach on the ground that he was sentenced with the Latvians for the same offences with the same amount of punishment in the same case.

The Latvians were release on July 22 last year following a commutation of their life sentences by President K R

Narayanan after a personal appeal by Russian President Vladimir Putin.

CONTINUED ON PAGE 2

PURULIA CASE

British diplomat to meet Advani

To a question, Mitchiner del nied that Tony Blair's supposed visit to India was put on hold due to the stalemate over Bleach's release. "It has to do with the coming elections back home," he said.

"The proceedings of the court make it clear that the Judge had the discretion of giving a separate verdict in case of Bleach. But he chose not to. Now if the Latvians can be released, we don't see why Bleach can't be," he said.

Asked whether Bleach would face punishment back home if his jail term in India was commuted, Mitchiner said he was not aware of any British law under which that would be possible.

"Peter Bleach has already served five-and-half years in the Presidency Jail. We think he has been punished sufficiently."

Bleach and the five Latvians

were sentenced to life imprisonment for conspiring to wage war against the state on February last year by the City Civil and Sessions 4th Bench Judge P K Biswas for dropping a huge cache of arms from an Antonov-26 aircraft in Jhalda, Ghatanga, Belamu and Maramu villages in West Bengal's Purulia district on the night of December 17, 1995.

Bleach and the five Latvian air crew were arrested on December 22, 1995 from Mumbai airport where they had landed to refuel their aircraft.

They were returning from Phuket, Thailand, where they had flown after dropping the arms and ammunition.

Kim Davy, the key accused in the case, however, managed to escape immediately after landing at Mumbai.

INDIAN EXPRESS

at a press conference in New Deini on Michigay. - First

# Indo-U.K. Round Table for more foreign equity in banks 10 4

By Our Special Correspondent

**NEW DELHI, APRIL 9.** The third meeting of the Indo-U.K. Round Table has recommended that the sectoral cap of 20 per cent foreign equity in registered banks in India be raised and that the proposal for a £5 million dedicated fund for facilitating educational exchanges be taken up for consideration by the two Governments.

Briefing presspersons on the outcome of the meeting held over the week-end at Sariska (Rajasthan), the two co- chairmen, the Deputy Chairman of th Planning Commission, Mr. K.C. Pant, and NRI industrialist, Lord Swraj Paul, said a suggestion had been made for considering the desirability of introducing reciprocity in the services that could be offered by lawyers in the two countries. It was also emphasised that the suggestion for raising the 20 per cent ceiling on foreign investment in banks should not include portfolio investment.

The Round Table suggested an investigation into the discrepancies in the data on foreign direct investment issued by the Indian and British authorities. The idea behind this is to harmonise and, if possible, include in-country investment by Britishowned companies in India and Indian-owned companies in the U.K.

It recommended that a £5 million dedicated fund be established to facilitate educational exchanges with the Round Table as the trustee. The suggestion is to sponsor a number of programmes to promote joint research projects and graduate studies between institutions in India and the U.K. The trust would facilitate exchanges of scholars for dissemination of knowledge and ideas and also arrange for visits by scholars in sciences, arts and humanities. It has also been suggested that both countries consider introduction of 'scholars' visas (multiple entry) on a reciprocal basis.

The Round Table suggested that the competent authorities in the U.K. should consider positively the question of providing temporary work permits for foreign students following their graduation in the U.K.

Some of the other suggestions made by the Round Table include greater involvement of Non-Resident Indians for promotion of closer bilateral trade and investment ties and greater collaborations between entrepreneurs of the two countries for developing bilateral relations in information technology and for third country business.

#### Tehelka expose:

PTI reports:

India as a "mature and solid" democracy, it would get over the shocks triggered by Tehelka expose on defence deals, Lord Paul said. "I believe that India is far too mature and solid democracy to be affected by issues like the Tehelka expose".

Asked if the expose would affect flow of investment from Britain, he said "India will get over all its problems. We want to be a partner in India's prosperity".

To a query if the round table was NRI-centric, Lord Paul said the British side represents Britain and "when I am asked if I am an Indian or British, I say I am 100 per cent Indian and 100 per cent British. It is for you to add up".

Lord Paul and Mr. Pant said the three-day meeting drew the attention of the two countries to the "remarkable success" of NRIs in the U.K. "While Britain recognises India's strength in IT, New Delhi has to recognise that Britain is the second biggest player in IT after the U.S.... It is a win-win situation for both countries", Lord Paul said.

The next round table would be held in Britain on September 22 and 23.

THE HINDL

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## **U.K.** ban a significant step: India

**LONDON, MARCH 1.** Indian diplomats here today welcomed the British Government's response to India's concerns over the activities of U.K.-based extremist groups and hoped that the proposed ban on five Pakistan-backed organisations would send out a message to those sponsoring cross-border terrorism against Indian targets.

By Hasan Suroor Alo

They called it a significant step towards isolating international terrorism and noted the Home Secretary, Mr. Jack Straw's remarks in the House of Commons declaring in unambiguous terms Britain's resolve to crack down on terrorism. "The U.K. has no intention of becoming a base for terrorists and their supporters, nor to see it flourish abroad and we will take every legal action at our disposal to prevent this", Mr. Straw said announcing the list of 21 to-be-banned groups, which includes the Liberation Tigers of Tamil Eelam.

This was seen as a "tough" message to those engaged overtly or covertly in exporting terrorism and one senior Indian diplomat said the fact should not be missed that most of the anti-India groups, to be banned, had bases in Pakistan. The most infamous of these are the Lashkar-e-Taiba, the Harkat-ul- Mujahideen, the Jaish-e-Mohammed and the Babbar Khalsa International, all of which have been active in the U.K. raising funds and "volunteers".

The Laskhar-e-Taiba has been active in "ethnic cleansing" of the Hindus and Sikhs in Jammu and Kashmir and been involved in a

series of killings. The Jaish-e-Mohammed, formed by Maulana Masood Azhar after his release from an Indian jail in exchange for hostages of a hijacked Indian Airlines plane in December 1999, has claimed responsibility for a number of terrorist acts, including the suicide bomb attack in Srinagar last December. The Harkat-ul-Mujahideen, which has its headquarters in Islamabad, was behind the burning of historic Charar-e-Sharif shrine in 1995 and claimed responsibility for the hijacking that led to the release of Azhar. Of the two Sikh extremist organisations — the International Sikh Youth Federation and the Babbar Khalsa International — the BKI's leader, Mr. Wadhwa Singh, is based in Pakistan.

India and Britain have been working closely to combat international terrorism and the inputs from New Delhi helped Whitehall in determining the nature of these groups though the final decision to put them on the list was taken by the Home Secretary on the advice of British security services. The ban would come into force after the list is approved by Parliament which is likely to take a few weeks.

Indian diplomats pointed to the close Indo-U.K. cooperation on the issue and recalled the visit of the Home Minister, Mr. L.K. Advani, to Britain last year, and the British Home Secretary's visit to India a few months later.

The matter was also discussed at a meeting of the two countries' joint working group on terrorism, which met in New Delhi recently. "Both governments have been concerned at international terrorism and we will continue

to work together", an Indian diplomat said.

The Home Office Minister, Mr. Charles Clarke, told reporters this was not a one-off list. It would be constantly under review and more organisations could be included if their activities were found to attract the provisions of the new Terrorism Act 2000. The Act, hailed as an important legislation and brings the earlier anti-terrorism law in line with the European convention on human rights, empowers the Home Secretary to proscribe any organisation which he believes is "concerned in terrorism' - if it commits or participates in acts of terrorism, prepares for terrorism, promotes or encourages terrorism or is otherwise concerned in terrorism either in U.K. or abroad. The banned organisations have right to ap-

A spokesman of the Muslim Council of Great Britain said no Jewish group had been included in the list and alleged that the British Government had acted under "foreign pressure". Mr. Clarke denied this saying, "We deeply respect the contribution that Muslim communities make to the life of this country.... We make no presumption that Muslim organisations are more or less likely to be terrorist organisations".

The Government also sought to play down the fear that a ban might simply drive these organisations underground. The fact that the security services were aware of their activities and the identity of their leaders was seen as an effective deterrent.

# Vaz under renewed pressure to qui

KEITH VAZ, British Minister for Europe and the only Asian representative in the Tony Blair Labour spokesman insisted that all the money cabinet, today came under renewed pressure to "He then muddied the water by claiming that

Media reports stated that he did not name all donors to his last election campaign and that his wife is acting as a lawyer to a "top Indian restaurateur" whose insurance claim he helped to set-

A report in The Sunday Times said Vaz faced

the report said.

questions over whether he has broken the min-

isterial code after it was "revealed" that a busi-

nessman, whose £ 175,000 insurance dispute he helped to settle, has retained the minister's wife

some of the money donated to the Vaz cam-paign had been passed to the party nationally,"

A report in *The Sunday Felegraph*, quoting the Labour party, said wealthy individuals had donated £ 17,500 to general election campaign funds but they had not been listed on his election return.

"The disclosure will severely embarrass the minister who has insisted that the donations, which the present treasurer of the east Leicester Labour party had never heard of, had

Vaz used his private ministerial suite at the foreign office to help Amin Ali, a Bangladeshi national who owns a top restaurant, to resolve a

trip to Bangladesh in 1994, paid for by the same businessman. Vaz correctly declared the trip in the MPs register of interests, it said. dispute with an insurance company.

The company had refused to pay a claim but relented after Vaz became involved, the report said. The daily said Vaz and his wife took a five-day

While Foreign Secretary Robin Cook said no ministerial rule had been broken by holding the meeting between Ali and the insurance company in the ministerial suite, the newspaper said according to senior Tories there was an appar-

Maria Fernandes. Vaz's wife, according to the report, "disclosed" that she was acting for company which Ali jointly owns. ent conflict of interests.

I'ne ministerial code, set up by Blair to stamp

as a lawyer.

out sleaze, states that ministers must "scrupulously avoid" any conflict of interest involving

their own business connections or those of their

THE HINDUSTAN TIES

PASSPORT CONTROVERSY / HINDUJAS' EXTENSIVE LINKS

## Tories also 'sponsored' application

By Hasan Suroor

LONDON, FÉB. 10. Even as Labour politicians are facing flak for dancing to the Hindujas' tune, it turns out that Tories have been equally close to them. On Friday, the former Prime Minister, Sir Edward Heath, a Conservative, admitted that he along with the Tory treasurer, Lord Feldman, was one of the sponsors of Mr. Gopichard Hinduja's passport application in March 1997.

The application was handled by the then Tory Immigration Minister, Mr. Timothy Kirklope, who later got a job with the Hindujas and was with them until he found greener pastures in Europe.

However by the time Mr. G. P. Hinduja of his passport in November 1997, the Tories had been thrown out of power and therefore tech nically the passport was issued by the Labour Government.

Whether it simply stamped the passport already cleared by the Tory administration or made its own decision is not known — but, according to observers, the overlapping role of

the two parties says something about the Hindujas' "harmonious" political networking.

Sir Edward broke his silence on his links with the Hindujas in a statement to *The Times*. He said he first met them when they came up with the idea of floating a British 'Nobel Prize'. He said he saw nothing wrong in sponsoring Mr. Gopichand Hinduja's passport application and was critical of the new political correctness verging on treating the Hindujas as untouchables. "He had been living in England for many years and was a very prominent businessman. There seemed every reason why, if he wanted to become a British citizen, he should be considered", he said.

Sir Edward, who was a member of a trust set up by the Hindujas' at the Cambridge University to give scholarships, reacted sharply to a Cambridge don's demand that the university should not take money from the brothers in view of the allegations of sleaze. "I don't see why one should object to an organisation which is helping people from India in particular but also other countries". The newspaper pointed out that Sir Edward's constituency "received several thousand pounds from the

Hindujas in the 1990s but he said he was not paid for his work for the trust."

On Lord Feldman's role, it quoted a Hindujas' spokesman as saying he had been a "long-standing family friend going back nearly 30 years" and that he did not collect any money for the party from them." Given the Tories' own links with the family, it is not surprising that they have kept a rather low-profile throughout the passport controversy not pressing it beyond the mandatory criticism of Labour's "style".

#### 'Probe contacts'

Meanwhile, the Liberal Democrat MP, Mr. Norman Baker, who broke the "passports-for-favours" row demanded in the Commons on Friday that the Hammond inquiry into the affair also look at "the contacts made between the Hinduja brothers and the members of the Government and the Opposition and members of this House."

The brothers had "carved out" for themselves areas of "influence" in the political system, he said. "Is that carving out of influence in our political system legitimate?"

THE HINDU

1 1 FEB 201

# Indian Air Force likely to get UK jet trainers HT Correspondent Bangalore, February 9 Significantly, Brazilian company Brazilian company Brazilian to the show has

**HT Correspondent** Bangalore, February 9

AFTER TAKING a long time to select an advanced jet trainer (AJT), the Governmen is finally veering towards buying the United Kingdom's Hawk-100 and Hawk-125 air-

Negotiations are understood to have reached a crucial stage, where the price for the aircraft is being haggled with the British Aerospace.

India, in principle, has agreed to buy 66 Hawk AJTs (advanced jet trainers). Twenty-four will be purchased outrightly, the remaining will be manufactured at the Hindustan Aeronautics Limited (HAL), official sources said.

A stiff competition was on between the United Kingdom, France and Russia to sell the

The choice boiled down to Hawk and the French Alpha jets as they were found suitable to the needs of the Indian Air Force. During the last air show, Russians had tried hard to sell their MiG trainer aircraft.

Significantly, Brazilian company Embraer, pasking its debut in the show, has indicated that it will push its trainer (AMX-T) despite the UK being so close to signing the jet trainer deal.

Embraer prices are 30 per cent less than what the UK is demanding. Attempts to dethrone Hawk continue to be fierce consid-

ering the involved. money

According to one esti-mate, the deal could be as high as \$ two billion. with each Hawk cost ing more than \$ 20 mil-

lion. The delay in acquiring an advanced jet trainer has reportedly affected the training programme of Indian Air Force.

In fact, a peeved IAF had informed the Government through a

Parliament that it'll do no good to delay the purchase.

An advanced jet trainer imparts state-ofthe-art skills to pilots, including exposure to highly-advanced avionic systems and navigation, using the global positioning system, and a new weapons despatch methodology.

Agni-II production

AGNI-II, INDIA's intermediate range ballistic missile (IRBM) which was successfully test-fired last month, has been cleared for production, a top defence official said on Friday.

Scientific adviser to the Defence Minister V K Atre, declined to specify the production schedule.

He also declined to comment on

Agni-III. Agni-II, a surface-to-surface missile with a range of 2,000 km, was test-fired from the interim test range in

Orissa on January 17. PTI, Bangalore

THE HINDUSTAN TIMES

1 0 FEB 2001

# Britain, India come closer on Hawk jet deal

By Our Science Correspondent

BANGALORE, FEB. 6. In order to demonstrate a "reinvigorated" defence relationship with New Delhi, Britain has pulled out all the stops to ensure a dominant presence at the Aero India 2001 air show beginning here tomorrow.

The deal for the Hawk ladvanced jet trainers, which Britain wants completed as soon as possible, would be a potent symbol of the new relationship.

Britain and India have never before come this close to clinching the deal though negotiations were held a decade ago, according to Mr. Tony Pawson, Director-General of the Defence Exports at the British Ministry of Defence. The successful conclusion of the Hawk deal would be of "real benefit" to the relationship between India and Britain on defence and industrial fronts, he told presspersons here today.

The Indian Government wants to buy about 66 Hawk jets in preference to the French Alpha jet and the Russian MiG Advanced Trainer aircraft. But the devil's in the detail, making sure that the U.S. export embargoes do not halt the support and spares which India would require for the Hawk. The U.S. export embargoes, after the Indian nuclear tests in 1998, stopped vital spares needed by

the Indian Navy's Sea King helicopters purchased from Britain.

As a result, 60 per cent of the Sea King helicopters had to be grounded. The Chief of Air Staff, Air Chief Marshal A.Y. Tipnis, has been quoted as saying there should be no American content in the Hawk aircraft supplied to India.

Asked about this issue, Mr. Pawson said that during his final days as the U.S. President, Mr. Bill Clinton, had signed the waiver which cleared way for the supply of spares for Sea King helicopters. There were alternatives to the American equipment used in the Hawk. But use of the alternatives would mean a "price difference", he said, adding "that is what all the argument is about."

The First Secretary for Defence Supply at the British High Commission in Delhi, Mr. J.L. Catchpole, said the British contingent at the Bangalore air show would be the biggest among foreign countries. It would occupy the largest space and would have more aircraft on display.

The Royal Air Force had flown in two Tornado fighter aircraft which were accompanied by mid-air refuelling tankers, Nimrod reconnaissance aircraft and two Hercules transport aircraft. With over 400 people involved, the British presence at the show was a major logistical exercise.

Apart from Mr. Pawson, the British Government will be represented by its High Commissioner in India, Sir Rob Young, and Air Marshal Sir John Day, Commander-in-Chiefdesignate of the RAF Strike Command.

# Agreement signed for 100-seater aircraft

By Our Staff Reporter

BANGALORE, FEB. 6. The HAL has signed an agreement with a Russian consortium to design and develop a 100-seater multirole transport aircraft. The HAL Chairman, Dr. C.G. Krishnadas Nair, said here today the agreement signed recently envisaged a fifty-fifty partnership.

A joint committee had been set up to look into the aspects of project report, cost-sharing and market. Unlike the earlier tie-up with Russia, this venture would involve "risk- sharing."

Dr. Nair said the Intermediate Jet Trainer was "well on its way" and would fly in 2002, a year ahead of schedule. The aircraft would go into production by 2005.

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