

# Thailand to set up Asia Cooperation Dialogue

By Our Special Correspondent

**BANGALORE, NOV. 27.** The Prime Minister of Thailand, Mr. Thaksin Shinawatra, said here today that his country would set up the Asia Cooperation Dialogue (ACD) for countries in the region to informally exchange views and coordinate on global issues.

Such a dialogue would be of great benefit in promoting greater intra-Asian trade, investment, tourism and financial cooperation. The forum would comprise "our extended neighbourhood" from East, South-East, South and West Asia. "Asia must learn to interact more actively, both inter and intra-Asia, for the mutuality of our common benefits," he said.

Addressing a session on 'Indo-Thai economic cooperation: building new partnerships', organised by the Confederation of Indian Industry (CII) and the Federation of Indian Chambers of Commerce and Industry (FICCI), the Thai Prime Minister said: "In the past, it was somewhat extraordinary that we in Asia had all been looking to the Western world to create our assets and trade. Thailand has looked East to the Pacific for long. You yourselves have looked through the Arabian Sea to the Atlantic. Now is the time for both of us to look towards each other — to synergise. The richness of Asia should be managed in such a way as to benefit all of us in the region. Bangalore is a shining example of such a possibility."

India, he said, was recognised as the "Silicon Valley of Asia" and Thailand was strong in electronics and computer hardware. There were considerable opportunities for economic synergies and partnership for both countries to facilitate the flow of trade, investment, tourism and research.

In this direction, a memorandum of understanding on collaboration

in information technology (IT) and services would be signed on Wednesday between the Minister for Information Technology and Communications, Mr. Pramod Mahajan, and the Thai Minister for Foreign Affairs, Dr. Surakiart Sathirathai.

Mr. Shinawatra said his visit was aimed at not only expanding cooperation in the economic and political spheres but also in science, technology and IT. "Today, our two governments are expanding our cooperation at both the bilateral and regional levels by exploring a bilateral free trade area, a rice pool cooperation arrangement and the possibility of setting up a special payments arrange-

ment or account trade system."

On his country's economic development strategy, he said four years ago Thailand was the first to be hit by the economic crisis, which rapidly spread to many East Asian economies. The crisis occurred as Thailand was not prepared for the effects of globalisation.

His country, Mr. Shinawatra said, adopted a strategy that would create a strong and viable domestic market and production base to cope with external shocks. The multi-pronged strategy would balance growth based on domestic, regional and export fronts to revitalise the economy.

Thailand was faced with a sense

of urgency in dealing with the economic situation and was addressing the problems facing the three layers of the economic pyramid concurrently and in parallel to one another. "First, we are convinced that the structure and problem of poverty can be best addressed by moving capital closer to the people."

Outlining the programme, he said Thailand had provided a three-year debt suspension for small-scale farmers, instituted a "one village, one product" scheme and established a People's Bank and a Village Fund to provide local entrepreneurs access to capital. At the middle level, it had created a Small and Medium Enterprise (SME) bank and a venture capital package. At the top of the pyramid, the Government was in the process of taking non-performing assets out of the system so that banks could start lending again.

The Karnataka Minister for Large and Medium Industries, Mr. R.V. Deshpande, said Karnataka offered investment opportunities for multi-national companies. The State ranked second in attracting foreign direct investment, he said and hoped that Thailand would invest in the State.

Karnataka, Mr. Deshpande said, was progressive, having achieved a GDP of 6.2 per cent, well above the national average of 6. The industrial growth stood at 7.7 per cent (national average 6.6) and the growth of the manufacturing sector was 8 per cent (national average 7).

The CII president, Mr. Sanjeev Goenka, welcomed the gathering. In his concluding address, the FICCI president-elect, Mr. R.S. Lodha, said that SMEs were fundamental to both countries and needed to be tapped further.

## Thai PM for more cooperation in IT sector

By Our Special Correspondent

**NEW DELHI, NOV. 27.** The Prime Minister of Thailand, Mr. Thaksin Shinawatra, arrived here this evening from Bangalore for the second leg of his visit to India.

Mr. Thaksin is scheduled to meet the top layer of the Indian leadership tomorrow. His substantive consultations will be with the Prime Minister, Mr. Atal Behari Vajpayee, who is hosting a banquet dinner for him.

The Government is attaching considerable importance to the talks with Mr. Thaksin, representing a new generation of Thai political leaders.

Mr. Thaksin is a leading businessman with a big influence in the advanced telecom sector. He is very keen on promoting Indo-Thai cooperation in information technology and other frontier areas.

Thailand is an important com-

ponent of India's extended neighbourhood to the East and a key member of the Association of South East Asian Nations (ASEAN).

ASEAN has decided to hold its first ever collective summit with India next year and the two sides will explore ideas on how to make it a productive one.

The two Prime Ministers are likely to discuss the full spectrum of bilateral relations and sign a number of agreements on economic cooperation.

Mr. Thaksin will also call on the President, Mr. K.R. Narayanan, and the Vice-President, Mr. Krishan Kant. The External Affairs Minister, Mr. Jaswant Singh, the Union Home Minister, Mr. L.K. Advani, and the leader of the Opposition, Ms. Sonia Gandhi, will call on Mr. Thaksin.

The Thai PM departs for Thailand on Thursday after visiting Agra.

INDIA to intensify ties

Delhi Flying

THE HINDU

10 NOV 2001

# 'India, Thailand should focus on security ties'

SINGAPORE, NOV. 25. The 52-year-old Thai Prime Minister is a hands-on man. Mr. Thaksin Shinawatra, founder of a massive telecommunications empire in Thailand, has a lot of hopes pinned on him back home.

Many Thais want him to replicate for the country what he did for his business. A former police officer, Mr. Thaksin is no stranger to politics having been Deputy Prime Minister and Foreign Minister from 1994 to 1997.

As Deputy Prime Minister, he was in charge of the all-important portfolio in Thailand — the snarling traffic of Bangkok. In July 1998, he founded the Thai Rak Thai (Thais Love Thais) party, which he led to victory earlier this year. On February 9, he became the 23rd Prime Minister of Thailand.

Mr. Thaksin has kept a busy foreign policy schedule. He first visited his neighbours and has just completed a visit to Japan. His next stop after India will be the United States.

The following is his written response to questions submitted by Amit Baruah:

**What will be the focus of your visit to India? Does Thailand see the emergence of a growth area comprising India, Thailand and Myanmar, especially since all three countries cooperate in the BIMST-EC (Bangladesh, India, Myanmar, Sri Lanka and Thailand Economic Cooperation) framework?**

**Mr. Thaksin:** The primary focus of my visit is, first, to strengthen bilateral relations between our two countries, especially in economic, trade and scientific areas. We wish to reinforce the close bonds of friendship between India and Thailand on a broad front. Secondly, we wish to explore and build on the considerable strength, expertise and skills of both nations to promote a new level of economic and interactive cooperation to generate economic growth and prosperity in the region. Thirdly, we wish to enhance a direct dialogue with our counterparts on a personal dimension.

Cooperation between India, Myanmar and Thailand should be seen as part of a wider strategy of cooperation between India and Southeast Asia as a whole. By reason of geography, the development of transportation links between the three countries is essential to achieving BIMST-EC's goal of facilitating the flow of trade,

investment and tourists among its members. This also fits the aims of the Mekong-Ganga Cooperation. All frameworks for cooperation that will lead to improved prospects for growth, whether bilateral, sub-regional or regional, should be optimised.

**The last time an Indian Prime Minister visited Thailand was in 1993 and a Thai Prime Minister is going to India after some 12 years. Does this reflect that the two sides have not paid sufficient attention to the bilateral relationship at the highest level?**

My Government considers our relationship with India as a high priority. For us, India is the major partner in our relationship with South Asia because of our long-standing historical and cultural ties. There has been considerable progress in our bilateral relations, especially in trade and investment, after India started its liberalisation process in the early 1990s. During the last 5 years, we have jointly

founded the BIMST-EC and the Mekong-Ganga Cooperation frameworks. This could not have been done without the mutual friendship and understanding that we have in our relationship.

In looking ahead to the visit, we hope to map out a broad strategy for forming new foundations for regional and economic cooperation that will be mutually beneficial in real and tangible terms, i.e., a rice trade agreement, exploring bilateral free trade arrangement and payment arrangement for specific commodities or an account trade arrangement. We have also suggested that Thailand, India and Myanmar should cooperate in linking our road networks in order to expand trade, investment and tourism opportunities. The response at this stage has been quite positive.

Given the changing priorities, requirements and challenges of globalisation, the IT revolution and new avenues of partnership, India and Thailand must interact more closely in many spheres to enhance each other and to enrich the world. Following my visit, I firmly believe that bilateral dialogues at all levels, especially between our businessmen, will increase exponentially in the near term.

40-14 26/11  
**What role do you perceive India playing in Southeast Asia? An ASEAN-India summit was agreed to after a year-long discussion in ASEAN. Does this reflect any reluctance on the part of ASEAN to engage with India at the level of Head of Government?**

As I earlier mentioned, India has always been the focal point and major partner in our relations with South Asia. With regard to Southeast Asia, we welcome an Indian role in the promotion of peace, progress and development in the region. In fact, we would like India to contribute more to our regions' scientific and technological development, especially in the area of information technology. This is an area in which India has made most remarkable progress and can certainly make a positive contribution to our region.

India is an integral and highly significant player in Asia and the world. It is therefore only natural that ASEAN should engage India on a regional basis as a dialogue partner. On our part, Thailand has always supported the idea of an ASEAN-India summit. This summit marks a major milestone and indicates that both sides recognise one another as a reliable, meaningful, independent and equal partner. All of us in the ASEAN now look forward to enhancing our cooperation and dialogue with India on issues of mutual interest.

**Given the problem of terrorism and anti-piracy, both in Southeast and South Asia, do you see the possibility of greater security cooperation and coordination between India and Thailand?**

Thailand has always recognised the threat of terrorism to the peace, security, progress and development of all nations across international borders. Combating terrorism in all forms must be part of a worldwide regional and sub-regional effort. We wholeheartedly support concerted actions within the international community, at both the bilateral and multi-lateral levels, to prevent and eliminate this threat.

Improving security and judicial processes between India and Thailand will be new areas for greater cooperation between our two countries in the future. We would also welcome cooperation with India in the form of consultations and exchanges of security-related information.

**What is your assessment of the current economic problems confronting Southeast Asian countries? Does this dim the**

prospects of ASEAN as a major regional entity and point to the need for greater cooperation with India, a major economy and a country which shares a 1,400-km. border with its immediate ASEAN neighbour, Myanmar?

The financial crisis of 1997, the September 11 attacks on the U.S. and the ensuing campaign against terrorism have severely impacted the world economy. Trade investments and economic growth are expected to substantially decline and impede the recovery of Asia and the world at large. In the short term, growth will be lower. However, in the medium term, as the economic and financial restructuring undertaken by Thailand and other Asian economies begin to take hold, we expect Asia to rebound strongly. With a renewed emphasis on domestic, cross-border and regional markets, Asia can bloom despite the worldwide slowdown.

The current economic problems facing the Southeast Asian countries do not significantly dim the prospects of ASEAN as a major regional entity. Open economies are naturally susceptible to external shocks but the global economic slowdown is not going to last forever. In the meantime, only through a re-examination and promotion of new avenues of cooperation, as well as the opening of our markets for other Asian products, will we be able to ensure an equitable balance and safeguards for our own destinies.

Since greater economic cooperation is needed, ASEAN welcomes new partnerships. ASEAN+3 (Japan, China, S. Korea) is a notable example. The formalisation of the ASEAN-India summit will lead to further trade expansion and especially in the area of information technology, there is much room for the sharing of skills and knowledge.

One of the most exciting things that can be gained from expanded economic cooperation is the development of a road and rail network linking us all. For example, under the East-West Economic Corridor project, road linkages will be developed between Vietnam, Laos, Thailand and Myanmar. Equally promising are road linkages connecting the above countries with southern China. If such route linkages could also be established between ASEAN and India, this expanded route network will greatly facilitate trade and investments in South and Southeast Asia.

THAI NEWS

NOV 25 1998

# 'ASEAN-India summit will be a milestone'

By Amit Baruah

SINGAPORE, NOV. 25. The Thai Prime Minister, Mr. Thaksin Shinawatra, has hailed the proposed ASEAN-India summit as a "major milestone", which indicated that both sides recognised each other as "reliable, meaningful, independent and equal" partners.

Mr. Thaksin, who arrives in Bangalore today on the first-leg of his India visit, said in written responses to questions put earlier by *The Hindu* that Thailand would welcome bilateral consultations and exchange of security-related information in the war against terrorism. "Thailand has always recognised the threat of terrorism to the peace, security, progress and development of all nations across international borders. Combating terrorism in all forms must be part of a worldwide regional effort."

Welcoming the anti-terrorist actions at both



Thaksin Shinawatra

cooperation. As examples, he referred to a possible rice trade agreement, exploration of an India-Thailand free trade arrangement and a payment arrangement for specific commodities or an account trade arrangement. Mr. Thaksin, who came to power with a whopping majority earlier this year, said India was Thailand's "major partner" in its relationship with South Asia given the "long-standing historical and cultural ties" between the countries. Thailand welcomed an Indian role in the promotion of "peace, progress and development" in Southeast Asia. "India is an integral and highly-significant player in Asia and the world. It is therefore only natural that ASEAN should engage India on a regional basis as a dialogue partner. On our part, Thailand has always supported the idea of an ASEAN-India summit."

Referring to the ASEAN decision earlier this month to invite India for a summit, he said that Southeast Asian nations looked forward to enhancing cooperation and dialogue with India.

the bilateral and multi-lateral level, he said, "Improving security and judicial processes between India and Thailand will be new areas for greater cooperation in the future."

He hoped that his visit, the first by a Thai Prime Minister in 12 years, would map out a broad strategy for regional and economic

Details of interview: Page 14

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# Myanmar attacks Manipur militant camps, seizes rebel leaders and arms

Times News Network

GUWAHATI: Myanmar military junta, in a major operation against militants of Manipur, captured 1,400 weapons and a huge quantity of ammunition along with militant leaders operating in the Manipur valley, according to a release issued by the ministry of defence in Imphal.

According to the PIB Defence Wing release issued on late Monday night, the operations by the Myanmar Army started on November 2 and continued till November 8. At least 200 cadres have been reportedly arrested.

Amongst the arrested leaders are the self-styled vice-chief of United Assom Liberation Front (UNLF), general secretary, KCP chairman, general secretary of the eastern bureau of RPF, secretary of the central bureau of RPF, besides other middle level leaders.

According to the release, the troops of Myanmar Army carried out operations against the militants from the Manipur from November 2 to 8 opposite to Moreh in India and besides arms and the militants, they also recovered ten boxes of ammunition of assorted weapons, a huge quantity of gold and precious stones.

Manipur DGP A.A. Sidiqui while talking to this correspondent

over telephone informed that such a major catch of arms, ammunition and cash from the hideout of these underground organisations by the Myanmar Army would definitely give a major blow to the militants of the valley. He said besides arms, the recovery of one crore rupees from the camps will also affect the militants as they would have bought arms with the amount.

It may be mentioned that these operations against the militants operating from Myanmar are resuming after a gap of over six years as it was in April 1995 that 38 militants of North-East including ULFA, NSCN and PLA were killed in a joint operation launched by the Indian security forces and Myanmar army under Operation Golden Bird. But after the govt. gave an award to Aung Sang Suu Kyi, the pro-democracy leader of Myanmar currently under house arrest, the military junta of Myanmar developed cold feet and withdrew all support.

Meanwhile, the DIG BSF P.K. Mishra, when contacted, refused to give any information on the subject. It may be mentioned that the Border Security Force is maintaining the area opposite to Moreh under army and has been on the receiving end from the militants.

THE TIMES OF INDIA

15 NOV 2001



## Mahathir justifies support for ASEAN-India summit

By Amit Baruah

**BANDAR SERI BEGAWAN (BRUNEI), NOV. 5.** The Association of South-East Asian Nations (ASEAN) has okayed a separate ASEAN-India summit meeting, the Malaysian Prime Minister, Dr. Mahathir Mohamad, said today.

Asked about Malaysia's support for the summit, given the backdrop that it had not been enthusiastic about the idea earlier, Dr. Mahathir, told presspersons that "Whenever you found a grouping, there may be a need to accept new members. But if you keep on adding new members soon the grouping itself will lose meaning."

"Our fear, of course, is that once we admit India there may be others in the South Asian region (a possible reference to Pakistan) who will insist that they should also be a partner. But we have resolved that. We now support an ASEAN-India arrangement in which we have ASEAN+1. But separate from ASEAN+3," he said stressing that ASEAN+3 was "East Asian".

In the past, it was Malaysia which had opposed the idea of an ASEAN-India summit.

The issue, however, came up for discussion at the annual ASEAN Foreign Ministers' meeting in Hanoi where the issue was to have been referred to the Malaysian Prime Minister before a final decision was announced in Brunei.

In May this year, the Malaysian Foreign Minister, Mr. Syed Hamid

Albar, said in Kuala Lumpur that the ASEAN's engagement with India as dialogue partner was sufficient.

Now, however, it is to be welcomed that Malaysia has withdrawn its objection to an ASEAN-India summit. The idea of enlarging the ASEAN+3 forum into an ASEAN+4 forum, which would include India, was dropped in Singapore last year.

With the Sultan of Brunei, Haji Hassanali Bolkiah, as chairman of the seventh ASEAN summit, saying today that South-East Asia was facing its "biggest challenge" since the ASEAN was formed in 1967, an ASEAN-India summit will certainly add some sheen to the organisation. There is little doubt that associating with India at the summit level at this point of time will be beneficial to the ASEAN as well a vindication for India's "Look East" policy.

However, while India is likely to have a seat at the high table by the time the next ASEAN summit takes place in Phnom Penh next year, the terms of the India-ASEAN engagement need to be taken more seriously.

India, which is now a dialogue partner of the ASEAN and has annual consultations with the regional grouping on a wide range of cooperative measures, must remain focused on South-East Asia even after the summit meeting has been agreed to. There is little doubt that the ASEAN sees India as a major economy with which it must have a closer trade relationship.

THE HINDU

# State, Malaysia sign MoU for better roads

## STATESMAN NEWS SERVICE (SOMA)

KOLKATA, Nov. 30. — The government is going in for a partnership with the Government of Malaysia on two important road projects. This the first of its kind project in the state. A memorandum of understanding was signed today between the two governments to forge a partnership for the implementation of a number of development projects, specially in the road sector. Among others, a 65-km Hal-

dia-Uluberia expressway will be constructed and the 56-km, four lane Kolkata — Kulpi expressway widened by the Malaysian government. Mr Ashok Bhattacharya, state urban development minister, said "We have also set up an eight-member task force to implement it." The minister said the task force will have four members from the state government and four from Malaysia.

Mr S Swamy Vellu, minister of works, Malaysia, told reporters

that he was satisfied with today's discussion. He said the four lane Haldia-Uluberia road will be built to reduce the distance between Haldia and Kolkata by 36 km. Moreover, this expressway will connect to NH 141. The task force will study the feasibility of the project. The members will meet on three days from 10 December.

A Malaysian official said the road project is the eleventh one that the government of Malaysia is taking up in India.



Malaysian works minister Mr S Swamy Vellu at Writers' Buildings on Friday. — The Statesman

THE STATESMAN

# India for increased technological cooperation with ASEAN

By Amit Baruah

HANOI, JULY 27. India today came out with many proposals at the ASEAN Post-Ministerial Conference (PMC) meeting to take its dialogue partnership with the Association of South-East Asian Nations to a higher plane.

Addressing the ASEAN PMC+India meeting, the Deputy Chairman of the Planning Commission, Mr. K.C. Pant, made specific and detailed suggestions for enhanced cooperation.

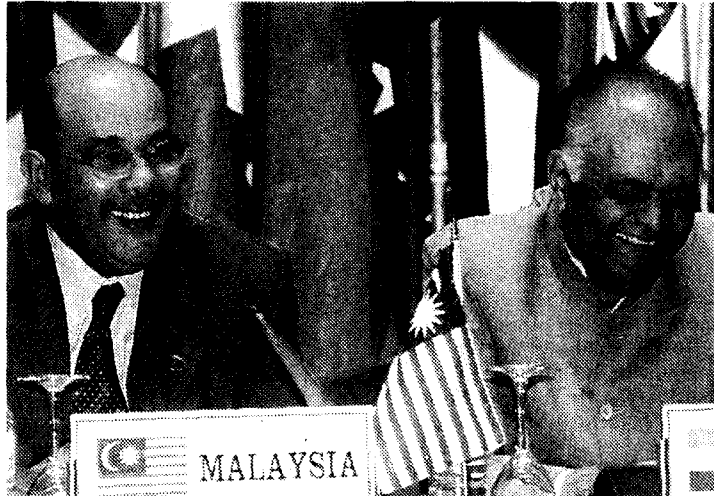
Besides proposing increased cooperation in technology sectors, Mr. Pant suggested the convening of an ASEAN-India Trade Ministers meeting later this year in New Delhi. "There is much scope for expanding and deepening our cooperation agenda, for there is much in common between India's goals for economic development and those of ASEAN. The possibilities of functional cooperation between us are limitless. India is hopeful that our enthusiasm and our efforts will result in tangible gains for all of us."

The leader of the Indian delegation also referred to an ongoing study on ASEAN Free Trade Area (AFTA)-India trade and investment linkages (a report on which was likely to be submitted by August). "Our experts have been asked to highlight the potential for profitable business exchanges in specific areas and in identified products... and services, apart from the barriers to be tackled in increasing trade and investment flows," he said.

Referring to the IT sector, Mr. Pant said India had organised a six-week training programme for 94 ASEAN candidates in advanced software techniques last year at the National Institute for Information Technology (NIIT). "We understand that the training was useful, and that many ASEAN countries have requested that such training programmes be conducted on an annual basis. In response, India would suggest that some scholarships, say 50 out of the other 100 scholarships that it is offering to ASEAN on an annual basis under the ASEAN-India HRD Programme, be used for IT purposes," he said.

India would like to participate in the "Initiative for ASEAN Integration" by taking up projects in the IT sector in Cambodia, Laos, Myanmar and Vietnam (CLMV), he said. These would include e-governance and use of IT in rural areas.

"ASEAN and India have also collaborated in setting up



The Malaysian Foreign Minister, Syed Hamid Albar, sharing a joke with the Planning Commission Chairman, Mr. K.C. Pant, at a joint press conference in Hanoi on Friday. — AP

ASEAN-India Digital Archive (AIDA), which is being implemented in two phases. Phase-I is complete and has provided multimedia representation of common phrases and terms in various ASEAN languages as well as in Hindi and English. We are agreed that the activities planned under Phase-II be carefully reviewed to enhance the utility of the archive, and that it be restructured to provide material for course-related vocabulary," Mr. Pant stated.

He also suggested that India provide assistance to the CLMV countries in the effective use of English, which would help catalyse IT training.

Inviting a person from every ASEAN country to participate in training on analysis and interpretation of remote-sensing data and in the use of data gathered from the Indian remote-sensing satellites, he said "India has submitted a detailed proposal to ASEAN and we are awaiting a response from our ASEAN friends. India is keen to begin the cooperation at an early date.

"Space cooperation can also be extended to space science research and development; data transfer for application in areas such as tele-education and tele-medicine, including the usage of VSAT, mini-satellite develop-

ment, and optical and microwave sensors..." he said.

According to Mr. Pant, ASEAN and India could also launch joint efforts in the area of tropical medicine, tele-medicine, and for eradication of dengue and cholera. Another area, he said, was epidemiology.

"In closing, I would like to mention that at the political level we should emphasise the need for the maintenance and the continuation of our cooperative efforts so that the cumulative impact of our efforts is felt and seen by our people.

"Only then will there be a sense of ownership of these projects and a willingness to commit their intellectual and physical resources to them. Only then can these projects graduate from the ambit of purely Government-driven initiatives," Mr. Pant added.

Speaking in his capacity as India's country coordinator in ASEAN, the Malaysian Foreign Minister, Syed Hamid Albar, said India's commitment to deepening ties with ASEAN was evident. He suggested that India make available information about its capabilities in different fields and "market" these better so that other countries could make use of them.

The Minister was also pleased at the recent summit-level meeting between India and Pakistan which, he said, was in line with ASEAN's view that a dialogue was necessary to reduce conflict.

## Saying it all with a song

By Amit Baruah

HANOI, JULY 27. It is an occasion to relax, let your hair down, have fun and make a point which you may have difficulty doing on formal occasions. The occasion was the ASEAN Regional Forum's 'gala dinner' where delegations are supposed to stage song and dance numbers at the end of hectic rounds of serious meetings.

By all accounts, the Russians stole the show last night as a group, and the rendering of the song "El Paso" by the U.S. Secretary of State, Gen. Colin Powell, along with the Japanese Foreign Minister, Ms. Makiko Tanaka, was also a big hit.

The Indians, too, did not lag behind and rendered their theme song — "Hotel Aseana" — a take-off on "Hotel

California," a well-known Eagles number. "On the fuzzy ASEAN highway, muggy wind in my hair; warm smell of durian, rising through the air; Up ahead in the distance, I saw the membership light; my head grew dizzy and my eyes lit up, thought I could fit in right," went the first stanza in an apparent reference to India's quest for a seat at the ASEAN high table through an ASEAN-India or ASEAN+4 summit interaction.

"There they blocked me in the doorway, I heard the negative bell; and I was thinking to myself, this could be heaven or hell; they pushed me out gently, in the ASEAN way; soft voices down the corridor I heard them say," the song went...

"Welcome to the Hotel

Aseana; such a lovely place, such a lovely face; there's plenty of room in Hotel Aseana; but only for, only for, Korea-Japan-China," the take-off went. The lack of "room" for India in the group's top slot was made, and made well.

Unfortunately for the press, the 'gala dinner' was out of bounds, but a tape of the Powell-Tanaka show did make it to the television screens.

Obviously, great merriment was generated by the stars of the show. Away from the glare of media, Ministers, officials and aides had time to celebrate away a hectic week of meetings and conferences. This was one dinner where the focus was not on the menu; but on what was being dished out on the sidelines of the meal.

## INDIA AND THE ASEAN AMBIT

THE DIPLOMATIC DIVIDEND of the Agra summit has been put to some good use by India during its latest interactions in Hanoi with the Association of South-East Asian Nations (ASEAN). Mr. K. C. Pant, India's chief delegate to the meeting of the ASEAN Regional Forum (ARF) and the annual dialogue with the South East-Asian outfit, has portrayed the brighter dimension of the recent India-Pakistan summit in Agra. Now, ASEAN is certainly not keen on evaluating New Delhi's complex equation with Islamabad in the manner of a major power. However, it is in New Delhi's own interest as a dialogue partner of ASEAN to enhance the organisation's confidence in the general direction of India's foreign policy. To say this is not to imply that the South-East Asian entity has any right to influence or judge India's foreign policy. But the importance of a positive ambience for ASEAN's exchanges with India cannot be exaggerated. It is worth recalling how ASEAN had taken a dim view of the nuclear weaponisation experiments that India conducted in May 1998. At an ARF meeting held in Manila about two months later in the same year, India made a dramatic pitch for a confidence-building measure by offering to acknowledge and respect the sanctity of South-East Asia as a nuclear-weapons-free zone. If, however, India has not yet been able to accede to a relevant protocol, the reason simply is that ASEAN's prevailing diplomatic culture and existing mechanisms call for such a commitment by the five designated nuclear powers and not India or Pakistan. Yet, peace between India and Pakistan is a matter of abiding importance to ASEAN in the larger regional and global context.

India's 'look East' policy, whose centrepiece consists of the relationship with ASEAN and its sub-regions, has for most part remained a matter of high intentions. Yet, some definitive new beginnings may take shape. Mr. Pant has

now offered to intensify New Delhi's interactions with ASEAN in the information technology sector (IT), a well recognised area of India's strength. The offer, which seems to have evoked a positive response, should signify that New Delhi is looking beyond the recent Mekong-Ganga initiative of a more conventional kind concerning economic linkages between India and some ASEAN countries. In a subtle sense, India can really contribute towards the initiative for ASEAN's internal integration. ASEAN suffers from a "development gap" within its fold as between its poorer members and the others, and India is in a position to help the association bridge this divide in key areas like IT.

In line with the normal practices of ASEAN, its latest ministerial-level meetings were dominated by economic issues. Economic security in the larger global arena, with particular reference to the vulnerabilities of the developing countries, was sought to be addressed by ASEAN with the objective of stirring the conscience of the international community in this respect. The organisation welcomed China's anticipated entry into the World Trade Organisation, although Beijing's increasing competitiveness will pose a few challenges to South-East Asia. On the political front, ASEAN remained eager to fashion a code of conduct in the South China Sea and reaffirmed that peace in East Asia would depend on the triangular power-equation involving the U.S., China and Japan. Not surprisingly, the U.S.-China engagement was the bilateral event that attracted the greatest attention on the sidelines of the latest ARF meeting in Hanoi. Now, although India is generally seen as a factor for stability in South-East Asia, ASEAN surely has many political considerations to sort out before it can respond positively to New Delhi's bid to engage the association in summit-level talks in the manner of China, Japan and South Korea.

## Mega Moment (1/10)

Megawati Sukarnoputri's patience has paid off. After biding her time as vice-president for two years, despite being leader of the largest political party in her country, she has finally assumed office as president of the third largest democracy and the most populous Muslim nation. She should have been president two years ago but wily opponents outmanoeuvred her each time. As vice-president, she cultivated the army, security forces and others who earlier had reservations about a woman assuming presidency. Even the orthodox Islamic groups who voted against her in 1999 now not only support her but have accepted vice-presidency under her. To her credit, there was no bitterness between her and the impeached president who has since left Indonesia for a medical check-up in the US. The transition which saw the very first democratically-elected president of Indonesia impeached was relatively smooth and peaceful. The Indonesian example is of a piece with what was demonstrated earlier in the Philippines — that even in a democracy, a president who forfeits the confidence of the armed forces and security services cannot stay in office. The outgoing president Wahid, an erratic, incompetent leader handicapped by severe physical infirmities and ill-health, has warned of the possible re-emergence of the military at the helm of affairs. Other observers point out that Ms Sukarnoputri is developing closer ties with the military. To some extent, that is understandable because her father Sukarno, the founder of the Indonesian state, was overthrown by the military with the tacit support of the US since he was in alliance with the Communist Party of Indonesia (PKI). Therefore, her relations with the military will be watched carefully by the international community.

There have also been comments about her lack of experience in any political office and her relatively swift transition from an apolitical housewife to the presidency of the country over a span of 12 years. The same was said about Sirimavo Bandaranaike, Corazon Aquino and Khaleda Zia. All of them disproved the negative predictions and emerged as leaders in their own right. In a sense, Ms Sukarnoputri has an inherent advantage as the daughter of the charismatic Sukarno. The defeat of a former general who ran for the vice-presidency and the overwhelming vote of 599 out of 700 seats in the assembly that she obtained gets her off to a flying start. She faces enormous challenges in terms of economic problems, the secessionism in Aceh province, Irian Jaya and elsewhere and creeping fundamentalism in a country known for its syncretic and moderate Islam. All this is happening at a time when the democratic order is at an incipient stage of development. The Asian economic crisis and consequent decline brought to the surface many secessionist forces which were dormant during the period of high economic growth. The stability of Indonesia is vital for the entire ASEAN region. As the largest Islamic country in the world and also a multi-religious and multi-cultural nation, Indonesia's moderate Islamic system sets standards for many other Muslim countries. Therefore, a lot is riding on the leadership abilities displayed in the coming days by president Megawati Sukarnoputri.

At Top

THE TIMES OF INDIA

# Old sins, long shadows in Southeast Asia

RAPHAEL PURA & RICHARD BORSUK

**W**HEN Asia's financial bubble burst in 1997, it scattered economic wreckage across developing Southeast Asia.

But some observers saw a glimmer of hope: they suggested the debacle might help purge problems that had plagued the region's developing nations — corporate cronyism, autocratic rule, lax financial regulation and rampant corruption — and make way for more accountable government, reforms and cleaner business practices.

So far, the optimists have been wrong. Four years later, Southeast Asia is arguably more unstable than at any time since the 1970s. Indonesia increasingly appears ungovernable, and in danger of fragmenting, with no certainty that Megawati Sukarnoputri can manage any better than her ousted predecessor, Abdurrahman Wahid. Efforts to bolster the faltering Philippine economy have been undercut by street politics and high-profile kidnappings.

Malaysia is struggling to manage a leadership transition with one of its most popular politicians in prison. And Thailand, which formulated the most liberal democratic reforms in Asia after 1997, has elected a billionaire who is on trial for allegedly hiding his wealth.

This turbulence comes at a time when a slowing and increasingly interlinked global economy is making it ever more imperative for countries to compete or perish. Indeed, an official report

prepared for this week's meetings of senior officials from the 10-member ASEAN in Hanoi acknowledged that it is now widely perceived as a grouping "whose economy has been weakened, its politics unstable, a region rudderless and in disarray."

Call it the failure of politics, or more precisely, of Southeast Asia's political institutions, to evolve in step with the region's economic boom of the 1980s and 1990s. After years of degradation, corruption and abuse under top-down rule — by one man, one party or the military — the institutions that sustain politically mature states aren't carrying the load in Southeast Asia.

The region's elected legislatures are generally weak. In some countries, the police and armed forces have been politicized; judicial systems tainted by politics and corruption and widely mistrusted; financial regulators not respected and toothless to discipline corporate big shots. Standards of corporate governance remain low and influential tycoons seek political protection from creditors and competitors.

"There's a lack of existing institutions — political, economic and business," says Juwono Sudarsono, an Indonesian political scientist. He warns the job of building them will be slow and tough. "For the next decade or more, progress will be incremental."

**I**n much of Southeast Asia, there is no deeply embedded tradition of independent public institutions that can be relied upon to act as checks on abuses of power or as efficient providers

of services needed for market economies to flourish. Instead, as vestiges of their colonial roots withered, Southeast Asia's governments have grown large and flaccid. Some are filled with inefficiently trained, underpaid civil servants who often display little sense of public accountability, or with politicians seeking and extending patronage.

Indonesia's woes illustrate the breakdown of political leadership and institutions at its worst. When Wahid and Megawati were elected president and vice president, respectively, in October 1999, hopes soared that things might improve.

But expectations of political and economic reforms that followed Suharto's fall three years ago soured as Indonesia became Asia's most dangerous flashpoint. To be sure, Wahid — removed from power this week by Indonesian legislators — turned out to be an ineffective leader and a disastrous manager. But the supporting cast of government inherited from 32 years of Suharto's rule make the task faced by any new leader difficult.

Under Suharto, Parliament became a rubber-stamp assembly filled with his appointees; opposition figures were crushed; the poorly trained military lost much of its respect among citizens. The bureaucracy was bloated and pervasively corrupt. Indonesian police and courts were better

known for vice than for justice. While Wahid's erratic leadership style was long on talk and short on concrete action.

The case of Canadian life insurer Manulife Financial Corp. and its experience with the Indonesian police alarmed foreign investors. Manulife tried to buy more of an Indonesian joint venture from its bankrupt local partner. At one stage, police detained a senior executive of Manulife's joint venture for three weeks without charges. After six months, the Wahid government finally intervened in late May, promising to end the probe into Manulife's purchase of a greater share of its local joint venture.

Indonesia has been kept on a tight leash by owners affiliated with the ruling coalition.

In the Philippines, economic reforms initiated by former President Fidel Ramos's government before the 1997 crisis stalled under actor-turned-politician Joseph Estrada, who returned the country to personality-driven politics. A new set of political and business cronies gravitated to Estrada, ultimately contributing to a wave of corruption allegations that toppled his government. Meanwhile, the Philippines' security forces appear incapable of maintaining law and order in large parts of the country where kidnapping has escalated. In late May, Muslim rebels kidnapped nearly two dozen people and continue to hold many of them hostage.

Thailand has escaped some of this drama, but its economic revival continues to suffer as new laws and institutions installed post-1997 to upgrade government accountability collide with politicians who are responsible for making them work.

Thaksin Shinawatra emerged pouring into China instead. Even a once-promising effort to create a unified Southeast Asian market under ASEAN's free trade area, or AFTA, has been set back, the victim of political disruptions in member states and renewed protectionist sentiments, notably in Malaysia.

"This isn't a blip," says Simon Tay of the Singapore Institute of International Affairs. Before the Asian financial crisis, he says, Southeast Asia "got the lion's share of foreign direct investment going to developing countries." Now, he says, China has gotten "incredible interest compared with before." China is still attracting more than \$40 billion a year in new investment, down slightly from \$45.5 billion in 1998. Most Southeast Asian countries, meanwhile, have seen new capital investment inflows dwindle sharply.

South Korea is also moving quickly up the tech ladder, allowing more foreign participation in its domestic market and turning out high-quality electronic and other manufactured products for the global market.

## Actor-turned-politician Joseph Estrada (below) returned the Philippines to personality-driven politics, while Indonesia's still carrying the burden of 32 years of Suharto's rule



Even if the appeal of China and South Korea dims and the US economy improves later this year, Southeast Asia may still fail to stage a long-term rally. Ironically, with participatory democracy far from maturity and a weak tradition of independent institutions, its fate will depend on its leaders.

At the moment that means an aging, embattled premier in Malaysia, a new Indonesian president who many think will prefer to reign rather than govern, an unelected president in the Philippines and a billionaire-turned-politician facing possible removal for allegedly concealing his wealth in Thailand.

State-backed bailouts of politically connected tycoons and slow debt reorganisations have soured the investment climate. And Malaysia's mainstream me-

from a January election with a majority unprecedented in modern Thai politics. But he may not get much opportunity to exploit his mandate. Thailand's anti-graft agency, empowered by the new constitution, has indicted him for concealing the full extent of his wealth. If the Constitutional Court finds him guilty of the offense, he faces a five-year ban from holding public office and will have to step down. If he survives, Thaksin will face lingering questions about the character of his administration.

**W**ITH the region enmeshed in domestic political turmoil and once-stellar economic growth slowing, foreign capitals

(From The Wall Street Journal)



40-17 25/7

# Mega change

**I**N THE end, it was a painful end to an erratic presidency. Mr. Abdurrahman Wahid finally acquiesced and departed from the Presidential palace in Jakarta on Thursday, three days after the People's Consultative Assembly (MPR) voted to impeach him. As Ms. Megawati Sukarnoputri took power on Monday in front of a cheering members of the upper House of Parliament, Indonesia's neighbourhood and the rest of the world quietly cheered the absence of violence and trouble.

The most important part of the remove Wahid and install 'Mega' (as she is popularly known) campaign lay in the fact that no doomsday scenarios materialised. The country did not, as Mr. Wahid had predicted, break up into pieces and his fanatical followers in the Nadhlatul Ulama kept their peace. The stability of the world's largest Islamic democracy and

*The same forces that removed Abdurrahman Wahid as Indonesia's President could pose a threat to the new leader as well... But for now, says Amit Baruah, there is considerable goodwill for Megawati Sukarnoputri.*

South East Asia's most important nation had concerned everyone — neighbours and distant nations alike.

The removal of Mr. Wahid from power was a process, not an event. Everybody knew it was coming, but the real question was: will it be peaceful or not? In the end, it was quiet, almost anticlimactic.

A moderate Islamic scholar, Mr. Wahid, who is near-blind, suffered from not just physical disabilities from the time he took power in October 1999. Mislead by many around him, he soon found himself taking erratic, knee-jerk decisions, which alienated all but his most die-hard supporters. His inability to make his Cabinet function as a team, delegate authority and enforce the rule of law in a post-autocratic



**Ms. Megawati Sukarnoputri... In control for now.**

Indonesia finally cost him his job. Numerous Cabinet reshuffles only seemed to add to his problems.

Corruption charges, too, were levelled against him, but the fact remains that Mr. Wahid was not ousted on these charges — it was because his allies-turned-opponents could no longer deal with him.

If the former President had 60 members of Parliament backing him, Ms. Megawati has 160. But she is still dependent on allies such as the MPR Speaker, Mr. Amien Rais, and the Islamic factions, as well as the House of Representatives Speaker, Mr. Akbar Tandjung. The attitude of Mr. Wahid's party and the Nadlatul Ulama remains to be seen. Mega and Gus Dur (the former President's nickname) were firm friends before their political schism — there is no reason why this friendship cannot resume.

The election as Vice-President of Mr. Hamzah Haz, leader of the Islamic United Development Party, after three rounds of voting spread over Wednesday and Thursday, saw the defeat of the Golkar leader, Mr. Akbar Tandjung. A vast majority of Indonesians, in all probability, did not want the return of a Golkar face to the executive.

The power of the Suharto-backed Golkar is not just in Parliament, and their ability to garner votes, but everywhere in the state structure. Every move (albeit erratic) made by Mr. Wahid was stymied by a "mysterious force".

While the voting out of Gus Dur may have strengthened democracy, Ms. Megawati will face many challenges. If Indonesia is to move towards a more participatory democracy, the ghosts from the past will have to be exorcised. Many Indonesians believe that

even the Judiciary, which has aborted all efforts to prosecute Gen. Suharto, is packed with men who owe allegiance to the former dictator.

After the elections in 1999, Mr. Hamzah Haz and like-minded Muslim-oriented leaders opposed Ms. Megawati's becoming President, arguing that Islam did not allow for a woman to become Head of state. Instead, they preferred Mr. Wahid. That such a view was political became clear when Mr. Hamzah later dropped his opposition to Ms. Megawati becoming President. There is little doubt that Gus Dur's election was a result of political jockeying at the time.

As Ms. Megawati gives shape to her Cabinet, many allies will demand their 'share' — the absence of a clear Parliamentary majority does make her 'dependent'. The same forces that removed Mr. Wahid can pose a threat to the new leader as well. It remains to be seen whether the new President can display leadership qualities and neutralise political threats in the future before they turn serious.

At the moment, the Mega-Hamzah duo is being touted as a successful "nationalist-Islamic" alliance. Whether the alliance endures as Indonesia continues to go through challenging times, will be closely watched.

For Ms. Megawati, there is considerable goodwill. A popular leader, who challenged dictatorship, she has been warmly welcomed to the country's top job. Even the Association of South East Asian Nations (ASEAN), normally circumspect about commenting on internal developments of member-nations, has been warm in welcoming Ms. Megawati's election. Foreign Ministers of ASEAN meeting in Hanoi praised the "orderly and peaceful" transition.

Mr. Wahid's funny ways demonstrated the need for a President who would govern Indonesia with dignity. His frequent travels abroad were the butt of many jokes. A sacked police chief refused to obey his 'boss' — the President. The country, it seemed, was drifting along, not being governed. Indonesia certainly needs a firm hand, but this multi-ethnic, multi-religious nation also needs understanding and more democracy. Ms. Megawati will also have to set the economy on course and create better living conditions for the mass of Indonesians.

Over to Mega.

## 'China behind delay in India-ASEAN summits'

**The Times of India News Service**

NEW DELHI: No one in the Indian government will admit it in public. But it is well known that one reason for the delay in initiating annual India-ASEAN summits, is because of China's opposition to the move.

K.C. Pant, deputy chairman of the Planning Commission, who was recently in Hanoi for the ASEAN Regional Forum, said on Tuesday: "There is some movement, but it has not yet been finalised." He went to Vietnam because external affairs minister Jaswant Singh was busy with the on going session of Parliament.

Omar Abdullah, the brand new minister of state for external affairs, sat besides Mr Pant in his first interaction with the media in his new position. He clarified that during his trip to Malaysia with the Prime Minister earlier this year, it was evident that ASEAN was keen to hold regular summits with India. He said after the India-EU summit, the idea of ASEAN-India summit was very much there. Malaysia which is ASEAN's coordinator for India, had assured New Delhi that the move was on. ASEAN holds summit-level discussions with Japan, South Korea and China. "ASEAN members don't want to be overburdened. It is only a question of time before the India-ASEAN summit takes

place," Mr Abdullah said.

India and China the two Asian giants are vying with each other for increasing their sphere of influence in the region. China is already well entrenched, but India's recent moves in getting on board ASEAN as a dialogue partner and getting into China's backdoor through the Mekong-Ganga Cooperation Group has obviously led to Beijing's interest in it as well as in SAARC.

Beijing's interest in SAARC is intriguing, especially as it has never considered itself a part of the narrow South Asian groove. Though no formal approaches have yet been made for China's entry into the SAARC, backroom work is on.

The proposal was first made by Dhaka a few years ago. Recently SAARC's Sri Lankan secretary-general based in Kathmandu visited China. The issue came up once again. However, SAARC operates through consensus and India is certain to turn it down.

China has also shown an interest in joining the Mekong Ganga Cooperation Group represented by Cambodia, India, Laos, Myanmar, Thailand and Vietnam. Mr Pant who also attended a meeting of the second ministerial conference of Mekong Ganga Cooperation Group said: "China has made no formal bid to enter the grouping."



# ASEAN-India summit: consensus awaited

By Amit Baruah

HANOI, JULY 24. A consensus within the Association of Southeast Asian Nations for an ASEAN-India summit meeting is still awaited, the Vietnamese Foreign Minister, Mr. Nguyen Dy Nien, indicated today. Mr. Nguyen, who confirmed that the issue figured in the discussions held between ASEAN Foreign Ministers here, said that a 'clearer statement' on such a summit interaction was possible in the future.

"India is a great country in Asia and all the ASEAN countries have very good relations with India — a good link I think — economic, cultural and all other fields. We wish very much to have a very close relationship with India. I think the question (of an ASEAN-India) summit was also referred (to) in our discussions. And I hope that in future discussion(s), we will make a clearer statement on this issue," he said in response to a question. On the same issue, the ASEAN Secretary-General, Mr. Rudolfo C. Severino, Jr. said the organisation was searching for ways to strengthen ASEAN's relations with India.

"Nothing conclusive came out of the Foreign Ministers meeting, but the subject was discussed," Mr. Severino told *The Hindu*.

Are you hopeful of a positive response in the future? "Yes, yes. Because the basis for my optimism is the fact that ASEAN considers India as a very important partner. And, so, before long I think we will see some strengthening of the

ASEAN-India relationship." According to informed sources, Thailand's Foreign Minister, Dr. Surakiat Sathirathai, spoke up in favour of an ASEAN-India summit. On previous occasions, under a different Government, Thailand had been sitting on the fence on this issue. The sources also revealed that Malaysia, which had previously held up arriving at a consensus on the summit meeting, has now said it would take the entire issue of its own position to the Malaysian Prime Minister, Dr. Mahathir Mohamad.

This development on the Malaysian side appears to be positive and could pave the way for forward movement on the summit issue between India and ASEAN.

In response to another question at his press conference, the Vietnamese Foreign Minister said the issue of a moratorium on new members to the ASEAN Regional Forum would be raised during the ARF meeting tomorrow.

However, when asked, the ASEAN Secretary-General said the issue of Pakistan seeking membership in the ASEAN Regional Forum (ARF) was unlikely to figure in the discussions tomorrow.

He said the question of Pakistan joining the ARF did not figure in the discussions of the Foreign Ministers.

Asked if the matter might come up during tomorrow's ARF session of Foreign Ministers, Mr. Rudolfo Severino, Jr. said: "No, because it was taken up at the ARF senior officials meeting — there was no consensus on it."

# Myanmar for consulate in Kolkata

HFS  
25/7

*Kolkata, July 24*

MYANMAR IS likely to request the Indian Government to reopen its consulate in Kolkata, 34 years after it was closed down, to resurrect the old border links between the two neighbours.

The Myanmar Government told members of the Bengal Initiative, a Kolkata-based intellectual forum that was on a 12-day tour of that country this month, that it would request New Delhi to reopen the consulate.

The members met and held wide-ranging discussions with Myanmar Prime Minister Than Shwe, Foreign Minister On Gyaw, Education Minister Pan Aung and Health Minister Than Nyunt.

"During our talks, we urged the Myanmar Government to reopen its consulate in Kolkata. And we have been assured that Yangon would approach New Delhi soon in this regard," said Bengal Initiative chairman Amiya Gooptu.

West Bengal had close ties with Myanmar, then known as Burma, till the late 1960s. Kolkata housed a consulate of that country which was shut down in 1967. Now Bengal Initia-

tive members want the old ties revived.

This is said to be the first significant business-cultural delegation to have travelled to Myanmar since India's Independence. The delegation comprised businessmen and personalities from the cultural and academic world.

Gooptu hoped after the consulate reopened, cultural and commercial ties would be strengthened, helping people of the two lands to connect better. One of the ancient features that the Bengal Initiative hopes to revive is the once popular Kolkata-Chittagong-Yangon steamer service. This service was disrupted in the early 1960s.

If this service is started, people from both countries can commute, trade will increase and Myanmar students can come here for higher studies, Bengal Initiative representatives told Myanmar government officials.

Presently, bilateral trade between India and Myanmar is pegged at a modest \$250 million, with New Delhi importing pulses, precious stones and gems while exporting machinery and spares.

**Indo-Asian News Service**

THE HINDUSTAN TIMES

# India emerging key player in Asia-Pacific region

By Amit Baruah

**HANOI, JULY 22.** Not long ago, India was not considered a player in the Asia-Pacific region. All that has begun to change. Slowly, but surely, India is being counted in the geo-politics of the region as an emerging power.

There is little doubt that the May 1998 nuclear tests focussed on New Delhi as never before — on its intentions and motivations to go nuclear. For some time, the focus of the Association of South East Asian Nations (ASEAN) and the ASEAN Regional Forum (ARF) remained on criticising India for its actions, but gradually all that began to change.

As the ASEAN and ARF meetings get underway here from tomorrow, India takes its place as a dialogue partner and ARF member without the baggage of May 1998.

In place of the External Affairs Minister, Mr. Jaswant Singh, the Deputy Chairman of the Planning Commission, Mr. K.C. Pant, will lead the Indian delegation to the ASEAN/ARF and Mekong-Ganga Cooperation (MGC) Ministerial Meetings.

Central to the gradual easing away of criticism directed towards India (and, of course, Pakistan) was New Delhi's growing

engagement with Washington.

Scholars, journals and think-tanks have begun to mention India as a factor in the region today. All that is a sign that India's profile in the region got a boost. However, all depends on how far India is able to capitalise on it and project that it is genuinely interested in promoting and building upon current cooperative endeavours.

India, after all the fire directed at it in the Manila ARF meeting in 1998, is very much part of the process, and will be co-chairing the Inter-Sessional Support Group on Confidence-Building Measures of the 23-member organisation for the coming year.

The change in tone can be seen from the ARF chairman's statement (a consensus document). In 1998, the ARF Chairman said on India and Pakistan: "The Ministers...expressed grave concern over and strongly deplored the recent nuclear tests in South Asia, which exacerbate tension in the region and raised the spectre of a nuclear arms race...they asked the countries concerned to restrain from weaponisation or deploying missiles to deliver nuclear weapons...."

In 1999, the ARF chairman's statement issued in Singapore read: "The Ministers noted support for encouraging states that

had tested nuclear weapons last year to exercise restraint, including by adhering to the CTBT, and to revive the Lahore process. And, last year, the ARF chairman said in Bangkok: "The Ministers exchanged views on situation in South Asia and some expressed their continuing concern. The Ministers expressed the hope that efforts be made to bring about positive developments in the region".

The heightened engagement with South-East Asia during the year gone by since the ASEAN and ARF sessions in Bangkok in July last year have indicated that New Delhi is interested in forging stronger ties with this region.

Interestingly enough, the ASEAN, which remains the driving force behind the ARF, cannot be treated as one entity. And, as sovereign nations, their perspectives on security issues are their own. So, when India went ahead and offered qualified support for the American anti-ballistic missile defence proposal, it was certainly noted in the region. The Malaysian Prime Minister, Dr. Mahathir Mohamad, sought clarifications from the visiting Indian Prime Minister, Mr. Atal Behari Vajpayee, about New Delhi's position in May this year.

Some other ASEAN members, India's

traditional friends in the region, too, could have concerns about New Delhi's qualified support to the anti-missile defences proposal. It could, consequently, be in India's interest to explain its views on the issue.

Another high-point of Indian involvement last year was the formation of the Mekong-Ganga Cooperation (MGC) grouping in Vientiane in November last year.

Some eyebrows were raised at that time because China (a Mekong country) was left out of the grouping. However, India made it clear that the grouping was not directed at any country. In terms of size, India is the only "counter" to China in Asia. In terms of economic clout, China is ahead of India.

Whatever be the interests of powers operating from outside the region, India would gain from a cooperative partnership with China in South-East Asia.

The Cold War model of "allies" and pitting one against the other is not in the interests of either China or India.

A speedy resolution of some of the more ticklish issues between India and China could help promote this partnership in South-East Asia.

# I would like to meet Vajpayee, says Thai PM

BY LEKHA J. SHANKAR

Bangkok, June 6: Even as his possible indictment and ouster from office by the National Counter Corruption Committee hangs in the air, Thai Prime Minister Thaksin Shinawatra addressed the Foreign Correspondents Club of Thailand with immense confidence, charm and charisma at the newest five-star hotel in the city, Plaza Athenee.

The meet was held to outline his achievements after 100 days in office. Till now his blunders have hogged the headlines more than his achievements, including hunting for treasure in an ancient cave, criticising the national airline, dismissing the chairman of the Bank of Thailand and even criticising Indian tourists for making up the largest

number of illegal immigrants in the country.

With the baht touching an all-time low, the Prime Minister needed this media event to improve of his global image. He confessed that it was part of his "strategy" to make this appearance after many postponements because this was an opportune moment. The 1,500 baht per person sit-down dinner with Mr Thaksin had businessmen, bureaucrats, diplomats and of course the media coming together for an evening of camaraderie and high spirits.

Unlike our desi politicians, the Thai Prime Minister arrived half an hour before time and took the club by surprise. The senior members of the club members first led Mr Thaksin to a separate cocktail lounge where he relaxed

and joked with them. Dressed in a suave black suit and sleek black-and-white tie, with well-set hair and a dimpled smile, Mr Thaksin was a picture of elegance and charm. When he was coaxed into joining the club, the millionaire politician wanted to know which one of them would pay his fees. He was told that all he needed to do was sign a cheque, whereupon he retorted that all he was capable of was a thumb-print signature.

While the local editors of media groups like Dow Jones, Bloomberg and Spindler sipped wine and whisky, Mr Thaksin himself did not venture beyond two glasses of ice-cold water. Known for his strong family ties, the Prime Minister stated that his daughter did not allow him to have anything but fruit juices.

"Come on Prime Minister, enjoy your-

self," cajoled the press, but Mr Thaksin's enjoyment lay in bantering with them. He did not sing any of his favourite Elvis Presley numbers.

When asked how he combined the dual roles of a good businessman and good politician, the telecom magnate said: "The two are different. I was a businessman, I'm only a politician now."

Which was the toughest day of his tenure so far? "When I was indicted by the NCCC," he said frankly.

Enroute to the ballroom, this correspondent questioned him about his criticism of Indians. "I didn't mean Indians," came the quick reply, reminiscent of famous habit of retracting statements.

"I meant Pakistanis and Bangladeshis. I like India very much. I want to meet Vajpayee."

# Cambodia to raise India-ASEAN summit issue again

By Amit Baruah

**PHNOM PENH (Cambodia), JUNE 4.** The Cambodian Prime Minister, Mr. Hun Sen, today told the visiting Vice-President, Mr. Krishan Kant, that his country would again raise the issue of a separate ASEAN-India summit at the next meeting of ASEAN heads of Government in Brunei in November. He also said Cambodian support for India to enter the U.N. Security Council as a permanent member would continue.

Mr. Hun Sen, who held official talks with Mr. Krishan Kant in the presence of senior Ministers of his Government, asked that India provide judges/prosecutors for a mixed Cambodian/international tribunal that is likely to try those responsible for the Khmer Rouge genocide between 1975 and 1979.

He thanked Mr. Krishan Kant for the services of two legal experts provided by New Delhi under the Indian Technical and Economic Assistance (ITEC) programme in October-November 1999 to assist in drafting a new law to try those heinous offences.

Briefing reporters, the Additional Secretary (South), Ms. Navrekha Sharma, said the issue of India extending a \$10 million credit line for the purchase of machinery and equipment for farm purposes came up for discussions. She added that the Government of India would take an early decision on the matter.

India was also providing military training to Cambodian officers under the ITEC programme — the number of officers going for training to India would be raised from six in 2000-01 to 21 in 2001-02. Both sides also agreed that the current level of trade between the two countries was not very high — the value of bilateral trade was just \$9 millions.

Ms. Sharma said the Vice-President had accepted, in principle, the offer of the Cambodian Gov-

ernment to restore some temples found recently in Angkor. A team from the Archaeological Survey of India would visit Angkor in this connection.

The Vice-President, speaking at a banquet hosted in his honour by Mr. Hun Sen, expressed gratitude for Cambodia's support to India in many global fora.

"Your country has been helpful in the ASEAN, in the ARF and in the United Nations, for which we wish to once again, express our profound gratitude. We, on our part, would also be very happy to continue to support Cambodia at various international fora, including in your efforts to become a member of the WTO," Mr. Krishan Kant said.

"I wish to assure you that India would continue, in whatever manner possible, to share its experiences and technical expertise bilaterally with Cambodia. On a regional basis, India is looking forward to cooperation with Cambodia and other countries under the Mekong-Ganga Cooperation programme," he said.

The Vice-President made a pointed reference to India's invitation to the Pakistani Chief Executive, Gen. Pervez Musharraf, to visit New Delhi. Such a reference is important given the fact that some ASEAN nations have linked an ASEAN-India summit meeting to improved relations in South Asia.

Mr. Hun Sen said India and Cambodia had close relations for more than a thousand years. Besides, the two countries had shared a common struggle against colonialism.

"India is nearly as big as a continent. Besides the development of its economy... India today is among the most democratic countries. My visit to India in February 2000 gave me the opportunity to witness the great potentialities of India in Asia," he said.

"In the framework of ASEAN Regional Forum (ARF), Cambodia continues to consider India as (a) major player in contributing to peace, stability and security in the Asia and Pacific region," Mr. Hun Sen said.

## Krishan Kant calls on Sihanouk

King Norodom Sihanouk of Cambodia, the only one alive from the heady days of the Bandung Conference of 1955, today recalled with appreciation his association with Jawaharlal Nehru and the role played by India's first Prime Minister in shaping the principles of non-alignment.

Interestingly, after Nehru's visit to Cambodia way back in 1954, Mr. Krishan Kant, who called on the King at the Royal Palace, is the highest-ranking Indian leader to have come to this country in almost 50 years. King Sihanouk himself visited India way back in 1957.

King Sihanouk, who first ascended his country's throne in 1941 at the age of 19, has been witness to the region's tragic history as an active participant, who dominated his country's history from 1955 onwards.

King Sihanouk played the role of a gracious host to Mr. Krishan Kant. His hospitality at lunch far exceeded the expectation of his guests. The Vice-President, who is a vegetarian, found that his hosts had cooked according to his specifications.

Mr. Krishan Kant and other members of his delegation had another surprise in store for them. A small orchestra played old Hindi film tunes such as "*Mera joota hai Japani, yeh patloon Englistani, sar pe lal topi Roosi, phir bhi dil hai Hindustani* (my shoes may be Japanese, my trousers English, my cap Russian, but my heart is pure Indian)" as the guests enjoyed their vegetarian meal.

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10/23

# Krishan Kant arrives in Phnom Penh

By Amit Baruah

PHNOM PENH (CAMBODIA), JUNE 3.

Cambodia's goodwill towards India was evident all the way as the Vice-President, Mr. Krishan Kant, touched down at the Pochentong international airport, 11 km from here, to a warm welcome this evening.

The Cambodian Prime Minister, Mr. Hun Sen, received the Vice-President as the flags of the two countries flew together at the terminal building. A brief reception was organised at the airport complex itself to receive Mr. Kant, who flew in here from Siem Reap after visiting Angkor Wat.

Banners welcomed the Vice-President all the way to the Intercontinental Hotel where he is staying with a large delegation of officials. "Long live the bonds of friendship between the people of Cambodia and India," said one,

while another warmly welcomed the Vice-President and his wife, Mrs. Suman Kant.

The banner-waving may be part of official protocol and extended to other visiting dignitaries, but the fact remains that an Indian Vice-President has at least made it to Phnom Penh.

Mr. Kant's is the first high-level visit from India to Cambodia since the then External Affairs Minister, Mr. Pranab Mukherjee, was here way back in January 1996. However, high-level contact took place recently when Mr. Hun Sen visited India in February 2000.

India and Cambodia have enjoyed a close relationship along with New Delhi's warm ties with countries in the immediate neighbourhood such as Vietnam and Laos.

New Delhi's diplomatic approach to this region was inde-

pendent and much appreciated in the times of Cold War rivalry in the Indo-China region.

Outside the Soviet bloc, India was among the few countries which recognised the Heng Samrin Government and opened its embassy in 1981, a fact not lost on the leaders of this country.

While today's world is quite different from the 1980s, there is little doubt that India and Cambodia have much goodwill in their relationship and this can be used for a building-block approach.

For instance, Mr. Hun Sen has been an enthusiastic promoter of the Association of Southeast Asian Nations (ASEAN) plus India summit idea, a proposal being actively pursued by India in the capitals of South-East Asia.

With Mr. Kant's visit to Cambodia, just Philippines and Brunei

remain without high-level contacts between India and the 10-member ASEAN grouping in the last 12 months.

(Thailand could be "technically" added to this list as the last bilateral visit between the two countries was by the former Thai Foreign Minister, Mr. Surin Pitsuwan, in July last year. However, the current Thai Foreign Minister, Mr. Surakiat Sathirathai, is scheduled to visit India.)

While Cambodia has built up good relations with China and other ASEAN countries, Phnom Penh is very favourably disposed towards India.

The Chinese President, Mr. Jiang Zemin, visited Cambodia in November last year, a sign of the warming relationship between the two countries. The economic relationship is also on the upswing.

THE HINDU

74 JUN 2001

# Prime Minister in Malaysia

MR Vajpayee's visit to Malaysia is part of a pattern of top-level visits from India to south-east Asia, following as it does earlier excursions by him to Vietnam and Indonesia; also, the President was in Singapore not so long ago and the external affairs minister has been in and out of the area.

It adds up to a sustained effort by India to enlarge its ties with a region that has emerged from its recent economic woes and is once more making rapid progress.

Several years ago, we were accepted as a "dialogue partner" by the Association of South East Asian Nations, which meant among other things that we were part of the annual Asian Regional Forum discussions on security issues. No new institutional arrangement for conducting our relations with Asean has been effected since then.

However, our status as a dialogue partner has given us a valuable entry into the processes of this successful regional organisation; it provides not only for annual formal exchanges but also brings us into the network of informal conversations and soundings that are an important part of Asean's way of doing business.

We are yet to advance further. Mr Vajpayee made a pitch for an institutionalised dialogue between India and Asean, which would be the next step. Malaysia is not yet ready for it, as Mahathir Mohammad made publicly clear. So we will have to wait.

One reason for this relatively slow progress is the impact on Asean of events in the Saarc region, especially the relationship between India and Pakistan.

Some Asean members, Malaysia in particular, would like to keep a balance in their relations between the two, hence there has been a move to include Pakistan, too, as an Asean dialogue partner, though this does not command consensus. There is also a marked reluctance to permit Asean to get enmeshed

in south Asia's squabbles. This has affected others beside India and Pakistan - at one stage, Bangladesh tried hard to gain a close association with, if not membership of, Asean but could make little headway because of the baggage it would have brought by way of its own regional problems.

Yet Asean can no more afford to ignore south Asia than we can be indifferent to our neighbours to the south-east. A more positive effort to reach out to India is particularly evident in Singapore which has a strong motivation in that direction, as it needs a larger canvas for its future development.

It has, therefore, long targeted India as an economic partner. Resource-rich Malaysia is less driven in this

direction. These shades of difference within Asean make Castro the compliment of being described as a "rebel", of the same breed as Mr Castro. When cascading economic problems afflicted his region, he refused to persist with the liberalising nostrums of the international financial institutions, choosing instead to impose a considerable range of controls on economic and

Dr Mahathir is regarded as a conservative in certain matters, as reflected in his dealings with Organisation of Islamic Countries of which Malaysia is to take over chairmanship for the next two years. Having been in the seat of authority for nearly two-and-a-half decades, he is a force to reckon with. He acquiesced in India becoming a dialogue partner but it would appear that he needs a lot of persuasion before he agrees to the further measures that we believe our interests require.

On the bilateral plane, there were many useful things to mark the Vajpayee visit, especially on the economic front. Malaysia was once the partner in more joint ventures with India than any other country. Unfortunately, most of them were poorly conceived and have not prospered. A very large contingent of business people accom-

panied the Prime Minister and they seem to have made headway in promoting their activities. A better performance this time, which should be attainable in the more permissive environment of today, would add muscle to the relationship.

The Prime Minister's visit drew attention to the position of people of Indian origin in Malaysia. This part of the Indian diaspora is very different from the well-heeled contingent in Silicon Valley. Their ancestors went out to work on the plantations during the colonial days, as did so many of their compatriots in different parts of the world. The surprise is that, unlike nearly all the others, Indians in Malaysia remain an underclass. There are exceptions, of course, but the community as a whole has not done particularly well.

Colonial policy kept them restricted and the disadvantages that held them back are not yet overcome. Why this should be so merits study and attention. The Prime Minister's visit is rightly to be seen as a serviceable way of keeping contact with an important neighbour where a number of the country's interests are engaged. The fact that there was no great drama attached to it is no bad thing. Sustaining the bilateral relationship and adding substance to it requires regular working exchanges of this sort.

## WIDE ANGLE

### SALMAN HAIDAR

measured sluggishness that safeguarded them against runaway economic reversal. What's more, his independent line worked, and Malaysia has climbed out of the hole with the minimum dislocation to its affairs.

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Prime Minister Atal Behari Vajpayee with his Malaysian counterpart, Mahathir Mohammad at the Malaysia-India business forum at Putra World Trade Centres, in Kuala Lumpur on Tuesday. — API/PTI

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(The author is a former Foreign Secretary.)

# India for summit with ASEAN

By Amit Baruah

SINGAPORE, MAY 18. The Indian diplomacy, at last, is focusing on South East Asia in a big way. While high-level visits are not the only way of engagement, visits do signify continued levels of interest in building bilateral and regional ties.

The Prime Minister, Mr. Atal Behari Vajpayee, who concluded a four-day visit to Malaysia earlier this week, is scheduled to be in Singapore after attending the Commonwealth Heads of Government Meeting (CHOGM) in Brisbane from October 6 to 9.

The Prime Minister's tour will come 11 months after the President, Mr. K.R. Narayanan, visited Singapore in November last.

Malaysia was the Prime Minister's third stop in South East Asia — having paid visits to Vietnam and Indonesia in January.

The Vice-President, Mr. Krishna Kant, will be in Indonesia for the G-15 meeting at the end of the month in Jakarta from where he is scheduled to visit Cambodia.

Thailand's new Foreign Minister, Dr. Surakiat Sathirathai, is scheduled to visit India in July this year after which the Thai Prime Minister, Mr. Thaksin Shinwatra, is likely to follow.

The External Affairs Minister, Mr. Jaswant Singh, who visited both Vietnam and Laos from November 6 to 12 last, was in Vientiane to launch the Mekong-Ganga Cooperation (MGC) grouping, an effort to build links with the Mekong basin countries.

In February this year, Mr. Jaswant Singh paid a successful visit to Myanmar — the highest visit by an Indian Minister in many years. Myanmar's Army Chief, Gen. Maung Aye, was in India late last year and invitations have gone out to the Indian President and Prime Minister to visit Yangon.

## 'Untouched' nations

Of the 10 ASEAN nations, only the Philippines and Brunei are so far "untouched" by high-level contacts with India since November 2000. (In Thailand, the contacts are being renewed after the new Government took over — the then Thai Foreign Minister, Mr. Surin Pitsuwan, had travelled to India in July 2000, just before Mr. Jaswant Singh visited Bangkok for the ASEAN Ministerial Meeting (AMM) and the ASEAN Regional Forum (ARF) deliberations).

In July this year, the External Affairs Minister will have the opportunity to attend the AMM and ARF again where a galaxy of Foreign Ministers will be present. The AMM is one of ASEAN's most important meetings and takes place before the Summit usually held in November.

As far as interaction and contact goes, there is little doubt that India is making strenuous efforts to keep itself engaged with the ASEAN region.

A senior official in the Prime Minister's Office told this correspondent in Kuala Lumpur on Wednesday that India was going to push hard for a summit with ASEAN akin to the interaction

with the European Union.

Asked about the lack of support to India's proposal for the summit-level meeting, the official said: *Aayega* (the support will come).

It was evident that India sees the summit-level interaction as a major foreign policy goal for which it is willing to court individual ASEAN members.

While the recently-concluded visit to Malaysia did not further this end, it is clear that the Prime Minister's foreign policy team remains focused on this area.

In an address on Wednesday, the Prime Minister said: "India already has a fruitful annual dialogue with the European Union at the summit level. We consider it in the mutual interest of both ASEAN and India that we have a similar institution...."

"What we need is the political will and the highest-level commitment to a sincere, frank and comprehensive India-ASEAN dialogue," Mr. Vajpayee stated.

Whatever be the merits or demerits of the Vajpayee Government's policy in seeking the highest level interaction with ASEAN (at par with China, South Korea and Japan), the fact is that the policy is being pursued with considerable zest.

Success or failure on this count will have implications for the Vajpayee Government's foreign policy approach towards the South East Asian region.

THE HINDU

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SATURDAY, MAY 19, 2001

India - ASEAN  
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## A PARTNERSHIP ON TEST

THE DIPLOMATIC EXCURSION to Malaysia by the Prime Minister, Mr. Atal Behari Vajpayee, has revealed a historically rising comfort level in the progressive bilateral dialogue. However, New Delhi will do well not to miss an evolving reality that could be discerned now behind the scenes. Malaysia and, more importantly, the larger Association of South East Asian Nations (ASEAN) can be expected to watch India's geopolitical moves in a new context that is being woven by the Vajpayee administration's latest impetuous decision to support the United States over its missile defence plans. Surely, several key ASEAN countries generally tend to act in conspicuous U.S.-friendly ways. But the prime ASEAN members are no less wary, too, of China's long-term regional goals. As perceived by most ASEAN members, China is keen to exert influence and gain dominance across South East Asia over time. Now, it is a simple proposition that New Delhi's decision to hail Washington's global plans for a new post-Cold War strategic architecture should be of serious concern to China. So, the Sino-Indian equation, as might be determined by the incremental Indo-U.S. strategic dialogue, may be monitored by the ASEAN with a view to fine-tuning its own relationship with New Delhi. In this sense, new imponderables have certainly come into reckoning in regard to the ASEAN-India interaction. The Malaysian Prime Minister, Dr. Mahathir Mohamad, seems to have taken kindly to India's steadfast willingness, in evidence for over two years, to fashion a suitable legal framework for its commitment to treat South East Asia as a nuclear-weapons-free zone. Yet, it is too early for the ASEAN as also Malaysia, a key player within the entity, to sketch out a new road map for ties with India in the emerging ambience of a possible U.S.-China strategic showdown.

India's multi-dimensional partnership with the ASEAN seems headed for a new test, which the organisation has not yet had time to spell out either directly or even implicitly. Now, given

its collective diplomatic style, the ASEAN may even soften the public semantics of its strategic posers for India. Yet, Mr. Vajpayee's failure to secure Dr. Mahathir's open endorsement of the idea of a periodical ASEAN-India summit is indicative of Malaysia's inclination in the present circumstances to view the dynamics of India's 'look east policy' in an altogether new perspective of scepticism as well. As for the conventional parameters set by the ASEAN for interaction with its various dialogue partners, a reasonably robust message has been conveyed to New Delhi by Malaysia, the present coordinator for India's transactions with the Association. This simply is that the ASEAN will appropriately welcome new economic linkages with an increasingly high-tech-savvy India.

Malaysia's purely bilateral exchanges with India have certainly begun to look up except in one area. The inability of the two sides to clinch an extradition treaty, contrary to the expectations raised by New Delhi, may not produce an immediate fallout except in regard to the prosecution of the Bofors case in India in the short run. While New Delhi is elated over Kuala Lumpur's willingness to consider tapping on a commercial basis India's expanding satellite launch capabilities, Malaysia is keen to secure a better deal for its palm oil exports to India. The two have broken some new ground, too, in identifying possible areas of complementary collaboration in the information technology sector besides counter-trade in a project-commodity format. Politically, New Delhi should guard against amateurish diplomacy of eliciting Kuala Lumpur's views on Kashmir on the ground that Malaysia is a member of the Organisation of Islamic Conference. Separately, there is no finality about Malaysia's position on India's bid for permanent membership of an expandable U.N. Security Council. On the multilateral economic front, though, India and Malaysia have had no difficulty in agreeing to cooperate on world trade issues.

**THE HINDU**

19 MAY 2001

## 'No extradition pact if it's only for Quattrocchi'

**KUALA LUMPUR, MAY 17.** Malaysia's Foreign Minister, Syed Hamid Albar, today said his country would not sign an extradition treaty with India if its only purpose was to deliver the Italian businessman, Mr. Ottavio Quattrocchi, an accused in the Bofors pay-off case. *10-1*

"If a person commits an offence and you want to extradite that person, that cannot be the reason why we enter into a treaty," he told reporters. "We sign extradition treaties because of the need for us to have an extradition treaty. A treaty is all-encompassing". *195*

Syed Hamid said Malaysia would remain open to such talks. "We'll look into it. India is interested to sign, so we'll see how it could be done so that the interests of both countries are protected, the legal system is protected, and the integrity and sovereignty of both nations are respected".

An official in External Affairs Ministry had recently said India and Malaysia would sign an extradition treaty when the Prime Minister, Mr. Atal Behari Vajpayee, visited Kuala Lumpur for four days earlier this week.

Syed Hamid said earlier this week that Mr. Vajpayee did not discuss the issue during talks on Monday with the Malaysian Prime Minister, Mr. Mahathir Mohamad, and other senior cabinet ministers.

Mr. Vajpayee left Malaysia on Wednesday without an extradition agreement. Upon his return to New Delhi, he said that some "legal hurdles" delayed the signing of the treaty. Efforts would continue to remove those obstacles. — AP

**Lack of chemistry: Page 14**

**THE HINDU**

**18 MAY 2001**

# Talks with ASEAN will ease tension: PM

10-13 By Amit Baruah 1975

**KUALA LUMPUR, MAY 16.** The Prime Minister, Mr. A.B. Vajpayee, said here today that an India-ASEAN security dialogue could help create a new post-Cold War security construct free of confrontation and tension.

In an address to the Institute of Diplomatic and Foreign Relations entitled 'India and ASEAN — Shared Perspectives', the Prime Minister said: "We have proved that India is neither a proliferation threat nor an exporter of sensitive nuclear or missile technology. This cannot be said to be true of all parties to the NPT". Observers view this as a possible reference to China.

The Prime Minister said the security of ASEAN and India was closely interlinked. Mr. Vajpayee said India, as a nuclear weapons State, was willing to respect the nuclear-free status of Southeast Asia by converting this recognition into a *de jure* commitment. (This could take the form of India becoming party to an ASEAN agreement on keeping Southeast Asia free of N-weapons, a commitment none of the P-5 Nuclear nations has so far given).

Undeterred by the public rejection from Malaysia to support India's case for a separate summit with ASEAN, the Prime Minister once again proposed such a meeting at the lecture presided over by the Foreign Minister, Syed Hamid Albar.

"India already has a fruitful annual dialogue with the European Union at the summit level. We consider it in the mutual interest of both ASEAN and India that we have a similar institution. If we could intensify our interaction and synchronise our actions in world fora, we can together form a formidable force working for global peace and security...."

"It is an ambitious agenda. But we have the collective strength to implement it. What we need is the political will and the highest level of commitment to a sincere, frank and comprehensive India-ASEAN dialogue. The vision must also find a way to be expressed through instruments commensurate with its historic and grand sweep. My Government stands ready to work towards the realisation of this vision," he said.

Given the fact that Malaysia is the country coordinator for India in ASEAN and has openly stated that it was satisfied with India's current status, a restatement of India's interest by the Prime Minister at a public lecture only goes to underline the Vajpayee Government's keenness to have a seat at the high table.

In fact, a reference to the need for "political will" is a clear signal to those ASEAN members who do not support India's quest for a summit to see reason and display the requisite politi-

cal will. "The theme of shared perspectives between India and ASEAN should be self-evident. History, geography and economics have provided compelling logic for unity and purpose of action between us. Yet, roughly 50 years after India and the ASEAN countries attained their independence, we are discussing a subject, which should by now have been accepted wisdom," Mr. Vajpayee said.

"We are conscious that in the first few decades after our independence, we did not attain the full promise of our relationship....the full scope of our partnership was constrained by divergences in economic ideology, political outlook, and security assumptions, which the Cold War imposed on us," he said.

The Prime Minister said the Cold War moulds had been broken and links strengthened without ideological barriers. Referring to India's interest in ASEAN and the consequent "Look East" policy, Mr. Vajpayee stated that while India looked east, ASEAN moved west — a reference to Myanmar joining the regional grouping.

## Nuclear disarmament

Stating that India "has been" campaigning for nuclear disarmament for decades, the Prime Minister said that nuclear weapon States had shown no inclination of implementing Article VI of the NPT, which committed them to nuclear disarmament in a phased manner.

He also took a pot-shot at non-nuclear States, who effectively connived with the nuclear weapon States, by agreeing to an extension of the NPT in 1995 for an indefinite period.

"We are conscious of the striving for a new security structure in the world, moving away from obsolete Cold War constructs. We are engaged in a process of dialogue and consultation with our friends and partners to help shape a new security environment free of confrontation and tension. Our security dialogue with ASEAN can also include this theme," the Prime Minister said.

"The nature of the global village has made it necessary to tackle even non-military issues of security in a comprehensive manner. Our region lies alongside sea lanes of great strategic importance, which need to be protected. Poverty and shortages of energy threaten the stability of societies...."

"There can be no effective solution to these problems within national boundaries. They have to be tackled through a cooperative approach, holistically and regionally. The security dialogue between India and ASEAN is therefore of utmost importance."

According to the Prime Minister, threats like religious extremism, drug-trafficking, money-laundering and terrorism had cast a dark shadow in the region. "India has been a victim of State-sponsored and cross-border terrorism seeking to redraw national boundaries. Such violence in the name of holy war is a grave menace especially to pluralistic societies, and endangers a peaceful and civilised global order."

Mr. Vajpayee said during his discussions with the Malaysian Prime Minister, Dr. Mahathir Mohamad, they had agreed on the urgent need for an early reform of the international financial architecture.

Referring to economic engagement with ASEAN, the Prime Minister said India sought a dialogue "bilaterally and multilaterally with countries of the region to harmonise our positions on key issues of development, trade and investment, and environment".

## Investment flows

"Our outlook is entirely in harmony with the high-resolution road map of development priorities and regional integration, which was drawn up in the Hanoi Plan of Action and its Vision Twenty-Two (2020). We follow the same logic in exploring the possible linkages between the ASEAN Free Trade Area and India to increase trade and investment flows in directions which would promote growth and investment," the Prime Minister added.

## Jain brothers' discharge order set aside

**NEW DELHI, MAY 16.** A sessions court has set aside a lower court order discharging the Jain brothers, Mr. S.K. Jain, and Mr. J.K. Jain, in a Foreign Exchange Regulation Act (FERA) violation case in 1991.

The Central Bureau of Investigation (CBI), in 1991, raided the homes of the brothers and recovered foreign currency worth hundreds of thousand of rupees.

The Enforcement Directorate (ED) had filed a complaint before the court of the Additional Chief Metropolitan Magistrate, Ms. Sangeeta Dhingra, in 1991 on the charges of FERA violation. They were charged under Sections 23-1-A, B and D of FERA.

The ACMM had discharged the Jain brothers before the pre-evidence stage in March 2000, on the ground that a circular issued by the ED in May 1992 covered the case of the respondents, and the prosecution of the brothers was uncalled for. — UNI

THE HINDU

17 MAY 2001

# Space expertise finds first client in Malaysia

■ Kuala Lumpur wants to launch GSLV-like space vehicle

BHAVNA VIJ

KUALA LUMPUR, MAY 15 1675

THE Indian space and satellite programme received a major fillip today with Malaysia becoming the first customer for the recently launched GSLV. Malaysia expressed the desire to use the launch services from Indian launch vehicles like the GSLV or PSLV. An agreement was signed to this effect between the two countries.

Prime Minister Atal Behari Vajpayee, speaking at the Malaysia-India business forum, said that India was willing to share its expertise in "peaceful applications of space research with Malaysia and other developing countries." He expressed happiness that the Indian Space Research Organisation had achieved technological parity with a select group of advanced countries.

Among the 15 business-to-business agreements signed between the two countries was the memorandum of understanding between

Antrix Corporation Ltd (a company under the administrative control of department of space, India) and Astronautic Technology, a company incorporated in Malaysia under their finance ministry. Not only they agreed to cooperate as regards to use of launch services but also in provision of training of ATSB engineers. With Malaysia raising the palm oil issue at almost every forum, Vajpayee was almost forced to give them a categorical assurance that India would review the import duty on crude palm oil.

The decision, he said, was "guided by considerations of strengthening solidarity with our ASEAN friends." However, he said that the interests of the Indian farmers would be protected. "We shall do so in a way which would safeguard the interests of our farmers and yet facilitate import of Malaysia's palm crude for our underutilized refineries," he said.

The Indian prime minister called for a greater cooperation between the two countries, spe-

cially in the field of infrastructure and Information Technology (IT).

He said that India had liberalised foreign direct investment norms and invited Malaysian companies to "exploit more fully the expanding investment opportunities in India." He said Malaysian participation was needed more actively in India's large scale programme of infrastructure development. He specifically sought Malaysian cooperation in the National Highway Development Programme, port projects and upgradation of important airports. In return, Malaysia could benefit from Indian expertise in railways.

Vajpayee said that IT along with other knowledge based enterprises like bio-informatics and biotechnology presented the biggest area of opportunity to both the countries. "Our areas of strength are complementary. While India has proven strengths in software development and IT education, Malaysia has a well developed hardware sector," he said.

INDIAN EXPRESS

15 MAY 2001

16 MAY 2001

# PM asks Malaysian Cos to invest in India

Pankaj Vohra  
Kuala Lumpur, May 15

PRIME MINISTER Atal Bihari Vajpayee today invited Malaysian companies to participate more actively in large-scale programme of infrastructure development.

He noted that the most ambitious component of this programme was the National Highway Development Project, which seeks to link all the four corners of India, with East-West and North-South corridors.

Giving the keynote address at the India-Malaysia Business Forum meeting, Vajpayee said that today Malaysia is our largest trading partner in ASEAN with a trade turnover of about \$2.5 billion.

"Though it is the eight largest investor in India in terms of approvals, the actual investment remains only about 50 million dollars. This represents a realisation ratio of below four per cent. We would therefore urge our Malaysian business friends to exploit more fully the expanding investment opportunities available in India."

The Malaysian Prime Minister, Mahathir Mohammad was present at the meeting. Vajpayee said that if the ambitious objectives of expanding trade and investment ties were to be met, it was necessary to have a close association between the two governments and business organisations.

The primary challenge would

be to reduce the awareness gap about the exciting business opportunities in our two countries.

Vajpayee said that the Government has decided to upgrade all our important airports and has liberalised foreign direct investment norms for this. He welcomed Malaysian participation in specific port projects.

"We have had detailed discussions with our hosts on the export of Malaysian palm oil to India. We have explained that our decisions on import tariffs for palm oil have been determined entirely in consonance with WTO obligations.

However, guided by the considerations of strengthening solidarity with our ASEAN friends, we have now decided to review the import duty on palm crude. We would do so in a way that would safeguard the interests of our farmers and yet facilitate import of Malaysia's palm crude for our underutilized refineries," he said.

The Prime Minister expressed satisfaction over the fact that 14 Indian companies had already started operating in the highly acclaimed Multimedia Super Corridor. Some of these companies had developed innovative software applications in Malaysia, which could be used in India in the fields of IT education, engineering, e-governance, media and entertainment.

Vajpayee said that several Indian companies were keen to



Prime Minister Atal Bihari Vajpayee, left, greets as he arrives with his Malaysian counterpart Mahathir Mohammad, right, to attend dialogue sessions on Malaysia-India business forum at Putra World Trade Centre, on Tuesday.

locate their development centres in Malaysia.

For this, they would be engaged directly, rather than being sub-contractors, for providing software solutions to the complex needs of the rapidly growing Malaysian economy.

This would result in significant saving for Malaysia and demonstrate the benefits of South-South cooperation even in

the New Economy.

Such cooperation would help the IT businesses in the two countries to mitigate the adverse effects of the current slowdown in the developed economies," he noted.

The Prime Minister had a word of praise for the Indian Space Research Organisation (ISRO) while referring to two agreements signed today on

cooperation in space technology. With the successful launch of the GSLV last month, the ISRO has achieved technological parity with a select group of countries with such advanced capabilities.

He said that India was willing to share this expertise in the peaceful applications of space research with Malaysia and other developing countries.

AP PHOTO  
5/15/01  
13

# Vajpayee's visit throws light on Indian diaspora

By Tarun Bas

KUALA LUMPUR: The recent communal clashes outside the Malaysian capital, involving ethnic Indians and indigenous Malays, has thrown light on a neglected segment of the Indian diaspora that has possibly the largest Indian origin community outside the Indian subcontinent.

In April, about a dozen people, most of them Indians, were killed in clashes that began at Taman Desaria, a rural pocket just about 15 km from here. Although the incidents were completely local, as there has been no history of friction between the two communities, it caused considerable alarm in a nation of 20 million that is otherwise known for its communal harmony.

The clashes spread to neighboring Kampung Medan and other areas in the next weeks as rival gangs fueled the tension that resulted in several ethnic Indians being beaten up, the community members alleged, and whose effects are still being felt here.

Prime Minister Vajpayee, on an official visit to Malaysia, raised the issue with his host, Prime Minister Mahathir Mohamad, who explained to him that the situation had been brought under control and his government was seeking to inte-

grate the community more and give them more political empowerment.

There are approximately two million people of Indian origin in Malaysia, mostly Tamils who, together with some Malayalis and Telugus, constitute 85 percent of the total. A majority of these are employed as laborers in plantations where they were brought by the British and made a significant contribution to the remarkable transformation of Malaysia from a malarial swamp into one of the richest and best-developed countries of Asia. Malaysia's rubber wealth, called the "lifeblood" of the economy, was very much a creation of Indian labor.

The community, mainly confined to peninsular Malaysia, has contributed significantly to the history and culture of the region with evidence of Indian contacts dating as far back as 4th century BC, particularly from southern India. Indianized kingdoms flourished in Malaya till the 16th century and the strong linguistic and cultural traces are testimony to the Indian influence here.

Organized Indian immigration into the Malay peninsula in modern times began with the establishment of the East Indian Company station in Penang in 1786. More than 95 percent of the Indians entering Malaya over the last 2,000 years

seem to have come between 1786 and 1957 to work here as laborers, clerks, policemen and merchants.

Following independence of the country in 1957, Indians were given like the ethnic Chinese a share in the political, social, cultural and legal framework of Malaysia. While 80 percent of the community is Tamil, the rest are Sikhs, Gujaratis, Muslims from Uttar Pradesh and Bengalis. In recent times a lot of Indian professionals have also come to Malaysia and the community has a higher than proportionate share in the professions, especially law, medicine and engineering.

Economically, however, the Indian community is the weakest of the three, holding about two percent of corporate wealth as against 20 percent by the Malays and 40 percent by the Chinese and over 27 percent by foreigners. The Malaysian Indian Congress (MIC), a partner in the ruling coalition, which represents the interests of the Indians, recently asked the Mahathir government to give Indians more ministerial posts and more positions in the corporate sector.

The MIC claimed that Indian youths held only 0.7 percent of administrative posts in the corporate sector, down from 0.9 percent five years ago. (IANS)

THE TIMES OF INDIA

16 MAY 2001

## Malaysia happy with India as dialogue partner

By Amit Baruah

**KUALA LUMPUR, MAY 15.** The Malaysian Foreign Minister, Syed Hamid Albar, said today that his country was "very happy" with India's current status as dialogue partner of the Association of Southeast Asian Nations (ASEAN).

His remarks come as a damper to India's hopes of enhancing its current status of a dialogue partner to the level of a summit-level interaction with ASEAN.

Asked if Malaysia, which is the country coordinator for India in ASEAN, was upset by India's opposition to Pakistan's entry into the ASEAN Regional Forum and the Indian Ocean Rim Association for Regional Cooperation (IOR-ARC), Mr. Hamid said: "No. I think in our decision-making process there is always consensus. Whatever decisions that we want to make are based on dialogue and consensus. Therefore, we will go along on that basis."

As is well-known, Malaysia supports the entry of Pakistan both into the ARF and the IOR-ARC. It is also known to have opposed a summit-level meeting between India and ASEAN.

The Malaysian Foreign Minister said both Mr. A.B. Vajpayee, and

Dr. Mahathir Mohamad had adopted a positive approach to make the Indian Prime Minister's visit a success, not one which resulted in "empty words".

"Both leaders find there is synergy between India's expertise and Malaysia's experience. Not only can we undertake projects within our two countries, but we should also work together outside in third countries. All matters have been agreed, all the MoUs have been signed," he said.

"Dr. Mahathir says he's very happy with the visit. Mr. Vajpayee also says that he's very happy because they find that all the talks, the discussions, whether in the Government sector or the private sector, have been very focused," he said.

Asked if the two countries had agreed on a mechanism to implement the various MoUs signed, Mr. Hamid said other than the Joint Commission meeting, which was on an annual basis, the private sector, the various chambers of commerce, should have their own machinery.

The Malaysian Government was also happy that the Confederation of Indian Industry (CII) had decided to open an office in Kuala Lumpur.

THE HINDU

16 MAY 2001

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# India, Malaysia to intensify trade ties

By Amit Baruah

**KUALA LUMPUR, MAY 15.** As many as 15 agreements were signed between Malaysian and Indian companies today, laying the foundation for a more focussed trade and business relationship.

Malaysia also became the first country to which India offered the use of the GSLV to launch its own satellites following an accord between Antrix Corporation, an ISRO-linked company, and Astronautic Technology, a Malaysian Government-backed company.

The agreements include a renewal of collaboration between the Indian Oil Corporation and Petronas, another between HMT and Orion Java, Malaysia, to set up a watch assembly plant and an MoU between the Confederation of Indian Industry (CII) and the Asian Strategy and Leadership Incorporated (ASLI) to promote bilateral trade and information exchange between the two countries.

An issue which seems to have cast a shadow over the ongoing visit of the Prime Minister, Mr. A. B. Vajpayee, is Malaysia's concern at increased Indian duties on the imports of palm oil.

The Malaysian side has used every opportunity to express concerns on the issue while the Indian side, which at one time appeared willing to reduce duties by 10 per cent on the import of crude palm oil, said the matter would be reviewed after returning home.

Addressing a meeting of the Malaysia-India Business Forum, Mr. Vajpayee said the two countries should set a target of doubling the current trade of \$2.5 billion in the next three years.

On the palm oil issue, he told the gathering which included the Malaysian Prime Minister, Dr. Mahathir Mohamad. : "We have explained (to the hosts) our decisions on import tariffs for palm oil have been determined entirely in consonance with WTO obligations. Just as Malaysia has to protect its Malaysian palm oil



**The Prime Minister, Mr. Atal Behari Vajpayee, signing the visitors' book at the 83rd floor of the world's tallest building, Petronas Tower, in Kuala Lumpur on Tuesday. Ms. Vina Shikri, High Commissioner to Malaysia, is to the extreme right. — PTI**

plantations over falling prices, we have to take care of our own farmers who have experienced similar difficulties."

"However, guided by the considerations of strengthening solidarity with our ASEAN friends, we have now decided to review the import duty on palm crude," Mr. Vajpayee said. The Prime Minister invited Malaysian companies to actively participate in India's plan for infrastructure development. (Already, Malaysian companies are involved in 13 road-building projects in India apart from the development of some ports).

Fourteen Indian firms had started operating in the Multimedia Super Corridor, a project inspired by Dr. Mahathir himself. However, Mr. Vajpayee said more Indian companies wanted to locate themselves in Malaysia.

On the MoU in the area of space technology, Mr. Vajpayee said India, following the successful launch of the GSLV, became part of a select group of countries, to have such a capability. "India is willing to share this expertise in

the peaceful applications of space research with Malaysia and other developing countries."

In a bid to correct the trade imbalance (heavily in Malaysia's favour), Mr. Vajpayee said the Government had decided to offer a \$50 million credit line for imports of project-related and industrial good into Malaysia from India.

Dr. Mahathir said Indian software companies would have a role to play in the second stage of the Super Corridor project. The content industry was another area in which Indian companies could contribute, he maintained.

Briefing reporters, the Minister of State for Commerce, Mr. Omar Abdullah, said the perception that lower duties on soyabean oil as opposed to palm oil was because of India's pro-American posture, was incorrect. "We want to distance ourselves from such a perception," he said adding Argentina, not the U.S., was the largest exporter of soyabean oil to India.

More reports on Page 14

THE HINDU

16 MAY 2001



## India, Malaysia sign pact on space technology

KUALA LUMPUR, May 15. — India and Malaysia today signed two agreements for cooperation in space technology, including launch and operation of satellites, with Prime Minister Mr Atal Behari Vajpayee announcing that these had "very great significance" and India "is willing to share its expertise" with Malaysia and other developing countries.

The agreements were signed by Antrix Corporation Ltd, a subsidiary of Isro, and two Malaysian companies under the finance ministry. These were among at least 15 agreements signed between the two countries at institutional and business levels on the third day of Mr Vajpayee's four-day visit to Malaysia.

Referring to the two agreements in his keynote address at Malaysia-India Business Forum, Mr Vajpayee said with the successful launch of the GSLV last month, Isro had achieved technological parity with a select group of countries with such advanced capabilities. — SNS

THE STATESMAN

19 MAY 2001

## India signs a deal with Malaysia

for India to other countries in southeast Asia. India had hoped that the Prime Minister's visit would improve economic and commercial ties with Malaysia and, through it, with the ASEAN.

Vajpayee extended an invitation to his Malaysian counterpart to visit India "soon" and it was accepted by Mahathir. India also scored a crucial diplomatic point when Mahathir said that he favoured a "peaceful solution" to the Kashmir problem.

Earlier, he had reportedly said

that he supported a UN resolution on the issue. Official sources said that the two Prime Ministers discussed the issue and India reiterated its stand that though it favoured bilateral discussions, they were not possible till Pakistan stopped abetting cross-border terrorism. "The PM told him that he had extended the hand of friendship to Pakistan by his Lahore visit and the result was Kargil. The Malaysians said that they condemn both terrorism and state terrorism," said a spokesperson.

INDIAN EXPRESS

15 MAY 2001

# India signs a palm oil-rail barter deal with Malaysia

BHAVNA VIJ  
KUALA LUMPUR, MAY 14

INDIA and Malaysia today signed seven agreements on various issues following a meeting between Prime Ministers, Vajpayee and Mahathir Mohammad.

The most important among the seven involves a deal where New Delhi would accept palm oil as payment for carrying out a \$1.5 billion railway project in Malaysia. "The overall value of this project is expected to be over \$1.5 billion, the largest ever to be awarded to an Indian company abroad."

## India to build railway project in Malaysia in exchange for palm oil

The rail project will be executed by state-owned Indian Railway Construction Company (IRCON) International. Other agreements signed in the presence of the two Prime Ministers included an MoU between the Securities and Exchange Board of India (SEBI) and its Malaysian counterpart to deal with insider dealings, market manipulation and other fraudulent practices, avoidance of double taxation and enhanced cooperation in information technology.

However, the much speculated extradition treaty, which could have helped in bringing Bofors ac-



Prime Minister Atal Behari Vajpayee being received by Malaysian Prime Minister Mahathir Mohamad on his arrival in Kuala Lumpur - PTI

cused Ottavio Quattrocchi to stand trial in India, could not be finalised and was still under discussion.

India and Malaysia also decided to coordinate and cooperate on matters pertaining to the World Trade Organisation (WTO) to protect the interests of developing

countries. The two agreed to cooperate on the issue during the next round of WTO talks in Doha.

Significantly, Malaysia also assured India that as the country coordinator for ASEAN-India dialogue, it would act as the gateway

**CONTINUED ON PAGE 2**

INDIAN EXPRESS

15 MAY 2001

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15

# Accord on rly. project

By Amit Baruah

**PUTRAJAYA (Malaysia), MAY 14.** India today failed to obtain Malaysia's support for a separate summit meeting with the Association of South East Asian Nations as Kuala Lumpur linked the issue to improved relations "between" countries of South Asia, a clear reference to the Pakistan-India equation.

Briefing reporters after the talks between the Prime Minister, Mr. A. B. Vajpayee, and his Malaysian counterpart, Dr. Mahathir Mohamad, the Malaysian Foreign Minister, Syed Hamid Albar, said his country also had a "very negative" response to the National Missile Defence scheme proposed by the United States.

The two Prime Ministers witnessed the signing of seven agreements, including one between

IRCON International and the Malaysian Transport Ministry for the construction of a \$1.8 billion railway line in Malaysia. Two other agreements on cooperation in developing Indian ports and another in information technology were also signed.

Talking to reporters, Dr. Mahathir urged a peaceful solution to the Kashmir issue and said his country opposed both terrorism and state terrorism. The latter formulation, clearly, is up for interpretation, given the South Asian and Kashmir context.

Mr. Vajpayee informed Dr. Mahathir that while India was keen on resuming discussions with Pakistan, cross-border terrorism was holding up further progress. He referred to his Lahore "yatra" of February 1999 and its result — the Kargil conflict. During the

one-to-one meeting, Mr. Vajpayee raised the issue of recent attacks on members of the Malaysian-Indian community in a Kuala Lumpur suburb, in which five persons died. An official spokesman said Dr. Mahathir described the incident as a "stray" one and that it had been brought under control. On a separate India-ASEAN summit, a proposal New Delhi has been lobbying for, Mr. Hamid conceded that there was need for enhancing India's role as a dialogue partner.

The Secretary (West), Mr. R.S. Kalha, said India did express the hope for a summit with the ASEAN during today's talks. Malaysia's stand was that the ASEAN had a relationship with China, Japan and South Korea (ASEAN+3), which was in a state of flux.

**WTO strategies Page 13**

THE TIMES

15 MAY 2001

# Mahathir sees bigger role for India in Asia

By Amit Baruah

**PUTRAJAYA (MALAYSIA), MAY 14.** The Malaysian Prime Minister, Dr. Mahathir Mohamad, today said he was happy India had given a "public commitment" to become a legal party to a nuclear-free zone in South-East Asia.

Describing India's decision to abide by this Association of South East Asian Nations (ASEAN) agreement as a new dimension in intra-regional cooperation, Dr. Mahathir said: "We are also optimistic that India, together with Malaysia... could play a positive role in checking the spread of nuclear proliferation and demonstrating commitment to the goals of nuclear disarmament and the elimination of weapons of mass destruction."

Addressing a dinner in honour of the visiting Prime Minister, Mr. A. B. Vajpayee, he said India had "assumed a new awareness and desire to be counted amongst the leading lights of Asia. "This is a legitimate aspiration for a country that is statistically regarded as one of the 10 fastest growing economies today. We trust and hope India will stay committed to the process of peaceful negotiations in the settlement of conflict of interests in the region," he said.

Dr. Mahathir said Mr. Vajpayee's visit would not only strengthen relations with Malaysia, but the ASEAN as a whole. "The absence of conflict between ASEAN member-states and India



**The Malaysian Finance Minister, Mr. Hamid Albar, and the Union Information Technology Minister, Mr. Pramod Mahajan, signing an agreement at Putrajaya, Malaysia, on Monday. The Prime Minister, Mr. A.B. Vajpayee, and his Malaysian counterpart, Dr. Mahathir Mohamad, look on. — PTI**

and the common perceptions on various issues relating to regional peace and stability have facilitated cooperation at various international fora.

In less than a decade, India has gained acceptance into the dialogue process of ASEAN and the ASEAN Regional Forum. Through the ARF process, we have become more aware of each other's strategic concerns and more conver-

sant with the dynamics and realities of the politico-security environment," he said.

Dr. Mahathir said globalisation was a subject of interest to both countries. "The impact of globalisation is not confined to the economic sphere. The political structure and social matrix of a state is neither isolated nor immune from the effects of global-

isation.... it is most unfortunate.... that developing countries are not able to share the benefits of globalisation in a fair and equitable manner.... Malaysia also looks forward to working closely with India in meeting the challenges of globalisation."

In his speech, Mr. Vajpayee said India attached the highest importance to its well-established association with the ASEAN, through its dialogue partnership and through its participation in the ARF. "India particularly values Malaysia's role as the coordinator country for India and looks to it for guidance in evolving our future plans for ASEAN. It is in our mutual and regional interest to carry forward India's association with ASEAN to higher levels," he said.

India admired the repaid growth of the Malaysian economy under challenging conditions. "We are also struck by its tremendous resilience, as shown by the speedy recovery from the recent Southeast Asian financial crisis."

"India seeks to build a stronger structure on the foundations of this long friendship, based on enhanced people-to-people interaction in every field, and on substantially strengthened economic management in both old and new areas. We should try to maximise the synergy between India's software proficiency and Malaysia's impressive manufacturing strengths in hardware," Mr. Vajpayee said.

THE HINDU

15 MAY 2001

# Malaysia, India keen on evolving strategies in WTO

By Amit Baruah

15/5  
PUTRAJAYA (MALAYSIA), MAY 14. Malaysia and India view positively the possibility of their coordinating strategies in the World Trade Organisation.

Addressing reporters after the talks between the Prime Minister, Mr. A.B. Vajpayee, and his Malaysian counterpart, Dr. Mahathir Mohamad, here today, the Malaysian Foreign Minister, Syed Hamid Albar, said the two countries could collaborate in matters relating to investment, procurement, labour and environment to protect the interests of developing countries. Such points of view could be best projected if they held joint discussions prior to the WTO deliberations, he said.

Mr. Hamid also said India had promised to consider positively Malaysia's problem with enhanced Indian duties on the import of palm oil. New Delhi, he said, had promised to look at Kuala Lumpur's concerns positively. On defence cooperation, there was a scope for some training facilities being enhanced and Malaysia participating as an observer in certain "exercises".

From the Indian angle, the issue of direct banking relations between the two countries to give a further boost to bilateral trade was also taken up. In this context, India asked Malaysia to favourably consider the application filed by the Bank of Baroda. Asked whether the issue of the extradition treaty figured in the discussions, the Secretary (West), Mr. R.S. Kalha, part of Mr. Vajpayee's delegation, said the two Prime Ministers had a one-time meeting and that he was

not privy to those deliberations. "I am not aware of what happened in the meeting." He also said Mr. Vajpayee invited Dr. Mahathir to visit India.

On the issue of the United States' proposed National Missile Defence, Mr. Hamid made it clear that Dr. Mahathir had wanted to be briefed about India's position on the NMD.

Explaining the issue, the official spokesman, Mr. R.S. Jassal, told reporters: "As you are aware that the Government of India at the conclusion of the visit of Deputy (U.S.) Secretary of State, (Mr. Richard) Armitage, had issued a statement indicating our approach to the new strategic framework that has been proposed by the U.S. side."

Mr. Armitage had said the issue of missile defences was one component of a larger concept of a new strategic framework which the U.S. had in mind, the spokesman said. "And, at the moment, they are engaged in consultations and dialogue with their friends and allies in order to be able to achieve a better understanding of what this new strategic framework would be." "From our side, the External Affairs Minister, (Mr. Jaswant Singh), had not only reiterated the fact that we had welcomed certain elements of the U.S. approach. At this point of time nobody can take a definitive view on missile defences as such because this is something of the future. At the moment, it is at the conceptual stage," he said.

India had also made it clear that it was against unilateral abrogation of bilateral agreements. According to the spokesman, the 1972 Anti-Ballistic Missile Treaty was included in this rubric.

THE HINDU

15 MAY 2001

# India seeks Malaysia's help to make another bid for ASEAN membership

By Priya Ranjan Dash  
The Times of India News Service

KUALA LUMPUR: India will be making another strong bid for the membership of ASEAN, the 10-nation South East Asian economic grouping which now stands extended to India's eastern borders via Myanmar.



A.B. Vajpayee

During Prime Minister Vajpayee's four-day visit here which began on Sunday, the focus, as the PM indicated in his departure statement in Delhi, will be economic and commercial ties with Malaysia and through it with ASEAN. "My visit is a continuation of our policy of strengthening our relations with ASEAN countries", Mr Vajpayee said.

While India's attempt at ASEAN membership has not succeeded for almost a decade now, New Delhi has been accommodated as a "full

dialogue partner" of ASEAN and a member of the ASEAN Regional Forum (ARF), which deliberates on strategic and defence issues.

India has also been keen on establishing a mechanism for ASEAN-India Summit on the lines of ASEAN's top-level dialogue with some other important Asian countries. China, South Korea and Japan have set up top level interaction with ASEAN under the "ASEAN-plus-three" mechanism. But India's attempt for a summit meeting with ASEAN has met little success so far because of lack of enthusiasm from Malaysia.

Malaysia happens to be the "coordinating country" for India's dealings with ASEAN, a position it will enjoy till June 2002. Malaysia's support thus becomes crucial for India attempting to become a member of ASEAN, which has been one of the world's most successful grouping and contributed greatly to each member-country's rapid development.

During Mr Vajpayee's visit here, India would seek to "win over"

Malaysia by pledging to use the country as India's gateway to ASEAN. Simultaneously, India is projecting itself as a fast-reforming yet stable emerging economy. In this year's budget, for instance, the government of India has made a firm commitment to lower import duties to ASEAN levels in three years in a show of its interest to integrate its economy with the free trade economies of the region.

The Prime minister and the high level official delegation along with a 70-member team of Indian business leaders will be making a strong pitch for higher trade, investment, R&D and tourism linkage with Malaysia.

As many as seven government-to-government agreements are expected to be signed in varying fields including avoidance of double taxation, co-operation between stock market regulators and tie-up between space agencies. In addition, the business delegation has lined up at least 10 business-to-business MoUs to be signed during the visit.

THE TIMES OF INDIA

14 MAY 2002

Extradition treaty  
with Malaysia  
unlikely

KUALA LUMPUR, MAY 13. No extradition treaty is slated to be signed with Malaysia during the Prime Minister, Mr. Atal Behari Vajpayee's four-day visit to the Southeast Asian nation from today, official sources said tonight.

The treaty proposal "is still at the discussion level and there is no chance of signing it," the sources said.

Also, the issue of securing the extradition of controversial Italian businessman, Mr. Ottavio Quattrocchi, against whom arrest warrants have been issued by the trial Court in Delhi in the Rs. 64 crores Bofors payoff case, would not figure in the talks Mr. Vajpayee would have with the Malaysian Prime Minister, Mr. Mahathir Mohammad tomorrow.— UNI

THE HINDU

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# Malaysia set to use GSLV facilities

By Amit Baruah

**KUALA LUMPUR, MAY 13.** India and Malaysia are poised to enlarge their ties by signing an agreement tomorrow that will allow Malaysia to use the GSLV and PSLV facilities to launch its own satellites as the Prime Minister, Mr. Atal Behari Vajpayee, arrived here this evening on a four-day visit.

Mr. Vajpayee, who was received at the airport by the Malaysian Foreign Minister, Syed Hamid Albar, said his visit, first since 1995, was a "continuation" of India's policy of "strengthening relations with ASEAN countries".

"I shall be discussing a wide range of bilateral and global issues of mutual interest with Malaysia's leaders. We have similar views and common approaches on a number of international issues and are both committed to South-South cooperation," he said in a statement.

The memorandum of understanding between Antrix Corporation, a subsidiary of the Department of Space, and Malaysia's Astro-nautic Technology, will allow Malaysia launch satellites and its own Small Payload Orbit Transfer (Sport) module in a GSLV/PSLV mission "subject to mission compatibility".

"A number of important bilateral agreements are to be concluded, at both Government-to-Government and business-to-business levels. We hope these agreements will further strengthen our bilateral cooperation in the years ahead," Mr. Vajpayee added.

The two countries also agreed on a joint venture between Antrix Corporation and Binariang Satellite Systems to "participate in a



**The Prime Minister, Mr. Atal Behari Vajpayee, arrives at a hotel in Kuala Lumpur on Sunday. — AFP**

joint venture to create a joint platform which will provide C-band and Ku-band capacity".

Yet another agreement, said to be the largest-ever by an Indian company, will be signed tomorrow between IRCON International and the Malaysian Government to facilitate the construction of a \$1.8 billion doubling of the existing railway line from Padang Besar on the

Thai border to Ipoh. This deal will operate on a counter-trade basis by utilising the sale of Malaysian palm oil, of which India is one of the principal buyers.

Mr. Arun Prasada, managing director of IRCON International, said the contract for the project should be signed by November this year. The 340-km. railway line will be designed for a speed of 200 km. per hour.

IRCON would be completing ahead of schedule in December this year a link between Tanjong (port) Pelunass and the Malaysian railway network. This project, valued at \$121 million, was also executed on counter-trade of palm oil.

Mr. Vajpayee, during the visit, will hold talks with his Malaysian counterpart, Dr. Mahathir Mohamad, after an official welcome ceremony at Putrajaya, federal administrative centre near Kuala Lumpur. Seven government-to-government agreements will be signed in the presence of the two Prime Ministers, who will also address the Malaysia-India Business Forum meeting on Tuesday, during which several business-to-business agreements will be signed.

On Monday, Dr. Mahathir will host a dinner for the Prime Minister, who will visit Petronas Towers, world's tallest building, on Tuesday. The Deputy Prime Minister, Mr. Abdullah Ahmad Badawi, and other Ministers will also call on Mr. Vajpayee.

On Wednesday, Mr. Vajpayee will speak on "India and ASEAN: Shared Perspectives" at the Institute of Diplomacy and Foreign Relations which will be presided over by Syed Hamid Albar.

**THE HINDU**

**14 MAY 2001**

# CBI for extradition treaty with Malaysia

HD-13  
By Vinay Kumar 10/5

**NEW DELHI, MAY 9.** The Central Bureau of Investigation (CBI) is pushing hard for formalising an extradition treaty with Malaysia. The CBI's eagerness assumes significance as the Prime Minister, Mr. Atal Behari Vajpayee, begins his four-day visit to Malaysia on May 13.

Normally, the CBI move would not have aroused any interest but for the fact that the agency's high-ranking officials and legal experts have made trips to Kuala Lumpur several times over the past three years. Reason: The CBI is hopeful of bringing to India the Italian businessman, Mr. Ottavio Quattrocchi, one of the key accused chargesheeted in the Rs. 64 crore Bofors pay-offs case. Extradition proceedings against Mr. Quattrocchi are already on in the Malaysian High Court.

When the CBI learnt of a preparatory visit to Kuala Lumpur by a delegation of senior officials of the Ministry of External Affairs ahead of the Prime Minister's visit, it was surprised to find that it had been left out. The Acting CBI Director, Mr. P.C. Sharma, spoke to the Foreign Secretary, Ms. Chokila Iyer, and impressed upon her the need to include a legal expert from the CBI in the delegation and the agency's request was granted.

The MEA delegation which returned from Kuala Lumpur early this week also included the CBI's Legal Adviser, Mr. S.K. Sharma, who had already made at least three visits to Kuala Lumpur in the recent past, pouring over voluminous papers and documents along with the Malaysian authorities to convince them of the need to extradite Mr. Quattrocchi to India to stand trial in the Bofors case.

When reached for his comment on the visit of the CBI's Legal Adviser to Malaysia, Mr. Sharma told *The Hindu* that the visit was "satisfactory and a positive step forward."

India has extradition treaty in operation with nine countries — Nepal, Belgium, Canada, Netherlands, the U.K., the U.S.A., Switzerland, Bhutan and Hong Kong. Extradition arrangements are in place with eight countries — Sweden, Tanzania, Australia, Singapore, Sri Lanka, Papua New Guinea, Fiji and Thailand.

India also has Mutual Legal Assistance Agreements in Criminal Matters with six countries — the U.K., Canada, France, Russia, Kyrgyzstan and Kazakhstan. Several rounds of discussions have also been held with the United Arab Emirates (UAE) on the draft of Extradition Treaty.

THE HINDU

J 0 MAY 2001

# CEO team to visit Malaysia with PM

STATESMAN NEWS SERVICE

NEW DELHI, May 7. — A fifty-member delegation of CEOs (chief executive officers), headed by the new Confederation of Indian Industry president, Mr Sanjiv Goenka, and a high-level delegation from the Federation of Indian Chambers of Commerce and Industry, led by its president, Mr Chirayu Amin, will travel with the Prime Minister to Kuala Lumpur to participate in the Malaysia-India business forum and exposition being organised there on 14 and 15 May.

Mr Vajpayee will visit the Malaysian capital for four days from 13 May, as part of the government's 'look east' policy, after calling off the earlier-scheduled trip last February soon after the devastating earthquake hit Gujarat.

The focus of the business forum is to

provide a platform for the Malaysian industry to meet with policy-makers and senior representatives of Indian business.

More than 500 Malaysian business delegates will participate in the process, which



Mr Chirayu Amin



Mr Atal Behari Vajpayee



Mr Sanjiv Goenka

(Association of South-East Asian Nations) member are envisaged as a result of this trip, and increased Malaysian involvement in the infrastructure sector will be highlighted after joint ventures with Malaysia in executing the National Highways Development Project take effect.

Other key sectors for cooperation, to be highlighted in these platforms, include information technology and telecommunications, manufacturing, pharmaceuticals and biotechnology, power, financial services, edible (palm) oil and allied commodities, tourism and energy (oil and gas).

The Confederation of Indian Industry (CII) is organising the two events in collaboration with the Asian Strategy and Leadership Institute (ASLI). Malaysia is strategically located to act as a gateway for business opportunities for Indian companies in the Asean region.

# Myanmarese build-up prompts border alert

Anirban Roy  
Shillong, April 22

A RED alert has been sounded all along the porous and sensitive Indo-Myanmar border to avert any kind of Pyrdiwah-like intrusion.

High-level intelligence sources told *Hindustan Times* that there has been a sudden increase in the movement of the Myanmarese Army all along the border during the last one-week, especially opposite the Molcham area of Manipur.

Acting on the intelligence reports, the Centre has directed Manipur, Nagaland and Mizoram governments as well as the Assam Rifles to intensify vigil along the border as "anything might happen" if precautionary steps are not taken immediately.

Sources said the Assam Rifles have already rushed reinforcement at all the sensitive points along the border. The 166-year-old paramilitary force is the sentinel of the eastern-most frontier of the country as there is no deployment of the Border Security Force (BSF) there.

However, the Deputy Director General (Operations) of Assam Rifles, Colonel Narendra Singh refused to divulge any details about the deployment of additional force along the border.

Assam Rifles is reported not to be in very good terms with the Myanmarese Army. On October 26, last year, five Assam Rifles jawans were gunned down by Myanmarese troops at Lungwa in Mon district of Nagaland without any provocation.

The Myanmarese Government had claimed the shootout was a case of mistaken identity. Assam Rifles as well as Indian Government had termed the incident of trans-border firing as "unfortunate."

The Myanmarese Army has also started using Indian land to cut short their foot marches from one border outpost to the other, the sources said. The north-eastern State of Manipur, which had a total area of 22,356 square kms has shrunk to 22,327 square kms.

"In these kind of push and pull over land, border skirmishes between two countries begin," the sources said. The Surveyor-

General of India J N Nongkhalu has been negotiating with his Myanmarese counterpart since November 25, last year to resolve the border issue.

The sudden increase in movement of the Myanmarese Army along the border area might be due to the presence of BSF along the border during the last few weeks. "The Myanmarese Army must be confused with the sudden presence of BSF personnel there who have been clearing the border for the officials of Survey of India to carry out survey of the area.

The Inspector-General of BSF's Assam-Meghalaya-Manipur-Nagaland Frontier, VK Gaur also confirmed that his boys are clearing the border for the survey works in Churachandpur of Manipur.

The Indian intelligence agencies are not taking the movement by Myanmarese Army lightly as there are reports that the Inter-Services Intelligence (ISI) has established close proximity with the Directorate of Defence Services Intelligence (DDSI), the intelligence agency of Myanmar, the sources claimed.



AP PHOTO

BJP demonstrators in Bhopal burn the Bangladeshi flag in protest against the killing of BSF soldiers.

THE HINDUSTAN TIMES

THE HINDUSTAN TIMES

23 APR 1991

# A neglected minority

By V. Suryanarayan

9.9.69

**T**HE COMMUNAL clashes between ethnic Indians and Malays in early March, which took a toll of six lives and left a number of people wounded, have sent shock waves throughout Malaysia. It was the worst ethnic riot since the communal holocaust in May 1969. The ethnic tensions in Malaysia are mainly due to Sino-Malay rivalry and the role of the Indians was considered peripheral. But the Indian involvement this time — five of the six killed were Indians, the other was of Indonesian origin — is a sharp reminder that in Malaysia's progress towards prosperity, the Indians had been left behind. The Chinese are firmly entrenched in trade, commerce and industry, and the status of the Malays had been steadily improving due to the energetic drive of the Government since the New Economic Policy was launched in the early 1970s. By all available indicators, the Indians are lagging behind. Compounding the tragic situation, many Indians in the urban areas are not only getting marginalised, but also lumpensed.

The ethnic clashes in the suburbs of Kuala Lumpur underline the deep divisions in Malaysian society. It has also put a question mark on the future of Malaysia in the years to come. Malay unity — which provided unprecedented political stability to the country during the last five decades — suffered serious reverses when the followers of the jailed former Deputy Prime Minister, Mr. Anwar Ibrahim, started their own party. The majority which Dr. Mahathir Mohammed got in the last parliamentary elections was mainly due to non-Malay support. The economic progress has also slowed down consequent to the worst economic crisis in the region.

According to the media, the trouble began in one of the squatter villages near Petaling Jaya. The spark for communal violence was provided when differences arose between Malays and Indians, the former celebrating a marriage and the latter preparing for a funeral. A temporary shed outside the venue of the wedding, was damaged by a drunken motorcyclist, who fled in the direction of the Indian areas. The rumour-mongers had a field day. Malay-Indian clashes ensued, armed gangs roamed the streets, leaving death and destruction behind, until the security forces

restored law and order. The violence underscored the fragile nature of communal relations in Malaysia. In an unprecedented move, nearly 200 Indian activists demonstrated outside parliament demanding "harmony without racism" and also "justice and development" for the Indian community.

The Malaysian Indians, who number 1.8 million (8.0 per cent of the total population of 22.0 million), are not a homogeneous group. They are divided on the basis of language, religion and place of origin. The overwhelming majority are Tamils

*If its present hardships are to be overcome, the Indian community in Malaysia must sink its differences and work as a team.*

80.0 per cent, followed by North Indians, mainly Sikhs, 7.7 per cent; Malayalis 4.7 per cent; Telugus 3.4 per cent; Sri Lankan Tamils 2.7 per cent; Pakistans, including Bangladeshis, 1.1 per cent, and the others 0.4 per cent. As far as religion is concerned, Hindus number 81.2 per cent, Christians 8.4 per cent, Muslims 6.7 per cent, Sikhs 3.1 per cent, Buddhists 0.5 per cent and others 0.1 per cent.

These cultural differences, no doubt, are divisive factors; but, on the positive side, it must be pointed out, that over the years, they have developed an "Indian identity" over and above their primordial loyalties. The policy of the Malaysian Government to club them together as "Indians", both for political and administrative purposes, has further given a fillip to this process. Since 1955, when the inter-communal alliance came to power, the Malaysian Indian Congress (MIC) had been the representative organisation of the Indians in the Government.

A notable feature of the Indian community had been its changing socio-economic profile. In 1970, 47 per cent of the Indians were engaged in agriculture, 74 per cent of whom were in the plantations. With rapid economic expansion and diversification of the economy, the plantations have been converted for other purposes, including construction of luxury homes. The uprooted Indians were only paid a pittance as

compensation; they naturally migrated to urban areas and joined the squatter population. A few years ago, Mr. Sany Velu, president of the Malaysian Indian Congress, deplored the plight of thousands of estate workers "living in squalor in dozens of long-houses and squatter settlements all over Selangor".

*Ahlan*, monthly journal of the well-known Malaysian Reform Movement, have provided statistical details, which make disturbing reading. For example, 40 per cent of the serious crimes in Malaysia are committed by Indians; there are 38 In-

dian-based gangs with 1,500 active members; during the last three years, there had been 100 per cent increase in Indian gangsters; Indians record the highest number of those detained under Emergency Regulations and banished to Simprang Renggan Prison. In the field of social woes, it is the same story. In Kuala Lumpur, 15 per cent of the squatters are Indians; they have the highest suicide rate; 41 per cent of the beggars and vagrants are Indians; 20 per cent of the child abusers are Indians and so also 14 per cent of juvenile delinquents.

Taking the ownership of national wealth, Indians are in the worst position. In 1970, Indians held only 1.0 per cent of the share capital in the limited companies, while the Chinese controlled 22.5 per cent; Malays 1.5 per cent and foreigners 60.7 per cent. At the turn of the century, Indians owned only 1.5 per cent, compared to 19.4 per cent for Malays and 38.5 per cent for Chinese.

This dismal position is directly related to poor educational attainments. The importance of education in a developing country need hardly be highlighted. It is a means for upward social and economic mobility; an avenue of modernisation, an instrument to enrich cultural life and, above all, in the Malaysian context, a means of national unity and integration. Though the Malaysian Government has expanded educational facilities in a big way since the

attainment of independence, the fruits of education have not yet percolated to the most disadvantaged sections of Indian population. The Tamil medium primary schools are in a pathetic state. A single teacher handling multiple classes; ill-equipped schools, with many teachers having no commitment, and high dropout rates are some of the drawbacks. Family life is characterised by alcoholism, violence against women and addiction to television. They do not provide a congenial environment for education.

Finally, the question should be legitimately asked: to what extent has the MIC succeeded in its primary objective of safeguarding and promoting the interests of the Indian community? An Indian observer of the Malaysian scene comes to a dismal conclusion. Factional struggle and disunity had been the major curse of the Indian community. Since its inception in 1946, fight for power, petty politicking and mud-slinging had been the major attributes of the MIC. The rivalry between Devadas and Sambandan; Sambandan and Manickavasagam; Manickavasagam and Sany Velu and among Sany Velu, Padmanabhan and Subramanian — it brings no laurels either to the MIC or to the Indian community. What is more, self-help measures initiated by Mr. Sany Velu to uplift the community, with lot of fanfare, have not led to desired results.

The Indian community in Malaysia is at the crossroads today. If the present situation is allowed to drift, it will do serious damage to the future of the community. If the present hardships are to be overcome, the Indian community must sink its differences and work as a team. The smallest vulnerable position makes such a team effort all the more imperative. The Malaysian Government must also consider the problems of the Indian community, especially in the estate sector and among the urban squatters, with greater sympathy and understanding. The Government should ensure that the Indians at least obtain a share equal to their proportion of population.

*(The writer is former Director, Centre for South and Southeast Asian Studies, University of Madras.)*

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4/4

# Myanmarese pro-democracy refugees not ready to return

By Our Correspondent

**IMPHAL, APRIL 3.** Members of the All-Burma Students' League and pro-democracy activists who fled to Manipur in 1988 are not in undue haste to go back to Myanmar. Leaders of these activists told *The Hindu* recently that most of those who chose to return were "killed" while others were incarcerated on trumped up charges. Apart from students, there were nine doctors, two veterinarians, three engineers, seven MPs and 20 teachers among the refugees.

The Indian Government had opened a refugee camp at Moreh, a border town, to lodge them. A majority of them had, however, gone to Mizoram. The students have enrolled in schools and colleges in and around Imphal. Some of the professionals are working for a pittance.

Dr. Aung Kyaw Oo, was a private practitioner in Myanmar. He could not get a Government job simply because his parents were Communists. He is in charge of health and education of the activists of the All Burma Students' Democratic Front, western Burma. He is running an improvised "clinic" in Moreh where poor Myanmarese nationals come for treatment. It is a ramshackle two-room house, with a tin roof. It has



Myanmarese students taking out a procession in Moreh.

a clinical table and three small wooden beds with faded linens. Dr. Oo told this correspondent that the poor patients give him pumpkins, sweet potatoes and rice. The costliest item he has so far received is a rooster. Most of the time he has to pay up to enable the patients to buy medicines.

Mr. Ko Myo, in charge of the Moreh branch of the All Burma Students' League regrets that India and other countries are not helping them in the struggle for restoration of democracy in Myanmar. Initially, the refugees

were lodged in a newly-constructed house at Moreh. But Burmese intelligence and Army personnel sneaked into Moreh with the common traders and threatened the refugees.

The Government then shifted the refugees to a new camp 50 km inside Manipur.

The students and pro-democracy activists frequently take out processions at Moreh to demand restoration of democracy in their country. 'Friends of Burma,' also organises meetings and demonstrations in and around Imphal raising the same demand.

THE HINDU

APR 3 2001

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# A matter of security

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J.N. DIXIT

The preoccupations with the presentation of the railways and general budgets, the continuing concerns about initiating a dialogue on Kashmir, preceded by a further extension of the ceasefire, and other domestic preoccupations resulted in only marginal notice being taken of the important visit to Myanmar in February of the foreign minister, Jaswant Singh. His visit was a follow-up of the visit of the vice-president of Myanmar, Maung Aye, to New Delhi from November 12 to 21 last year. The most important event during the visit was the inauguration of the Tamu Kalewa Road project in collaboration with the government of Myanmar by the Border Roads Organization of the government of India.

Geo-strategically, Myanmar straddles an area which dominates our security perceptions in more dimensions than one. Myanmar borders the north-eastern states of Nagaland and Manipur which have been the scene of separatist movements with connections across the border with Myanmar's militant groups. Myanmar's northeastern borders constitute a trijunction of India's borders with Myanmar and China. The southwestern coast of Myanmar straddles India's shipping lanes through the Bay of Bengal to southeast Asia. This coastline is close to the Andaman and Nicobar Islands, the importance of which in India's security planning has increased. A cooperative and friendly relationship with Myanmar is of utmost importance to India in terms of India's political and security interests.

The issue of idealistic and moral dilemmas of dealing with a military regime which did not allow a democratically elected political party, the National League for Democracy, to rule, had inhibited India's normal relations with Myanmar in the late Eighties and early Nineties. These inhibitions have gradually been set aside since 1992 according to the following rationale.

First, India's vital interests require that we have a working relationship with whichever government is in power in Myanmar. Second, while India's commitment to democracy is incontrovertible, it need not take on the responsibility of sustaining democracies in other countries. Third, there is an increasing trend in Myanmar's politics in which the military regime is engaged in negotiations with Aung San Suu Kyi's NLD and other political parties.

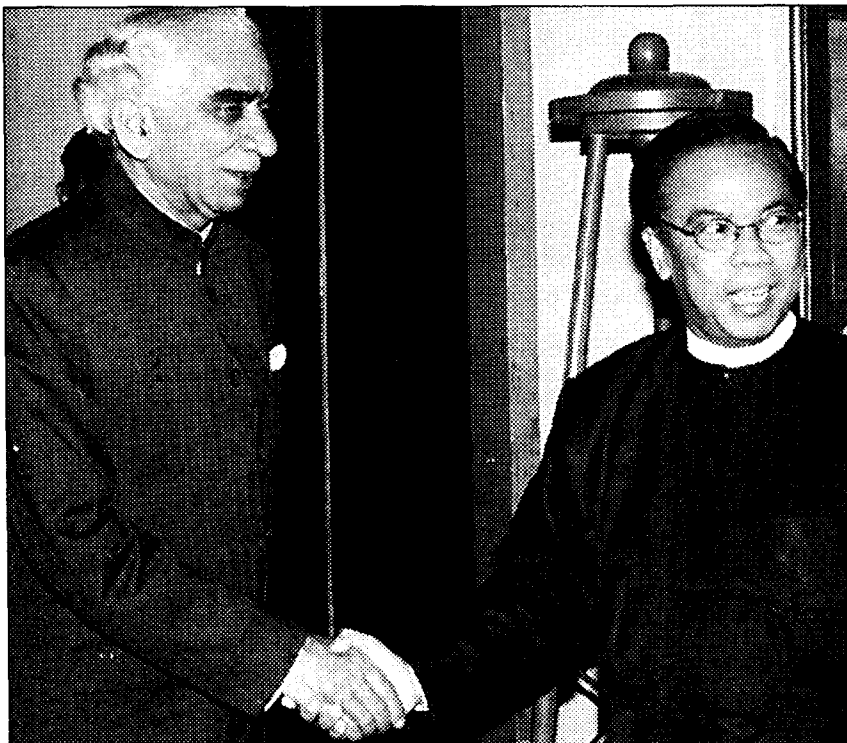
Fourth, the countries of the Association of Southeast Asian Nations, which have a closer relationship with Myanmar, considered the military regime effective and stable enough to make Myanmar a member of the ASEAN and its security forum. And fifth, there are potentialities of long-term mutually beneficial economic relations between India and Myanmar.

Internally, though the military regime, the State Peace and Development Council, may not have the full support of the people of Myanmar, the people accept the credibility of "Tatmadaw" (the armed forces of the coun-

try) as a stable instrument of governance. The militarization of Myanmar society since the days of General Ne Win has resulted in almost every family having some personal connection with the Myanmar armed forces. There is also the curious but interesting phenomenon of the armed forces being the main avenue of upward social mobil-

ity and economic wellbeing. remained balanced in terms of Myanmar's relations with China on the one hand and India on the other.

A third objective was to enhance mutual cooperation in controlling the illegal trafficking of drugs from the "Golden Triangle" across subcontinental India to other parts of the world. The fourth objective was to create equations



ity and economic wellbeing.

A specialist on Myanmar's political situation, David I. Steinberg, in a recently published book, *Burma Myanmar — Strong Regime Weak State*, states that the Burmese people perceive power as finite. This means that the sharing of power implies giving up power which is not easily undertaken either on an individual or institutional basis. In such circumstances, power and loyalty become personalized. Therefore, there is an inclination to accept authoritarian regimes if they give stability and minimum economic security to civil society.

It would be pretentious to claim that India's policy of reviving and sustaining contacts with the military regime was rooted in such a deep intellectual analysis. But a general perception on these lines was a factor in India's establishing communications with the military regime of Myanmar.

Jaswant Singh's visit was the culmination of a process on these lines which commenced under P.V. Narasimha Rao's regime in March 1992. The initial contacts were between senior officials of the foreign ministries of the two countries, the home ministries and then between officials of our ministry of commerce and department of drugs control. The specific objectives of reviving relations with Myanmar were, first, to create cooperative arrangements between Myanmar and India to counter secessionist activities on both sides of the India-Myanmar border and second, to ensure that Myanmar's security and foreign policies

## Jaswant Singh's visit indicated India wants to build a long term relationship with Myanmar

with Myanmar to safeguard our security interests in the Bay of Bengal and the shipping lanes.

There was a series of hiccups in India-Myanmar relations in the mid-Nineties when India awarded the Jawaharlal Nehru memorial prize for international understanding to Suu Kyi, overruling the reservations of Myanmar's military regime. Then there was India's defence minister's accusation that Myanmar's relationships with China constituted a security threat to India and that Myanmar was becoming a partner in the Chinese objective of strategic encirclement of India. However, by the end of the year 1999, Jaswant Singh's interaction with his Myanmar counterparts at various meetings at the ASEAN removed the misunderstandings created by these events.

It would be relevant to mention that China's southeast Asian policies have become a major factor influencing India's policies towards the ASEAN and specially towards Myanmar. China since the middle of 2000 has launched a special programme of developing its southwestern province of Yunan. It is developing the capital of the province of Kun-

ming as a regional energy and transpiration centre. China is also developing airports, river ports and land corridors from Kunming towards southeast Asia through Myanmar. There is a discernible Chinese objective of reaching the Bay of Bengal through Myanmar.

China is also creating communication networks in the southeast Asian region, participating in the construction of several trans-Asian roads and railway projects in collaboration with Myanmar, Thailand, Cambodia, Laos and Vietnam under the umbrella of the six-nation greater Mekong sub-regional cooperation arrangement.

India's regional foreign policy orientations therefore necessarily involve sustaining a normal relationship with China and structuring substantial economic relations with the countries mentioned above. Myanmar, being geographically the closest southeast Asian country, has a high priority in India's regional policies. China has substantive defence cooperation arrangements with Myanmar. This relationship, viewed in the background of China seeking to link up with ports in Myanmar through the Mekong and Irawaddy rivers and of China having logistical facilities for its navy on the southwestern coast of Myanmar, has obvious strategic and security implications for India.

It is in this context that parallel to the Kunming-Lashio-Mandalay road, India negotiated the construction of the Tamu-Kalewa road which was inaugurated by Jaswant Singh during his February visit to Myanmar. The extension of this road further south is under discussion. Two subjects of equal significance discussed by Jaswant Singh with his Myanmar counterparts were, first, a move forward on the six-nation Ganga-Mekong project linking up the two river basins for communication and developmental purposes. The countries involved are India, Myanmar, Vietnam, Thailand, Laos and Cambodia. If this grouping succeeds in developing an integrated programme of regional transport, it would contribute to the larger Asian highway project which has been under discussion for three decades.

The second subject discussed was the possibility of importing natural gas from Myanmar into India. There are possibilities of constructing a gas pipeline from the Kaladan basin, Assam and Meghalaya. Another gas pipeline could be built from Akyab (Shitwe) to West Bengal. Jaswant Singh's visit and discussions were first an affirmation of the fact that Myanmar with its location between south Asia and southeast Asia, its western coastline dominating India's coastline to the eastern reaches of the Indian Ocean, has the potential to be a major southeast Asian power.

Secondly, his visit and other high level exchanges over the last two years are the acknowledgment that India wishes to build a substantive and long-term relationship with Myanmar. Myanmar in many ways is the pivot for security arrangements of special interest to India. The beginnings made in recent years in establishing durable equations with Myanmar are timely and relevant.

The author is former foreign secretary of India



## ROAD TO MYANMAR

But Manipur village issues ignored

WHAT makes Jaswant Singh's visit to Myanmar significant is that he travelled to Yangon via Imphal and inaugurated the 160-km Tamu-Kalemyo road built by the Indian Border Road Task Force. India is already engaged in constructing roads, bridges and railways in the neighbouring country. Trade through the Indian border town of Moreh was made legal in 1995 and people of the two countries are allowed to visit Moreh and Tamu for a day without any travel documents. Not only will the new road help boost trade, it will also be part of the pan-Asian highway leading up to Yangon via Mandalay. There are plans to introduce a weekly bus service between Moreh and Kalewa in Myanmar.

It is indeed surprising that New Delhi has not thrashed out the issue of Manipur's tiny Molcham and Tuivang villages to cement good-neighbourly relations. Tuivang village, which till 1963 paid taxes to Manipur, is no longer considered part of India following the mysterious disappearance of border pillar No 66. After a visit to Molcham in 1982, a Manipur Cultural Integration Committee team alleged that the villagers were often subjected to "threats, intimidation and oppression by Myanmarese security forces". Molcham assumes significance because the World War II Tamu-Kalewa road passes through the village. The MCIC's suggestion for building two or three "bridges of friendship" to link the two Myanmarese towns without touching Molcham is worth consideration. A new Molcham police station is reportedly awaiting inauguration. One wonders if any minister will now be prepared to visit Molcham, which involves a two-day journey, part of which is through Myanmarese territory. This negligence will only reduce the new police station to a mere symbol of India's authority over the village.

THE STATESMAN

23 FEB 2001



# India to explain Saarc fears to Chandrika

STATESMAN NEWS SERVICE

NEW DELHI, Feb. 21. - South Block is preparing to raise contentious issues during Sri Lankan President Mrs Chandrika Kumaratunga's visit to the Capital.

Arriving tomorrow, Mrs Kumaratunga will hold official-level talks on 23 February and spend the next two days in the Capital as part of her private visit.

The Saarc summit issue will definitely be raised. While Colombo has been insisting that the summit be revived, India is hesitant because that would mean meeting Pakistan's chief executive Pervez Musharraf.

India's position is expected to be explained in the proper perspective so that the reluctance to hold a summit doesn't carry a wrong signal. Instead, India may offer foreign secretary-level talks.

Recently, there were reports about India objecting to Britain and Japan being included in an international panel to monitor the peace process initiated by Norway in Sri Lanka.

Although the MEA said there was no basis for such reports and India's position on the Sri Lankan crisis is clear, it said "all matters" would be discussed during Mrs Kumaratunga's visit.

The talks are also likely to touch upon reports about an arms deal between Sri Lanka and Pakistan.

There were reports lately that Pakistan and Sri Lanka had reached an agreement on a \$20-million arms deal during the three-day visit of the Sri Lankan foreign minister to Pakistan.

THE STATESMAN

22 FEB 2011

# Wooing the junta: A closed world throws open its door

AT the gates to the royal palace at Mandalay, the ancient capital of the Myanmar kings, a huge board greets you with the message 'The tatmadaw shall never betray the national cause.' The tatmadaw (the armed forces) couldn't have picked a more suitable spot to get their point across. Because Mandalay, symbolic of the lost glory of Myanmar and the exotica that was East, is the place many are returning to now that the country is slowly removing its Closed World tag.

So earlier this week, when External Affairs Minister Jaswant Singh flew across Manipur's border with Myanmar to throw open the 160 km long Tamu-Kalemyo-Kalewa road — it was constructed by the Indian Border Roads Organisation with the help of local casual labour and material had to be hauled all the way from Dimapur in Nagaland — India was sending out a clear message that it was ready to do business with a neighbour it had not interacted for years. To put it bluntly, India was not disowning Aung Sang Suu Kyi and her supporters but making clear that it was time to read the minds and work with the men in control of the country.

On a three day whistle-stop tour to the country, Jaswant Singh met the men who matter in the State Peace and Development Council (SPDC), the junta that has been ruling Myanmar, and talked shop. The top four in the SPDC — chairman Senior General Than Shwe, vice-chairman General Maung Aye, Secretary-1 and intelligence chief Lt Gen Khin Nyunt, Secretary-2 Lt Gen Tin Oo — took turns to interact with the Minister.

At the end, the two countries agreed to open more border points for trade and we may soon have an Indian consulate operating out of Mandalay. But these deals could at best be called cosmetic. As officials later put it, India was in Myanmar for a long-term engagement and was not interested in short-term gains which many would dub a fling.

From the trade point of view, Myanmar interests India now that



Foreign Minister Jaswant Singh cuts across years of distrust to forge a new relationship — PTI

Yangon is part and parcel of ASEAN.

Trade in North-East India stands to gain from more linkages with Myanmar ports and inland posts. On the other hand, the Myanmar too are very keen to turn to India and give a semblance of respectability to an economy that is almost non-existent.

But India has other deep concerns which it now wants to share with Myanmar. It wants guarantees from Yangon that the Myanmar army will help it curb activities directed against India — especially, when it comes to safe havens for north-east insurgents inside Myanmar territory and the easy run drug-traffickers have in pushing the Golden Triangle harvest.

There are reports that local Myanmar military commanders

have made huge profits from the drug trade.

Observers in Yangon, who have evinced keen interest in India's first top-level contact with the junta (Rajiv Gandhi was the last

**Jaswant Singh's Myanmar visit was all about symbols and portents. It's for India to catch on, says RAKESH SINHA**

important minister to come calling way back in 1987 when Ne Win still lorded over his closed land), say it will be interesting to watch how the Myanmarese respond to Indian overtures.

"To my mind, the SPDC is very keen to do business with India and Thailand because the economy here is in tatters. Yet they don't want to overstep limits that could upset the Chinese. We certainly

have some interesting months ahead," says a Yangon resident who, like most people in the country, wouldn't want to be named airing views on the country.

For many who say India's economic assistance will only strengthen the SPDC and provide fresh lease of life to the junta's rule, there is a counter-argument. "Most of you come here with views coloured by activist and refugee re-

ports. You must understand that the military here is incredibly strong. It will be naive to assume that the junta will give up power as and when the world tells it to. India must talk and do business with the SPDC and yet bring pressure on it to initiate restoration of democracy in the country. But don't expect results overnight. This could take quite sometime."

# Delegation to visit Myanmar for oil deal

Shishir Gupta  
Mandalay, February 17

IN A bid to strengthen its energy security grid, New Delhi is sending a high-level expert delegation to Myanmar shortly to survey its existing oil and gas exploration blocks and identify possible routes for bringing natural gas to India.

During External Affairs Minister Jaswant Singh's visit to Myanmar this week, the two countries discussed cooperation in the hydrocarbon sector including the supply of natural gas to India, once proven supplies were made available.

While Mr Singh and Senior General Than Shwe, Chairman, State Peace and Development Council (SPDC) held talks over this issue, Myanmar's decision to sell gas to India was conveyed by Gen Maung Aye, Vice Chairman, SPDC, during his visit to New Delhi last year.

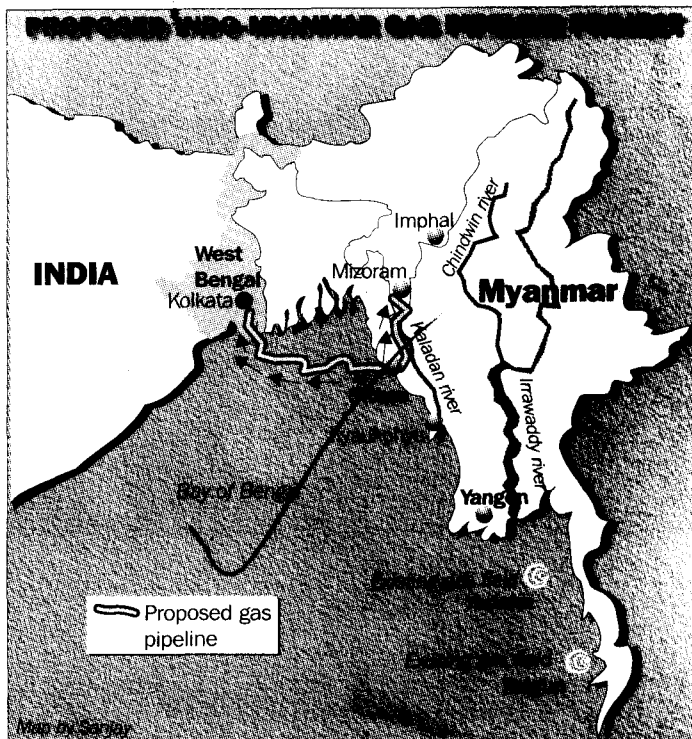
It is understood that India has two gas pipeline routes from Myanmar under consideration. One of the identified routes is laying a gas pipeline along the Kaladan river, which is linked through tributaries to India in the Mizoram sector. This pipeline will

run via Assam and Meghalaya to link up with the national grid.

The other option under consideration is having an off-shore pipeline from Sittwe (Akayab) Port, situated on the mouth of Kaladan river delta in the Bay of Bengal, to some place in West Bengal. In earlier days, Sittwe Port had a regular ferry service to Calcutta.

New Delhi's eagerness to purchase natural gas from Myanmar is part of Indian plan to explore alternatives in hydrocarbon supplies and not remain totally dependent on West Asia. At present, India is feeding some 81 million tonnes of crude oil into its energy requirements. For this, India is importing oil from Saudi Arabia, Nigeria, Indonesia and Iran on long-term basis. The remaining crude oil is imported as spot purchases from Dubai.

With Bangladesh still internally debating on supplying natural gas to India, New Delhi is tying up with Vietnam, Russia and Myanmar as alternative energy sources. However, the Yadana and Yetgun off-shore gasfields of Myanmar have already entered into a 30-year gas supply contract with Thailand. Developed with the help of multinational companies, the Yadana



and Yetgun gas fields are producing some 325 and 200 million cubic feet per day respectively.

Besides these proven fields, Myanmar has 14 sedimentary basins but at present exploration for oil and natural gas is only being

carried out in central Myanmar basin, the Pyay embayment and the Ayeyarwaddy river basins. According to estimates, as much as 1.4 billion barrels of crude oil and 26.5 trillion cubic feet of gas could be recovered from these sites.

THE HINDU

18 FEB 2001

# Indo-Myanmar ties have taken a historical turn: U Win Aung

By Anni Baruah

**YANGON, FEB. 16.** The Myanmar Foreign Minister U Win Aung, in an exclusive interview with *the Myanmar Times*, provided an insight into Indo-Myanmar relations, Yangon's perception of Sino-Indian relations and his experience with ASEAN.

The Minister was very pleased with the visit of his Indian counterpart. He, Jaswant Singh, and spoke of other areas of cooperation between the two countries.

The following are excerpts from the interview.

**The Hindu: How would you assess the visit of the Indian External Affairs Minister, Mr. Jaswant Singh, to your country?**

**U Win Aung:** The visit was very fruitful. I asked the Foreign Minister Mr. Jaswant Singh, at the airport what he thought of the visit and he said it had been very fruitful. Since 1987, when the former Prime Minister, Mr. P. V. Narasimha Rao, who was Foreign Minister at the time, visited our country and 20 years apart, now we have another Foreign Minister visiting our country.

We felt it is the right moment and it is a historical turn in exchange of visits between our two countries and it materialised after the visit of our Vice-Chairman (of the ruling State Peace and Development Council), Gen. Maung Aye, to India. I think that this visit... after his meeting with various Ministers and at my dinner and call and talks... seven or eight Ministers together...

Because I arranged that. His (Mr. Singh's) visit was very, very short. The meetings this (February 15) morning with our (Chairman, Senior General Than Shwe, and also with Secretary-1, Gen. Khin Nyunt, were very fruitful and, for us, it is a very encouraging sign that the relations between India and Myanmar are coming to a historical turn. It is a turn we have waited for.

**We have the recent example of constructing the road from Tannu to Kalewa to Kalenyo. What are the other infrastructure projects that have been discussed during the visit of the External Affairs Minister?**

We have agreed to the construction of a bridge in Rih, between Champai (in Mizoram) and Rih. There is a Rih lake, it's a heart-shaped lake. People in the area used to cross the border and from that point onwards, we will construct some roads. We have also been undertaking feasibility studies from Mizoram to Sitwe (Akyab port) — what we call the Kaladan river project and Palewa. It will have the chance of providing Mizoram with a sea outlet and also another place we are talking is Kyaukyu — that's a deep sea port.

There are also projects in the field of hydro-electricity, power projects. One in Tamanih on the Chindwin River and another project we are discussing is at Yewa, near Mandalay... we covered a lot of areas (relating to) trade and national crime and also security-related matters as well cooperation in information technology

and industrialisation projects of our country.

**On the insurgency issue in the north-east which is of concern to India, there is cooperation between the security forces of the two countries. Do you think there can be any formal arrangement in this area or the current arrangement is sufficient?**

The current arrangement is sufficient. There are mechanisms between the two armed forces

## INTERVIEW

and... they have been cooperating and also that there are assurances that our border should be come (free) of any insurgency problem. We will cooperate in this matter.

**Your country straddles both South Asia and Southeast Asia. You are the link between South Asia and Southeast Asia and can enjoy the advantages of both. How do you look at this aspect?**

Let us phrase it in this manner. Look at the map. Yes, you are correct that we are right in the middle of East and West Asia and North and South Asia. So, without us you cannot go around and it will not be possible to go around. We are in the middle and we are a link. So, BIMSTEC (grouping Bangladesh, India, Myanmar, Sri Lanka, Thailand and Nepal having observer status) is one area in which we are very interested so

that we can become a link.

There is a good link or bad link. What I mean is that our country which is the co-founder of the Non-Aligned Movement and also co-author of the Five Principles of Peaceful Co-existence with China, India and Myanmar... and a country which has consistently adhered to its principled stand of non-alignment... without any deviation we have been strictly adhering to that position. That's why we have been isolated ourselves. And, we didn't want to play in the Cold War games, we don't want our land to be used by any powers to make any sort of hegemonic movements. That's why we have tried to isolate ourselves in the past.

Religiously, we are a Buddhist country. We, Buddhists, have no enemy. We don't regard anybody as a potential enemy.

We want to be peaceful, we want to solve whatever problems which might arise in a peaceful manner. That's the way of life and way of thinking we have. I think that's why we can play a big role in cementing from the East and West and North and South Asia.

**On the issue of democracy, it is clear that your Government has its own perceptions. Recently, you have started several talks with the Opposition, how do you see that process?**

We, in our country, have had a lot of problems since independence. These problems are not locally-made problems. These problems are cre-

ated from outside by our old colonial masters... in 1948-49 after independence there was a committee in London... to support the fractious rebellions in our country. Since that time, we had been fighting among ourselves for most of the time.

We need to stop the fighting, create peace and stability, we need to create better understanding among our own people. And love each other. Not in a sort of you-are-this you-are-that; not accusing each other. We need to find solutions where our people of 135 national races could live together for ever. And, we are hoping for national reconciliation.

We had in the past 14 years of Parliamentary democracy which failed. And then socialist-type of economy... for 26 years. Let me very frankly say that that policy also failed to move our country forward. These successive Governments might have been able to solve some problems, but not the fundamental problems of national unity, economic development to all corners of the country and even social problems are there — education, health care...

You will be surprised, that in 1975, the road between Yangon and Mandalay was not safe to travel. At night no traffic at all, no trains. We have not come out if, we have graduated, we have matured from that position right now to a more secure and more peaceful atmosphere...

What we need to do is that all the political forces or political parties or all the people to

unite, to have one aim and goal — that is a democratic nation. In the past, NLD (Ms. Aung San Suu Kyi's National League for Democracy) has been using a confrontational approach, denouncing every move of the Government... this confrontational attitudes have now stopped and pressure techniques and things like that have been abandoned... we hope for ever.

**There is a perception that there is strategic competition between India and China. Many Western reporters have written about this. I would just like to get your view of this.**

The world today is changing, from the bipolar world... now the Eastern bloc has collapsed... we have to frankly say that. The unipolar world is the main player. Now, the direction is towards (a) multipolar (world). In this process (along) with globalisation, every country has the responsibility for mankind to create better living conditions for its citizens.

For instance, India with more than one billion people has the responsibility to feed its people, to better clothe its people, to have better shelter and better living conditions... And (the) Chinese Government also, with 1.2 billion people, they have also to create and work hard for the better living conditions of their own people.

We, ... our country, (need to do) the same thing, in this world, when our population of the world has crossed six billion, we should not emphasise only on the rivalry between the powers but we should try to have cooperation.

# We will help combat insurgency: Myanmar

By Amit Baruah HD 13

YANGON, FEB. 16. The Myanmar Foreign Minister, U Win Aung, has said that Yangon would like to see India and China as "peaceful, big neighbouring countries" and stressed that his country had developed good relations with both New Delhi and Beijing.

In an exclusive interview to *The Hindu* after the External Affairs Minister, Mr. Jaswant Singh, concluded a successful visit to Myanmar yesterday, U Win Aung said Myanmar would cooperate with India in dealing with insurgency along the international border.

He said BIMSTEC (grouping Bangladesh, India, Myanmar, Sri Lanka and Thailand) could become the link between South and South-East Asia, adding that Myanmar was strategically located in the "middle."

On Myanmar's return to democracy and the recent



U Win Aung

talks between the junta and the general secretary of the National League of Democracy, Ms. Aung San Suu Kyi, U Win Aung said the process of dialogue would go on. The NLD had dropped its confrontationalist posture which had created an "atmosphere of better

understanding" and "mutual respect." "I think that's the stage where we are now. And (from) this stage we have to move on. It's a gradual process... sometimes the world would like to see very quick results..."

"We need to find solutions where our people of 135 national races could live together forever. And, we are hoping for national reconciliation," he said, adding that Myanmar's problems needed to be addressed together to arrive at solutions.

The Minister, who spoke of a historic turn in Indo-Myanmar relations, referred to the possibility of the two countries developing a deep-sea port at Kyaukpyu, providing a linkage to Mizoram, apart from cooperation in several hydel projects and the area of information technology. He called for the inclusion of the

2710-km-long Irrawady river's name in the Mekong-Ganga cooperation launched by India, Myanmar and four other countries in Laos last year. He was also keen that China be included in the present MGC grouping as it was a Mekong country.

"Your Foreign Minister mentioned the Ganga-Mekong cooperation. In between we would like to send in (introduce) the Irrawady. Why not Ganga-Irrawady-Mekong?" "We in the middle are very much strategic. We would like to see India and China as peaceful, big neighbouring countries. If they were fighting against each other, we would not be peaceful. That's why we are now having better relations, good relations with China (and) at the same time good relations with India," U Win Aung said.

Details of interview on Page 17

1272

# India steps up efforts towards engaging Myanmar

By Amit Baruah

**SINGAPORE, FEB. 11.** India and China have been pitted against each other as "strategic competitors" in Myanmar. India, which got its Myanmar act together much later than China, is now seeking to address this imbalance.

Whatever the ground realities, the strategic community, which seems to have a vested interest in promoting "competition", believes that India and China are natural rivals. For instance, the Director of the Institute of Defence Studies and Analysis, Mr. Jasjit Singh, was quoted as saying in the *International Herald Tribune* of February 9, that China was India's "central strategic competitor economically, politically and militarily".

After keeping away from engaging Myanmar, India's policy underwent a 180 degree change — when support to pro-democracy elements was given up and a process of engagement with the then State Law and Order Restoration Council (SLORC) was put in place. The large number of high-level dignitaries travelling to and from Myanmar indicates the priority being accorded to bilateral relations.

The last important Indian visitor was the Chief of Naval Staff, Admiral Sushil Kumar, last

month. His visit was preceded in September last by the Secretary (Bio-technology), Mrs. Manju Sharma, and in August by the Home Secretary, Mr. Kamal Pande, for the annual security interaction with the Myanmar authorities.

In July last, the then Army Chief, Gen. V.P. Malik, went to Myanmar at the invitation of his Myanmar counterpart, Gen. Maung Aye. Earlier, Gen. Malik paid a day-long visit to Mandalay at the invitation of Gen. Aye before inviting the Myanmar Army Chief to Shillong as part of the same trip.

Gen. Aye, of course, visited New Delhi in November last as did the Myanmar Home Minister, Col. Tin Oo. In May and October, the Deputy Foreign Minister, Mr. U. Khin Maung Ming, paid two visits to India.

For India, the process of visits seems to have taken off in 1998 with two Secretary-level visits. In 1999, the two countries signed an agreement on science and technology and the Myanmar Deputy Home and Railway Ministers paid separate visits in July and December 1999.

The Chinese, on the other hand, have remained engaged with Myanmar. According to the Chinese Foreign Ministry, the two sides have kept up the exchange

of high-level visits. "The State Councillor and Secretary-General of the State Council, Mr. Luo Gan (in January 1991), the State Councillor and Foreign Minister, Mr. Qian Qichen (in February 1993), the Premier, Mr. Li Peng (in December 1994), the Chairman, Mr. Li Ruihan (in March 1997), and the Vice-Premier, Mr. Wu Bangguo (in October 1997), visited Myanmar one after another," the Ministry said.

"Myanmarese leaders, including the Chairman of the State Law and Order Restoration Council (SLORC), Mr. Saw Maung (in August 1991), Secretary-1 of SPDC (State Peace and Development Council), Mr. Khin Nyunt (in September 1994 and June 1999), the Deputy Secretary-2 of SPDC, Mr. Tin Oo (in November 1994), the Chairman of the SPDC Senior, Gen. Than Shwe (in January 1996), and the Vice-Chairman of the SPDC, Gen. Aye (in October 1996), paid visits to China. The President, Mr. Jiang Zemin, met the Chairman, Mr. Than Shwe, in Kuala Lumpur, Malaysia, in late 1997," the Ministry document added.

In July last, the Vice-President, Mr. Hu Jintao, paid an official visit to Myanmar, on the occasion of the 50th anniversary of diplomatic relations between the two countries. A Chinese statement

on the visit said: "He (Mr. Hu) also said in recent years, under the leadership of the Myanmar SPDC, headed by Mr. Shwe, the Government and people have gained important achievements in bringing about political stability, national reconciliation, economic development and in foreign relations."

For these, we, as a friendly neighbour, are heartily delighted," he (Mr. Hu) said, expressing the belief that with Myanmar possessing rich natural resources and its people's diligence, the Myanmar Government and people are bound to overcome various difficulties...

China's trade with Myanmar in 1995 hit a high of \$750 million in 1995, but declined to \$640 million and \$580 million in 1997 and 1998 on account of the Southeast Asian financial crisis.

By the end of 1997, 183 projects for labour services and project contracts had been signed between Myanmar and China, with a total value of \$523 million.

On the other hand, trade between India and Myanmar in 1999-2000 stood at \$216.52 million, with Myanmar's exports to India totalling \$141.14 million. India is now Myanmar's largest export market.

THE HINDU

12 FEB 2001

# India, Myanmar strategic pact on anvil

## Jaswant to seek further help to tackle cross-border insurgency

**Shishir Gupta**  
Imphal, February 12

BY VISITING Myanmar, External Affairs Minister Jaswant Singh is all set to forge a strategic tie-up with Yangon that is expected to yield key security benefits to the two neighbours.

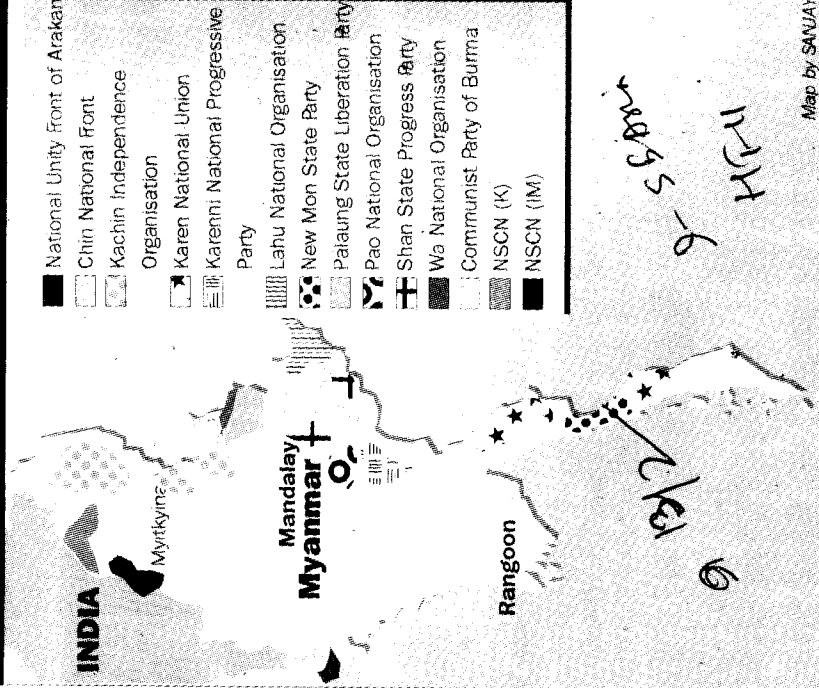
Plagued by decades-old insurgency problem on the 1643-kilometre long Indo-Myanmar border, both sides have a shared interest in neutralizing the formidable insurgent network in the entire region.

During his three-day visit to Myanmar, External Affairs Minister Jaswant Singh is expected to make concerted efforts to further seek Yangon's cooperation in battling insurgency, which is facilitated by the ethnic commonalities between North-East and western Myanmar. India has taken a number of concrete measures to bring North-East insurgents on the negotiating table through formal and informal channels.

Already there is a ceasefire holding between New Delhi and the National Socialist Council of Nagaland (I-M) in Nagaland. Besides, there have been Government efforts to bring NSCN (K), ULFA, PLA and Bodo insurgent groups into mainstream society. The ruling State Peace and Development Council (SPDC) in Myanmar, on its part, has worked out a somewhat fragile ceasefire or peace agreements with 15 armed groups including the Kachin Independent Army.

While this has brought peace to northern and eastern parts of Myanmar, the country still has not been able to control Karen, Arakanese and Chin insurgents active on its border with India. These groups are a matter of serious security concern to both the countries as they provide shelter as well as arms to the Indian insurgents. It is this north-west hilly frontier of Myanmar, which is used to channel narcotics and arms to

### INSURGENCY ON INDO-MYANMAR BORDER



Map by SAMJAY

The NSCN(I-M), UNLF and PLA groups are known to have camps around Tamu, Mintha, Somra Namphalong and the Chikka-Phatsa stretch across Manipur.

In fact, in order to strike at the core of insurgency issue, the two sides have intensively debated about taking the Thailand government on board, as it is center of activity for India and Myanmar insurgent groups. The other reason is that majority of arms purchases by these insurgent groups are made in Bangkok, Ranong and Chiang Mai in Thailand and are made available to the Indian insurgents via the Bangladesh route.

LTTE operatives, who transit through Myanmar exclusive economic zone with state-of-the-art high-speed boats, normally undertake the arms supplies.

The other option used by the Indian insurgents such as ULFA is to purchase arms from Myanmar insurgent groups, who have signed a peace agreement with Yangon.

However, in the past two years there have been efforts by Myanmar Government to ensure that their territory is not used by insurgents to target India.

In fact, last February the Myanmar Army conducted operations against insurgents in Onamyu area, killing six NSCN (K) and 10 ULFA cadres, besides recovering arms from their camps.

The two sides have also set into place institutionalized mechanisms on the Indo-Myanmar border for improved communication and exchange of relevant information about insurgent activity. The confidence that the armies of the two countries enjoy with other on the insurgency issue is reflected in III Corps Commander Lt General T.S. Shergil going over to Myanmar for the inauguration of Tamu-Kalemyo road and perhaps to exchange notes on insurgency with Major General Soe Win, North-Western Army Commander.

India via the Cox's Bazaar (Bangladesh) route. The drug money is later used to fund insurgency in the region.

India has discussed the issue of insurgents camps located in Myanmar with Yangon and both sides apparently have agreed to take coordinated action against these groups on the basis of actionable intelligence.

For instance, the NSCN (K), whose cadres are Myanmar based Hemei Nagas, have camps in Hongyat, Chamyu, Longko, Bonyo and Wayok areas across Nagaland.

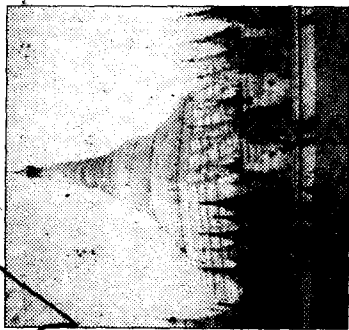
# Repairing the old trade route to Myanmar

RAKESH SINHA  
NEW DELHI

IN the junta's Yangon today, a US dollar can officially be exchanged for a little over six Kyats. It is another matter though that a single dollar can fetch you Kyats seventy times over in the bazaars.

Many would blame it on Ne Win and his Burmese Way to Socialism or the slurry-sounding SLORC (State Law and Order Restoration Council) which inherited his legacy and now calls itself SPDC (State Peace and Development Council). But there are equally many in Delhi who believe it is time we got off the moral high horse and talk shop on the road to Mandalay, no matter if the majority everywhere sees it as a politically incorrect destination.

So when External Affairs Minister Jaswant Singh travels down the Ayeyarwaddy this week and rubs shoulders with the men who rule Myanmar, there will be a huge sigh



of relief in quarters which believe that India has too much at stake there — especially, when it comes to matters as complex and age-old as insurgency in the north-east and the free run of drug traffickers — to be always a part of the Slam Myanmar chorus.

Rajiv Gandhi's visit in 1987 was the last big courtesy call. A year later, the world watched as Ne Win, who had switched off his country for 26 long years, stepped down only to let tanks roar down

the streets of Yangon. What happened to Aung Sang Suu Kyi and her supporters thereafter ensured the West kept Myanmar in its list of pariah states.

But the Vajpayee Government, whose Defence Minister has unabashedly advocated the cause of the anti-junta students, is now changing gears. Jaswant Singh's visit is a pointer to the view that Indian can, for a brief moment of time, forget the symbolism of Suu Kyi and repair bridges in a corner of our backyard where for long few cared to venture.

MEA officials are at pains to explain the importance of the planned dialogue with Senior General Than Shwe and others who make the SPDC.

"It is not that we are opening any new channels. The contacts are very old. A trade agreement between the two countries was signed way back in 1970. And the fact remains that India has emerged as the largest export mar-

ket for Myanmar. Why, the data on your table tonight could be from Myanmar," says an official. Yet, nobody explains why we didn't think of the Myanmar pulses all these years.

But that this government has been trying to reach out to Myanmar for sometime now is evident from the fact that a host of officials — from former Army chief V.P. Malik to the Home Secretary to Navy chief Sushil Kumar — have been to Yangon in the last 12 months.

So Jaswant Singh, when he joins the Myanmar side to inaugurate the Tamu-Kalemyo-Kalewa road — it is the baby of our Border Roads Organisation — inside Myanmar on Tuesday and top it with a learning centre in Mandalay and a remote sensing centre in Yangon, many hope it will be seen as a natural extension of New Delhi's plans to return to a road less travelled. Chalo Bangoon. Al-



# India, Myanmar road opened

By Amit Baruah

**KALEMYO/ TAMU (MYANMAR), FEB. 13.** Often the subject of criticism in its neighbourhood, New Delhi today showed that its expertise and resources could be used to promote better relations with the Government and people of Myanmar.

A Rs. 90-crore "gift" to Myanmar in the form of 160-km Tamu-Kalewa-Kalemyo road was inaugurated by the External Affairs Minister, Mr. Jaswant Singh, in the presence of senior Myanmar Ministers. Built by the Border Road Organisation over three years, the project was commissioned and funded entirely by the Ministry of External Affairs.

Though a small beginning, the road which links the Indian town of Moreh in Manipur to central Myanmar will soon connect Mandalay, making it theoretically possible to drive from the north-east to the second largest city in Myanmar — Mandalay.

That the possibilities of such a road are immense was evident from the Myanmar Construction Minister, Major-General Saw Tun's message about the new road.

"This 100 miles stretch of road will become a vital section of the designated Asian Highway running from Singapore to Istanbul passing

1412  
through Myanmar and India," the Minister said. Whether the highway project materialises or not, the message from the new road link (which is an upgradation of a Second World War road) is clear — if India is to integrate with Southeast Asia in a meaningful way, then Myanmar is the path to more trade and more links.

The External Affairs Minister took with him from Moreh, several Ministers from the north-eastern States, indicating a desire to be forward-looking in linking a neglected part of India with Myanmar and, possibly, the rest of Southeast Asia.

For India-Myanmar relations, the road project reflects that the engagement with the ruling State Peace and Development Council has fructified into something solid.

The Tamu-Kalewa-Kalemyo road means that ordinary people can travel around freely, and goods and traffic movement, which used to take days, can now go through in a matter of hours.

Another aspect of the road is that the response time of Myanmar security forces to Indian insurgents operating in the area is going to improve by leaps and bounds.

However, the India-Myanmar Friendship Road, as it is known, will, above all, win India a lot of

goodwill in this part of the world.

The project, itself was conceived way back in March 1993. The ruling council had pulled out all stops for the inauguration which took place both at Tamu (on the border with Manipur) and at Kalemyo. Hundreds of children and residents were at hand to greet Mr. Singh.

Speaking in Kalemyo, the Myanmar Deputy Prime Minister and Military Affairs Minister, Lt. Gen. Tin Hla, said: "Today is a red letter day in the annals of our history. We celebrate not only the opening of a new road linking our two countries and the handing over of construction machinery for Monywa-Kalewa road but also the strengthening (of) the long-standing bonds of friendship existing between our two countries."

Lt. Gen. Tin Hla said Myanmar had benefited from the expertise and experience of Indian engineers involved with the road project. "On our part, we are constructing a road from Monywa to Kalewa to link up with the new Tamu-Kalay (Kalemyo) road... the new road is bound to bring about economic development to the border... we firmly believe that the cooperation between the Government (of) Myanmar and India will benefit our two peoples."

THE HINDU

13 FEB 1994

# 'Important milestone', says Jaswant

By Amit Baruah

9.56 am  
HD-13

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**MANDALAY (Myanmar), FEB. 13.** The External Affairs Minister, Mr. Jaswant Singh, today said India considered it a "privilege" to be a partner in the socio-economic development of Myanmar.

Speaking at the inauguration of the Tamu-Kalewa-Kalemyo road, Mr. Singh described it as an "important milestone" in India-Myanmar relations.

"This (the road) is the first major project in the field of infrastructural cooperation between our two countries that has been completed. The significance of this road is its continuation of the great tradition of social and spiritual linkages between our two neighbouring countries," he said.

Addressing a large public gathering in Kalemyo, south-east of Mandalay, Mr. Singh, who rubbed shoulders with the generals in the Myanmar Government, referred to his career in the Army.

"As a student of these (World War-II) campaigns, brought upon our countries by others — and as a soldier myself — I am today keenly conscious of the memory of others from afar who made a prize of our lands and our resources.

Mr. Singh said India and Myanmar shared a long land border, "historically, these areas have suffered on account of inaccessibility and inadequate infrastructure. We believe that the development of these border re-

gions would be faster and more effective if our two countries joined hands in this endeavour."

"There are several cross-border cooperation projects which could transform the economies of these regions.

The Tamu-Kalemyo-Kalewa road is the first of its kind. By providing a link from the India border to central Myanmar, to the cultural and commercial centre of your country, this road can promote exchanges in trade, travel and tourism, not only between people living along the border but also in the interior regions of India and Myanmar.

The full potential of the border trading point at Tamu-Moreh may now be realised as a result of this road. Let us use it well and to good purpose."

Mr. Singh said since independence, India had been happy to share its experiences, skills and technology with friendly development countries.

"In more recent years, there has been a rapid expansion in our political, cultural, scientific and technical exchanges. The visit to India by Gen. Maung Aye, Vice-Chairman, the State Peace and Development Council last November was an important landmark in the growth of our understanding. Today, the Tamu-Kalemyo-Kalewa road also stands as visible proof of India's strong desire to develop and diversify its relations with Myanmar."

THE HINDU

14 FEB 2001

# India-Myanmar road inaugurated

Shishir Gupta  
Kalemyo (Myanmar), February 13

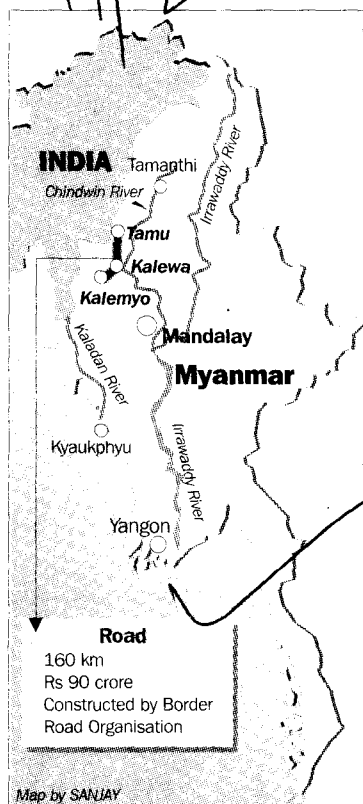
INDO-MYANMAR relations took a quantum jump amidst pomp and pageantry today with the inauguration of the 160-kilometer long Tamu-Kalemyo-Kalewa road, a vital land bridge linking Imphal with Yangon.

External Affairs Minister Jaswant Singh called the road a visible proof of India's "strong desire and commitment to develop and diversify its relations with Myanmar." He said by providing a link from the Indo-Myanmar border to central Myanmar, this road could promote exchanges in trade, travel and tourism.

Mr Singh, who described the bilateral relations between the two countries in glowing terms, perhaps was swayed by the royal treatment his delegation was given by the Myanmar regime.

Greeting the Minister at the small dusty border town of Tamu were thousands of people holding flags of the two countries with schoolchildren dancing and exercising along the road. In fact, virtually all the population of Tamu, Kalewa and Kalemyo town had come out to cheer the ministerial cavalcade that drove through some hill sections of the newly inaugurated road. While older residents were lustily waving flags, the younger lot performed traditional animal costume dances and aerobic exercises to peppy beat as delegations of the two countries passed them by.

The importance Yangon now attaches to its ties with New Delhi was also evident by the fact that Lt. Gen. Tin Oo, number four in



Myanmarese hierarchy, Major Gen. Soe Win, Commander, North-West Command, Deputy Prime Minister Tin Hla, Foreign Minister U Win Aung and Maj. Gen. Saw Tun, Minister of Construction, were present to greet the Indian Foreign Minister.

The Indian delegation comprised Ministers from Assam, Arunachal Pradesh, Manipur, Nagaland and Mizoram; Border Roads Chief Lt. Gen. A K Puri, Dimapur Corps

Commander Lt. Gen. T S Shergil, Additional Secretaries from Home and External Affairs Ministry.

While Maj. Gen. Soe Win described the road as a "highway of friendship", Deputy Prime Minister Tin Hla said the inauguration was a "red letter day in the annals of our history" and was a monument to "commemorate mutual cooperation and excellent friendship" between the people of the two countries.

The road which is the first project of infrastructural cooperation between the two countries, is of strategic significance as it gives India connectivity to the commercial markets in south-east Asia. The 1273-kilometer road link between Tamu (just across the Moreh border) and Yangon would be completed as soon as a bridge is constructed over the mighty Chindwin river in the Kalemyo district. In the past decades, cross-border trade between the two countries flourished through the southern silk route (linking Szechuan-Myanmar-North-East states) and the Ledo (Assam)-Myitkyina (Myanmar)-Poshan (China) axis.

By building the Tamu-Kalewa road, the two countries hope to revive cross-border trade with an aim to develop its neglected border regions. The idea is to encourage cross-border movement of people and provide outlets for local produce.

With the Tamu road dedicated to the people of Myanmar, New Delhi hopes this project will help expediting joint ventures such as the Tamanthi hydel project on Chindwin and the Kaladan river navigation project.

THE HINDUSTAN TIMES

14 FEB 2001

# Jaswant flags off Road to Mandalay

Kalewa (Myanmar) 852

13 FEBRUARY

1412

**G**IVING A new impetus to Indo-Myanmar relations, external affairs minister Jaswant Singh, on Tuesday, inaugurated a 165-km road built with Indian assistance, linking the two countries. This is expected to pave the way for enhanced tourism, trade and economic ties.

Using a special computer-aided design, Border Roads Organisation (BRO) has constructed the Tamu-Kalamyn-Kalewa road, at a cost of Rs 100 crore in the record time of three years.

Mr Singh, who is on a three-day official visit here, is the first high-level official to visit Myanmar since the trip made by Rajiv Gandhi when he was Prime Minister in 1987. Mr Singh arrived from Imphal in a helicopter and touched down in the Myanmar border town of Tamu before going to Kalewa, 700 km north-west of Yangon.

Top Myanmar officials, including Lieutenant General Tin Oo, Secretary II of the ruling junta, attended the highway inauguration function.

The external affairs minister will spend the night in Mandalay, Myanmar's second largest city, before reaching Yangon on Wednesday, where he is scheduled to attend a dinner hosted by his counterpart Win Aung.

— PTI



**MILESTONE:** External affairs minister Jaswant Singh (right) and Myanmar construction minister Major General Saw Tun open the India-Myanmar Friendship Road on Tuesday. — PTI

## Tete-a-tete with Powell likely

T V Parasuram

WASHINGTON 13 FEBRUARY

The US and India have discussed the possibility of a meeting between secretary of state Colin Powell and external affairs minister Jaswant Singh in the near future, state department spokesman Richard Boucher said.

Powell and the outgoing Indian ambassador Naresh Chandra discussed the possibility of a meeting between the two in the near future, Boucher said, adding "nothing has been set up

at this point."

Powell and Chandra met for half-an-hour and discussed the current situation in south Asia as well as bilateral issues of concern. "They noted the recent progress in US-India relations

### CALLIN' ON COLIN

and expressed hope the progress will continue," Boucher said.

Chandra told PTI that he met Powell with the deputy chief of the Indian Mission Alok Prasad and discussed the possibility of

meeting between Singh and Powell.

He said "We found Powell's attitude very positive. We are looking forward to continuing the dialogue (between India and the US). We have great hopes from the secretary of state."

It is learnt that the two sides are in the process of setting dates and time for a meeting.

The killer earthquake in Gujarat and the status of relief work there also figured in Powell-Chandra talks.

— PTI

The Economic Times

14 FEB 2001

# 'Not in a hurry to join ASEAN'

By Amit Baruah

**YANGON, FEB. 14.** The External Affairs Minister, Mr. Jaswant Singh, today referred to the possibility of India becoming a member of the Association of Southeast Asian Nations (ASEAN) given India's contiguous land border with Myanmar.

Mr. Singh, however, said India was not in a hurry. There were other forums like BIMSTEC and the newly-formed Mekong-Ganga Cooperation (MGC) with which India could engage ASEAN nations, he added.

The expression of interest by Mr. Singh in joining ASEAN (as opposed to India's quest for an ASEAN-India summit and its current status as a dialogue partner) flowed from the fact that India and Myanmar shared a 1,463-km land border and Myanmar's own entry into ASEAN in July 1997.

In an informal chat with reporters this afternoon, the Minister said he was very pleased with his Myanmar visit, which would include talks with his Myanmar counterpart, Mr. U. Win Aung, a call on the State Peace and Development Council (SPDC) Chairman, Senior General Than Shwe, and a meeting with the intelligence chief, Lt. Gen. Khin Nyunt.

"We have made history. We are

the first official (Indian) delegation to cross the land border since independence," a visibly-elated Mr. Singh maintained.

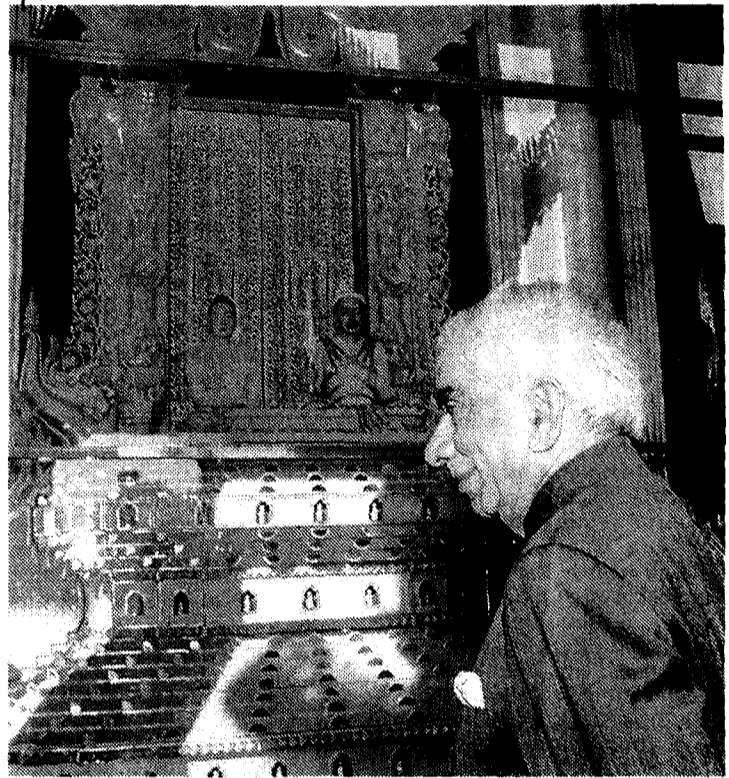
Stating that yesterday's opening of the Kalemmyo-Kalewa-Tamu road was the first of many infrastructure projects India would help with in Myanmar, he specifically referred to the Yeywa hydel project near Mandalay and the Kaladang river navigation project.

The Kaladang project, in Myanmar's Rakhine State, on which pre-feasibility projects were proposed, could link Mizoram to the port of Akyab (Sittwe) in Myanmar.

India is also interested in joint bidding for some oil/gas blocks in Myanmar and is looking at the possibility of transporting the gas to north-eastern States.

In his remarks, Mr. Singh indicated that India was interested in reviving pre-independence economic links in the sub-continent when undivided India was a "common market". Here, he referred to the possibility of linking the north-east with the Bangladeshi port of Chittagong and the "eastward outlet" for States like Arunachal Pradesh, Nagaland, Manipur and Mizoram.

The Minister made it clear that India could not have a "stand apart" policy. "What we have for-



The External Affairs Minister, Mr. Jaswant Singh, visiting Myanansankyaw Shewenandaw, the royal palace of Mandalay built by King Mindon in 1857, on Wednesday. — PTI

gotten is that India is central to this region," he said, pointing to the importance of "geo-economics and geo-politics".

Mr. Singh said it was inconceivable for India not to have relations with Myanmar. Referring to the warm reception that he got in both Tamu and Kalemmyo yesterday, he described it as a "memorable day" for him. The idea was to "convert echoes of the past to the realities of today".

Referring to bilateral cooperation with Myanmar, the Minister said India would move at a pace with which Yangon was comfortable. He said the issue of insurgency would come up, but made

it clear that India had to primarily deal with the issue on its own.

On whether the China factor had played a role in the engagement with Myanmar, he said there was no need to see things with the "prism of the 1950s" and referred to the successful visit of the Chinese Leader, Mr. Li Peng, to India. On Indo-U.S. relations in the context of the new administration in Washington, the Minister was hopeful of reinforcing the momentum generated during the Clinton presidency. On whether there was a possibility of his visiting Washington, he merely said that Parliament was convening on February 19.

## President, PM to visit Myanmar

By Amit Baruah

**YANGON, FEB. 14.** India has accepted invitations for the President, Mr. K. R. Narayanan, and the Prime Minister, Mr. A. B. Vajpayee, to visit Myanmar.

The invitations were extended by the Myanmar Government during the visit of the State Peace and Development Council (SPDC)

Vice-Chairman and Army Chief, Gen. Maung Aye, to India, in November 2000.

Similarly, New Delhi has also invited the SPDC Chairman, Senior General Than Shwe, to visit India.

Following India's acceptance of the invitations, dates for the tours are to be worked out through diplomatic channels.

THE HINDU

15 FEB 1998

# Jaswant defends India's credentials on democracy

Shishir Gupta  
Yangon, February 14

EXTERNAL AFFAIRS  
Minister Jaswant Singh on his arrival today stoutly defended India's credentials on democracy but advocated an all-encompassing 'political and economic engagement' with Myanmar keeping the 'national interest in mind'.

Mr Singh said "India's credentials on democracy need not be proved to anyone but we have to keep our national interest in mind." During his two-day in the capital city, the Minister is scheduled to hold bilateral talks with Senior General Than Shwe, Chairman, State Peace and Development Council (SPDC), Gen Maung Aye, Vice Chairman and Lt. Gen. Khin Nyunt, Secretary-I, SPDC.

According to the Minister, the question about Myanmar moving towards a democratic form of governance had been raised with Yangon by New Delhi at "appropriate time and place". He, however, made it clear that 'stand-offish' relations with Myanmar were against India's interests, taking the

"geo-economics and geo-political factors" into account.

"Myanmar stretches from Arunchal Pradesh to Tamil Nadu... It is the eastern edge of the Bay of Bengal... It is inconceivable to even think that India has any relations with Myanmar," Mr Jaswant Singh told mediapersons. The reference to Bay of Bengal is of considerable significance as it is in the backyard of India. Myanmar's mighty Ayeyarwaddy river provides a natural corridor to access this strategically important area.

Guided by what he called "primacy of geo-economics in the world", Mr Singh said that India was committed to infrastructural development in Myanmar, as it would lead to the economic growth of its own North-Eastern States. In this direction the two countries are working on opening more border points including a linkage from south Mizoram to across the border Rakhine state in a bid to provide natural trading outlets.

Mr Singh's plan for lending substance to the economic content of relationship with Myanmar includes: Building a 1200 MW hydroelectric project at Tamanthi,

north of Tamu, on Chindwin river: putting up another hydroelectric project at Yeywa, developing a multi-modal link on Kaldan river and have a trade linkage between Akayab or Sittwe port with Mizoram. In the earlier days it had a regular ferry service to Kolkata.

When developed, the Tamanthi and Yeywa projects in Myanmar will supply electricity to the energy-hungry India's north-eastern states. According to reports, more than 75 per cent of electricity from Tamanthi will be used by India.

Both India and Myanmar are members of a number of regional initiatives including the Mekong-Ganga Cooperation, The BIMST-EC and in ASEAN with India as a dialogue partner. While India would like to join the ASEAN as it has contiguous border with South-East Asia, New Delhi does not appear to be in a hurry. For the present, India appears to be concentrating on improving communication linkages in the region.

According to Mr Singh, India had made significant progress with Bangladesh on the issue and the move to link Agartala - Akhora - Chittagong port was on the anvil.

THE HINDUSTAN TIMES

15 FEB 2001

## India, Myanmar jointly set up remote sensing centre

YANGON: India and Myanmar on Thursday jointly set up a remote sensing and data processing centre to help Yangon carry out resource surveys for national infrastructural development.



Jaswant Singh

Inaugurating the Myanmar-India friendship centre for remote sensing and data processing, external affairs minister Jaswant Singh said, "The centre will continue to be an enduring symbol of our partnership as we move ahead into subsequent phases of upgradation".

The centre has been set up by R.P. Dubey of India's space application centre with the assistance of Myanmar scientists and technicians. Mr Singh thanked Mr Dubey and his team for tirelessly working during the past week to make the centre fully operational.

Mr Singh said, "The establishment of the centre is not only a

symbol of cooperation that has grown between India and Myanmar, it is also a manifestation of the warm and friendly ties that have traditionally existed between our two countries since historical times".

In developing countries like India and Myanmar, Mr Singh said applications of remote sensing could cover weather forecasting, provide disaster management capabilities, determine forest cover and other land use delineations and allow cropping surveys, environmental monitoring and ground water survey besides urban planning.

Lauding the contribution of top scientists like Vikram Sarabhai and APJ Abdul Kalam to India's space technology development, the minister said achieving results was neither easy nor quick and in science one had to learn from failures as well as from successes.

Myanmar minister for science and technology U. Thang expressed his country's gratitude to India for setting up the centre. (PTI)

THE TIMES OF INDIA

16 FEB 2007

## REACHING OUT TO A NEIGHBOUR

CROSS-BORDER COOPERATION is the objective spelt out by the External Affairs Minister, Mr. Jaswant Singh, as he dedicated this week a new road-link aimed at enhancing friendship between the peoples of India and Myanmar. It requires no smart political erudition to recognise Mr. Singh's spin-art of distinguishing this aspect of the current diplomatic ambience in the India-Myanmar relationship from the Vajpayee administration's practised criticism of Pakistan for its "cross-border terrorism" in the Kashmir Valley. The 160-km road, connecting India's north-eastern border with a potential commercial nodal point inside Myanmar, has been built as New Delhi's symbolic gift of good-neighbourliness with the military regime in Yangon. By itself, this project is quite modest in financial and engineering terms, given especially India's growing stature as a country in synch with the state-of-the-art technological visions. Yet, as Mr. Singh has pointed out, the road, a remodelled link of the British colonial period, is the first of several infrastructure projects that India is thinking of helping Myanmar develop. The pagantry that marked the dedication of the surface transport link may not raise unmanageably awkward questions for Indian diplomacy at this juncture. It was only very recently that the United Nations brokered preliminary contacts between the State Peace and Development Council (SPDC), the official incarnation of the Yangon military Government, and Myanmar's struggling champion of democracy, Ms. Aung San Suu Kyi. The goal was that the two sides might begin discussing how best their existing political 'system' could be updated. This new context diminishes the arguable diplomatic odium of a particularly warm handshake between India and Myanmar at this moment. Moreover, New Delhi's present policy of smiling at the SPDC deserves to be evaluated in the larger context of India's increasing need for strategic autonomy in its foreign policy.

New Delhi and Yangon have in recent months explained the new activism manifest in

their diplomatic exchanges as a mutually beneficial aspect of bilateral bonhomie that should not alarm the larger international community or its pro-democracy segment. It is an oft-repeated dictum of conventional wisdom that India should not unduly alienate or anger Myanmar, especially over the moral dynamics of the latter's internal affairs, unless New Delhi's own enlightened self-interest necessitates a different policy. Cited *ad infinitum* in this regard is the idea that New Delhi should actively engage Myanmar so as to induce the powers-that-be in Yangon to keep their substantive strategic equation with China on a course that would not be prejudicial to India's interests at any time. Subtleness is the name of this suggested diplomatic exercise. Not surprisingly, therefore, Mr. Singh is unwilling to package the latest India-Myanmar interactions in a China context. A similar cautionary note was sounded by the Myanmar Foreign Minister, U Win Aung, in an interview to this newspaper in 1998, when he argued that the Yangon authorities "don't regard India as coming to woo us". In his view, instability in Myanmar would not do good for the security of both India and China.

In a regional context without the Sino-Indian angle, New Delhi tends to portray its economic ties with Yangon within a South East Asian framework. Myanmar, a late entrant to the Association of South East Asian Nations (ASEAN), is projected as one of several commercial gateways to that region. Myanmar, too, is keen to see the latest road link with India in a larger-than-life perspective as a possible component of a future Asian highway project. While the euphoria of this kind should not be allowed to cloud policies, it is just as well that Mr. Singh has ruled out any immediate move by India to seek membership of the ASEAN on the principle of geo-economic contiguity. New Delhi has yet to retrieve its shattered credibility within the more proximate South Asian Association for Regional Cooperation (SAARC).

THE HINDU

16 FEB 2001



# A rewarding visit, says Jaswant

By Amit Baruah

119-13

**YANGON, FEB. 15.** Myanmar and India have agreed to open four border check-points for increasing trade between the two countries and Yangon has said it would consider re-opening of the Indian Consulate in Mandalay as the External Affairs Minister, Mr. Jaswant Singh, concluded his visit to this country.

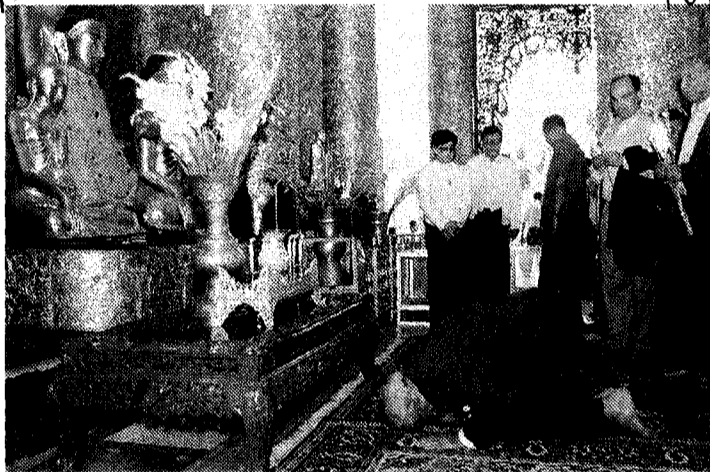
The External Affairs Minister had commended Yangon for the steps it was taking for returning to democracy. The two countries had also agreed to cooperate in security matters — especially in combating insurgency on both sides of the international border, it was said.

In the short term, New Delhi and Yangon will construct a bridge which would lead to the linking of Champai (Mizoram) with the bordering region of Myanmar.

Talking to reporters before leaving for New Delhi, Mr. Singh, who called on the State Peace and Democratic Council (SPDC), Chairman, Senior-General Than Shwe, and Secretary-1, Lt. Gen. Khin Nyunt, said his visit had been "very rewarding".

Mr. Singh said it had been agreed to develop banking, immigration and customs facilities at the border trade check-points.

As of now, India and



**The External Affairs Minister, Mr. Jaswant Singh, paying respects to the Lord Buddha at the famous Shwedagon Pagoda at Yangon on Wednesday. — PTI**

Myanmar have no formal bank-to-bank links. India was willing to cooperate in the construction of the Yeywa Hydroelectric Project near Mandalay and a team from the Power Ministry would soon be visiting Myanmar for further discussions and a preliminary on-site survey, official sources said.

It is clear that India is committed to cooperating in more infrastructure projects in Myanmar, a point that was made by Mr. Jaswant Singh in his discussions.

While inaugurating the Myanmar-India Friendship Centre for Remote Sensing and Data Processing here, Mr. Singh

said: "It gives us immense pleasure to be partners in this project with Myanmar... the applications of remote sensing cover, weather forecasting and disaster management capabilities, determination of forest cover and other land-use delineations, cropping surveys, urban planning, environmental monitoring and ground water survey."

"The Centre will continue to be an enduring symbol of our partnership as we move ahead into subsequent phases of upgradation," he said.

The two countries have also agreed to the development of the Akyab (Sittwe) port, which

1572 ✓ J. S. Baruah

will allow goods from India's North-East access to the port.

They also discussed cooperation in the hydro-carbon sector, including the supply of natural gas to India once proven supplies become available. "The Indian side will send a delegation of experts to Myanmar shortly to look into the possibilities of exploration at available sites being offered by the Myanmar side."

The two sides welcomed the exchange of high-level visits between the two countries which is in keeping with the tradition of personal contacts between the leaders of two friendly neighbours, the statement said, adding that an invitation had been extended to the Myanmar Foreign Minister, U Win Aung, to visit India. The convenient dates for the visit would be worked out through diplomatic channels.

The wide range of cooperation between the two countries would indicate that there are immense possibilities in the relationship being cemented further.

It is also clear that India-Myanmar relationship is taking off to a higher plane. This, importantly, will mean that India must remain focussed on Myanmar and ensure that substantive results, like the inauguration of the Tamu-Kalewa-Kalemyo road link, continue to take shape.

THE HINDU

16 FEB 2001

# India-ASEAN engagement will come about: Mahathir

By Amit Baruah

PUTRAJAYA (Malaysia), FEB. 5. The Malaysian Prime Minister, Dr. Mahathir Mohamad, was in a relaxed mood when he spoke to *The Hindu* at his office for nearly 45 minutes in Putrajaya, the new federal government administrative centre.

Dr. Mahathir, known to speak his mind, spoke on a wide range of issues — bilateral relations with India, developments in South-East Asia, his views about globalisation and the West as well as the need for religious tolerance.

The following are excerpts from the interview:

**The Hindu: Your Excellency, how would you describe the current status of bilateral relations between India and Malaysia?**

**Dr. Mahathir Mohamad:** I think the relationship is good. But, there is room for improvement — for closer relations and more economic interaction.

**In the context of economic cooperation, Malaysia is India's largest trading partner in the ASEAN. And, Malaysia and India are both investors in each other's country. How do you see this relationship fructifying into anything solid? Your efforts for the IT super-corridor here — any prospects for greater cooperation?**

India is now opening up; there are opportunities not only for us to export to India but also to invest in India. And Malaysia is not new in this game. Indian investment in Malaysia has a longer history, but it has not grown as it should.

There are certain areas in which you have definite expertise... your relative costs (of production) are lower than the costs of other developed countries. So, there is a lot of scope for Indian investment in Malaysia.

As far as Malaysia is concerned, our investment in India is really in the field of infrastructure. We are not manufacturing anything there because we think you have as much knowledge and capacity to manufacture what we can manufacture... in that area there will not be much investment... probably in the ports area... I think we can go into Indian ports and complement what we are doing here...

So, there is a complementarity here because while we can invest in your infrastructure, you can invest in manufacturing for these new components, etc. The other area, of course, is the IT area where India is making tremendous progress. We will need to work together with you, we will need some of their expertise, we will need, probably, your people also to work here. That means that there is a great deal of complementation between India and Malaysia in terms of investment. I would expect that this will be stepped up after the (now rescheduled) visit of the Prime Minister.

**On South-East Asia. Our Prime Minister has concluded a visit to Vietnam and Indonesia. How do you see this relationship between India and South-East Asia?**

I think it can only benefit both sides. South-East Asia is not booming at the moment as it used to because of the crisis we are facing. We are largely trading nations. So, we need trading partners and India should provide a good partner both in terms of

with India and subsequently, of course, there should be some kind of consensus on an Asian grouping — not an ASEAN or East Asian grouping — but an Asian grouping.

**India, as you know, has a summit-level meeting with the European Union and is keen on a summit-level meeting with the ASEAN as distinct from ASEAN+3. In a recent interview to *The Hindu*, Mr. Abdurrahman Wahid (President of Indonesia) made the point that Malaysia looks at the situation in SAARC. He said it is Malaysia's view that matters must improve in SAARC...**

We have these dialogue partners and India is already a dialogue partner. We can extract more from that kind of cooperation... but, at the moment, the ASEAN is also (dealing) with its own problems. We have to resolve some of those problems part of which were due to this currency crisis which has destabilised a lot of ASEAN countries.

**Here, I would like to ask you about the ideas of globalisation. You are an articulate spokesman of the developing world. How has Malaysia coped with this crisis, especially the new system of currency controls that you have adopted?**

We think we have done better than those countries which have to resort to loans from the IMF. We are completely independent financially. We don't borrow from the IMF or the World Bank. We do borrow from Japan, but that's about all — but the terms are good enough for us.

Because of that we feel that our own approach to the management of our own finances has worked.

## INTERVIEW

We feel confident that there is no need to accept the common wisdom about how finances should be managed. After all, the West has also formulated various formulas before and they found that these formulas don't work. And then they changed. So, you cannot claim that any formula designed in the West is going to serve the world forever. They are going to, maybe, discard it and formulate a new regime for finances... if they, themselves, are not always right, we don't see why we should be following them simply because these are the big nations. We have our own formula, we have our own way of dealing with globalisation.

Well, when we first criticised globalisation there were very few people saying anything against globalisation. But now... a lot of people see in globalisation a lot of defects and disadvantages, especially for the developing countries. We think there are many defects because globalisation was formulated by the rich countries and, obviously, they are going to formulate in a way that will benefit them. We see at the moment that it is really benefiting them and not us. We have a lot of ideas about what shape globalisation should take. At the moment, of course, not very many people are listening to us. That doesn't matter. If they don't listen to us, we'll manage by ourselves. But we think that, eventually, they will see that it is a mistake to accept globalisation as presently interpreted.

**India, too, has spoken for the developing world.**

**Malaysia has an independent defence policy. It has looked towards self-reliance like India in the area of defence. India has just tested its Light Combat Aircraft and there are suggestions in the Indian press that New Delhi is interested in a regional consortium to build this LCA. Do you think there is possibility of such cooperation in the future?**

We cooperate with many countries, we cooperate even with the Russians, we cooperate with the British, we get their technology. Our main concern is to be independent, not to be dependent on any one source. So, if it pays for us to cooperate with India, certainly we will.

**It is no secret that India is interested in a place in the United Nations Security Council as a permanent member. Just want to know what Malaysia's position is on reform and India specifically?**

To us, Asian countries should be represented, should be permanent members of the Security Council. Who that permanent member is something that we Asians must agree upon. But what is important to us is this veto power. We don't believe that any country should wield that kind of veto where one country can negate the rights of 180 other countries.

Perhaps a modified veto power which will, for example, mean that at least two permanent members plus one other non-permanent member exercise the veto. It's a kind of modified veto with the intention, eventually, to do away with the veto.

**And on India, specifically, does Malaysia have a position?**

We have no position except that we would go along with the general consensus of Asian countries — we would look at India as an Asian country. It must be Asians who must decide.

**The rest of Asia must decide rather than individual countries taking a view. Would that be a correct expression of your view?**

Yeah, everybody wants to be (a permanent member). Indonesia wants to be, there are other countries...

**India is a country with the second largest population of Muslims in the world. Some people have a perception that relations between India and Malaysia have been balanced by Pakistan on occasion. It's not a stand-alone relationship. Do you feel it would be possible to move ahead on that?**

We have a relationship with all Islamic countries. We are also regarded as an Islamic country. And because of that there is a lot of Islamic influence in our stand, but at the same time you look at Malaysia and you will see we have huge numbers of Hindu temples.

In one square mile, sometimes you can have as many as four-five Hindu temples because we are tolerant of other religions and, although Islam is fairly rigid in its stance, here in Malaysia we tolerate other religions and we expect that India, (with) its majority made of Hindus, would have the same kind of tolerance for not just Islam, but for other religions. That is our view... we regret, of course, if you destroy a mosque. It is something that hurts the feelings, we cannot bring ourselves to say, well, let the mosque be destroyed: that will not be acceptable

concerned, we have no problem... (in cooperating with India).

Of course, in certain issues we might take our own stand, different from India but I think you would recognise that every country would have certain things that would be different from others.

**You will be completing 20 years as Prime Minister in July this year and have seen the region very closely. How do you see developments in Indonesia and Philippines?**

Well, it is unfortunate because what we saw was a very stable South-East Asia for a long time. All of them (countries) growing economically, all of them doing rather well. But when you have a catastrophe deliberately caused by a currency devaluation that, of course, has other effects... on the politics, on the economics of a country.

What we are seeing is the aftermath of an assault on the economy of countries. It happened to us, it could happen to anybody... what we are seeing in South-East Asia is the effect of a rather deliberate destabilisation of countries through economic means...

**Many people express concerns about Indonesia. How do you look at this?**

We don't normally comment on our neighbours, but I would like to say we welcome Indonesia's swing towards democracy. We also know that democracy is not the easiest system to work and what we are seeing in Indonesia is the destabilisation caused by a rather sudden change. That is something bad. While we should have democracy, the process should be in phases so that people will be able to adjust to a system that differs so much from the previous system.

**Sir, it's well known that five-six years down the line you may leave the office of Prime Minister. How do you see Malaysia then?**

There will be changes, of course. No two persons can lead in the same way. But the foundations have been laid. In Malaysia, since the first Prime Minister, we have not really changed our policies. It has been consistent and each leader will try to improve but along the same line. We are not suddenly going to change 180 degrees as happens when Governments change.

**Parties winning and losing support is the game of democracy. A lot is being made out of the loss of support for your party. Are you concerned about this at all?**

We will overcome it. We have lost support before, we have lost the Governments of several States before. But we have come around... of course, there are ups and downs. That's the essence of democracy...

**Do you see yourself leading the ruling alliance into the next elections (due in 2003)?**

I don't know about that (chuckles). But, I will be around for a little more time.

**You are a moderate. There are some concerns about parties like the PAS (Parti Islam Malaysia). Can a party like this change your country?**

# Jaswant's visit to further boost India, Myanmar ties

HT Correspondent  
New Delhi, February 11

NEW DELHI and Yangon are set to cement their bilateral ties with External Affairs Minister Jaswant Singh scheduled to visit Myanmar next Tuesday for the inauguration of the 165-km Tamu-Kalemyo Road.

This road will ultimately be part of the land bridge connecting India with its South-East Asian neighbour. The road, which has been built by the Border Roads Organisation at the cost of Rs 100 crore, will ultimately help in cross-border movement of people from Manipur to Myanmar on the Imphal-Moreh-Tamu-Kalmeyo-Mandalay axis.

The project is a product of the multi-faceted engagement that India has consciously cultivated with Myanmar in the backdrop of the evolving security scenario in the region. New Delhi's eagerness in chalking out better ties with Yangon was evident during the visit of Gen. Maung Aye Vice Chairman of the State Peace and Development Council (SPDC) to

India in November last. The General was accorded a red carpet welcome by the Indian Government.

During his three-day official visit, External Affairs Minister Jaswant Singh will hold wide-ranging discussions with Senior General Than Shwe, Chairman of the SPDC -- the highest decision-making body -- on regional, international and other issues of mutual concern.

Besides Gen Than Shwe, who is also the Prime Minister and the Defence Minister, Mr Singh will have intensive parleys with Lt Gen Khin Nyunt, Secretary-1, SPDC and his counterpart Mr U Win Aung.

Problems of international terrorism and drug trafficking, issues relating to economic co-operation, trade, cross border projects and steps to enhance regional co-operation are expected to figure during his talks, a senior External Affairs Ministry official said today. Myanmar and India are part of the Mekong-Ganga co-operation that was launched at Vientiane (Laos) last year. This initiative is aimed at developing the Mekong sub-region

and promoting close linkages with India.

It is understood that Myanmar is all set to roll out the red carpet for Mr Jaswant Singh, with senior SPDC members slated to accord him a warm welcome when he arrives at Tamu by helicopter on Feb 13.

Although New Delhi had supported pro-democracy leader Aung San Suu Kyi in the past, it has now decided to adopt a pragmatic approach by engaging the Myanmar military regime as part of its "Look East" policy. The official line is that the Indian Government wishes the people of Myanmar well and follows the policy of non-interference in the internal affairs of other countries.

Mr Jaswant Singh will be leading a high-level delegation comprising the Manipur Chief Minister and Ministers from Arunachal Pradesh, Nagaland, Mizoram and Assam. His team also includes officials from the Ministries of External Affairs, Home and Power. The D-G of BRO and the Dimapur Corps Commander will also be part of the delegation.

THE HINDUSTAN TIMES

12 FEB 2001

# Jaswant visit to formalise ties with Myanmar

FROM PRANAY SHARMA

New Delhi, Feb. 10: After dragging its feet for years, India has decided to formalise relations with the military junta in Yangon with foreign minister Jaswant Singh making an official visit to Myanmar on Tuesday.

It will be the first foreign ministerial visit from India to Myanmar in more than two decades. Prime Minister Atal Bihari Vajpayee was the last foreign minister to visit the country in 1977. However, this will be the first high-level visit to Yangon after Rajiv Gandhi's visit in 1987.

Ostensibly, Singh's three-day visit is to inaugurate the 165 km-long Tamu-Kalayeva-Kalameyo road that Indians built at a cost of Rs 100 crore. The road will link the Northeast to Myanmar and South-east Asia.

The visit will be the first by a senior Indian leader to Myanmar since army generals seized power disregarding the democratic elections which chose Aung Sang Suu Kyi and her party in 1990.

The Suu Kyi issue does bother the Indian leadership. This is not only because of the pro-democracy leader's close links with the people in Delhi but also because of India's commitment to democracy. However, India also realises that this is "too sensitive" an issue and, therefore, has been left out of the talks agenda.

Officially, India maintains that the issue is an "internal political development of Myanmar". "We wish the people of Myanmar well. We want to pursue a policy of non-interference," a senior foreign ministry official said.

India's relations with Myanmar goes beyond traditional, historical and cultural links. Ma-

ipur, Mizoram, Nagaland and Arunachal Pradesh share a boundary with it. Besides, Myanmar is India's physical link to high-profile trade bloc Association for South Eastern Nations. If the Trans-Asian-Highway is to become a reality, the new road link that Singh is going to inaugurate is perhaps the first big step in that direction.

After cold shouldering the military junta for a few years, India started engaging with the army generals in Yangon in the early 1990s. J.N. Dixit as India's foreign secretary visited Yangon in 1993. This paved the way for a dialogue between senior officials of the two countries for cooperation in different areas, particularly security related issues.

The insurgent groups in the Northeast had been using Myanmar as major shelter for their training camps and launching attacks against India.

Having entered into a ceasefire with most rebel groups in Myanmar, the military leadership of the State Peace and Development Council created a situation where it could extend help to Indian authorities, particularly in counter-insurgency measures.

With help from Myanmar, most armed rebels groups in the Northeast are now without a major base, barring Bhutan and some parts of Bangladesh.

This has encouraged India to broaden its relations with Myanmar to other areas and formalise the cross-border trade that has been going between the two sides for years.

India is Myanmar's largest market and last year, India's import from Yangon was over \$141.14 million while its export was over \$75 million.

THE TELEGRAPH

11 FEB 2001

110-14  
**VAJPAYEE'S VISIT / RENEWED DEFENCE CONTACTS** 9-56 Arma news 29/1 ✓

## 'Engagement' with Malaysia a continuing process

By Amit Baruah

**KUALA LUMPUR, JAN. 23** High-level defence contacts between India and Malaysia have been renewed on the eve of the Prime Minister, Mr. Atal Behari Vajpayee's visit to Malaysia between February 7 and 10.

A delegation, comprising the Defence Secretary, Mr. Yogendra Narain, the Vice-Chief of Air Staff and the deputy chiefs of Army and Naval Staff, was in Kuala Lumpur last week for a meeting of the Malaysia-India Defence Committee (MIDCOM).

Informed sources said, the two sides held detailed discussions and agreed to share some information on operations relating to MiG 29 which both countries possess.

While there is nothing special in the sharing of such information, it is surprising that this is only the third meeting of the Defence Committee which was set up way back in 1992.

After the initial meeting of the

bilateral Defence Committee during the visit of the then Defence Minister, Mr. Sharad Pawar, to Kuala Lumpur in February 1993, the only other meeting of the panel took place in May 1997.

Since then there has been no meeting, till the Defence Secretary and his team came to Kuala Lumpur last week.

That the decision to exchange information on operational details of MiG 29s is no big deal is evident from the fact that in 1994 India actually trained the Malaysian Air Force personnel.

Also, an MoU signed during Mr. Pawar's visit allows for a wide range of defence projects including joint ventures, development projects and research, besides procurement and logistical and maintenance support.

India's relations with Malaysia have been in limbo for some time — the Joint Commission between the two countries met after several years in 2000 — indicating that routine contacts have been suf-

fering. While in the present interaction with defence officials it appears to be a case of better late than never, the delayed meetings are simply a reflection of a non-serious attitude adopted by officialdom in New Delhi.

Given the fact that the Prime Minister is to visit Malaysia, the Defence Committee has quickly met — to convey the impression that "engagement" with Malaysia is a continuing process.

The meeting itself may be welcome and, in a way, the Prime Ministerial visit has led to it being convened, but will Indian foreign policy remain hostage to VIP movement?

Having just completed visits to Vietnam and Indonesia, New Delhi would do well to remember that the long-term success of these visits lies in details and sustained cooperation.

For instance, it is well known that like India, Malaysia wants its defence strength to be independent and self-generated. In this,

given India's experience, there is scope for considerable cooperation. While there have been some speculative reports in a section of the Indian press about the possibility of a "regional consortium" building the Light Combat Aircraft (LCA), such an idea may not be that far-fetched.

There being a real possibility that the LCA may be cheaper than other aircraft, India can definitely look at the feasibility of involving some ASEAN nations in such a project.

### Vajpayee to visit Japan

PTI reports from Tokyo:

Mr. Vajpayee will make a five-day official visit to Japan from February 10, to pursue with Tokyo a global and strategic relationship between the countries.

The Japanese Government today issued a statement giving details of Mr. Vajpayee's visit to the country during which he will have a meeting with his counterpart Mr. Yoshiro Mori, his second interaction in less than a year.

THE HINDU

24 JAN 2001

# Atal revisits east with bridge to Vietnam

FROM PRANAY SHARMA

New Delhi, Jan. 15: In the 1960s, the Leftists dreamt of the Bhagirthi breaking shores with the Mekong river. Ironically, at the turn of the century it is the right-wing BJP government that is almost realising the dream.

Kicking off his tour of South-east Asia, Prime Minister Atal Bihari Vajpayee had said he was from a political generation which was "consumed by the cause of Vietnam". It is the historical strong bond between the two countries that has made it possible for him to renew the friendship with Hanoi.

Summing up his week-long visit to Vietnam and Indonesia, Vajpayee yesterday recalled the days of the Bandung Summit where India, Indonesia and others formulated the Non-Aligned Movement's policy and took up the cudgels for the developing world.

"In modern times, these historical relations get a new meaning. In both countries, my visit has been successful and our traditional bilateral relations have been strengthened further," Vajpayee said.

It was P.V. Narasimha Rao who, in 1992, embarked on his "Look East" policy and stressed on the importance of Southeast Asia. Vajpayee insists that the policy should now be termed "Revisit East".

The BJP-led government has started serious engagement through its "Ganga-Mekong Swarnabhumi Project" with a host of other countries in the region. Next month, Vajpayee will visit Malaysia and Japan.

Sitting in the island of Bali hours before he was to return to the political humdrum of Delhi, the Prime Minister spoke about the similarity of the culture that exists in India and in Southeast Asia. Referring to festivals like Leri and Mrakat Sankranti which are linked to harvest, Vajpayee said: "Here, too, they rejoice



Abdur Rahman Wahid with AB Vajpayee in Jakarta. (PTI)

once the crop is cut."

Officials said the decision to better ties with the region was not an overnight development, but a gradual recognition of each other's potential and importance. When Narasimha Rao wanted a closer interaction with Southeast Asia, his thrust was on bringing in foreign investment.

Subsequently, though India became a member of the Asean Regional Forum — the high-profile security body — in 1996, the engagement between Delhi and Asean member-nations did not reach the expected level. One reason for this was the red-tape in India which drove away some investors. The other was, perhaps, the economic meltdown in Southeast Asia.

Moreover, though India looked like a promising investment

destination, Delhi was not really seen as a major player in Asia. The nuclear tests changed all that.

With the US showing keen interest in the country and praising its expertise in information technology, the members of Asean — a grouping set up during the Cold War as a pro-US bloc — began following suit.

Asean is now a grouping of 10 nations with countries such as Vietnam, Cambodia and Myanmar as its members. This has made the region India's extended neighbourhood.

Oil and natural gas, copper, gold and other minerals and natural resources are aplenty in the region. India's expertise in infotech, oil drilling and exploration, its chemical and pharmaceutical and engineering companies all can find a ready market in Southeast Asia.

THE TELEGRAPH

15 JAN 2001

# India-Asean ties on IT likely

20/1  
59-10

**STATESMAN NEWS SERVICE**

NEW DELHI, Jan. 19. — Close ties between India and the Asean, especially those involved in the Ganga-Mekong project, is likely in the fields of information technology, tourism, culture and transport and communications. India is coming up with a concrete proposal for cooperation on these issues to Asean very soon.

After a meeting with representatives of Asean countries today, Mr S R Devere, secretary, economic affairs of the ministry of external affairs, said that four working groups have been formed with India chairing the human resource development group. This group will include IT issues.

Representatives from Thaila-

nd, Cambodia and Laos will chair groups on tourism, culture and communications. Total trade of the Asean countries amounted to \$500 billion but India's trade-level with India is only \$7.3 billion. The Ganga-Mekong project countries include Myanmar, Cambodia, Thailand, Laos and Vietnam.

There were major possibilities of cooperation in the fields of health, tourism, and construction as well, he said. India has already arranged for the training of IT students from Asean countries and will be helping to set up two software units in Vietnam. Issues relating to the exploration of oil and natural gas are also important, he said and discussions with Vietnam, Indonesia and Malaysia are going on.

**THE STATESMAN**

20 JAN 2001

# Australian influence in for competition

Shishir Gupta

New Delhi, January 13

WITH NEW Delhi signing a Defence Cooperation Agreement with Jakarta, decks have been cleared for supply of Indian ammunition, batteries for submarines and torpedoes and chemical explosives for the Indonesian Navy.

While news reports from Bali indicate that the agreement will lead to greater cooperation between the navies of the two countries, the fact is that Indonesia is looking towards India to provide them with superior defence equipment, advanced technology and services. Another factor that may have contributed towards clinching the agreement is the sanctions imposed on supply of defence equipment to Indonesia by the US and the European Union on the East Timor issue.

The agreement is of considerable significance as it will lead to closer military-to-military cooperation between the two sides and also act as a counter to the Australian influence in the Indonesian defence establishment. Australia's last year had extensive interaction with Indonesian intellectuals, civil and military leadership. The Indian perception is that it was

## Jakarta Defence Pact

The Indian perception is that it was apparently Australia that tried to exploit Indonesia's concerns following the Pokhran II nuclear tests.

However, by clinching the pact, the two countries can be more transparent and pro-active about each other's security concerns. The defence pact will also, to some degree, allay any apprehensions that Indonesia might have over Indian defence acquisitions, plans or nuclear issues.

Highly-placed Government sources indicate that Indonesia is keen to import brass casings for 5.56 mm ammunition as well as chemicals for manufacture of explosives from India. Jakarta also has plans to purchase two types of

ammunitions for its ships from the Indian Ordnance Factory Board (OFB). It is understood that the deal is in an advanced stage with discussions initiated between the Indonesian Navy and the OFB last year.

The Indonesian Navy is also looking for high-performance batteries for its submarines from India. A high-level delegation of the Indonesian Navy visited the Exide India factory plant in October 1999, following which the Indian batteries were shortlisted.

It is understood that M/s PT IPTN, a State-owned aircraft manufacturer, which also manufactures torpedoes for the Indonesian Navy, has chosen Indian batteries for its requirements. The initial contract for supply was signed with a Mumbai-based firm in October 1999 with each battery costing around 2,50,000 US dollars.

India has already been training Indonesian officers since 1950s but the figure registered a dramatic increase this year.

Indian Navy ships Delhi, Aditya and Kuthar visited Jakarta last October and held joint exercises with Indonesian Navy. One Indonesian ship, KRI Singa, participated in MILAN 99 exercise at Port Blair in March-April, 1999. Even the Indonesian Chief of Naval Staff visited India last year.

## Film unit in spot for confining tiger

HT Correspondent

Thiruvananthapuram, January 13

THE FOREST authorities seized a tiger from a Telugu film unit in Malampuzha in Palakkad district on Friday. The unit of the film starring Shilpa Shetty and Balakrishnan (NTR's son) had procured the tiger from a Tamil Nadu-based circus.

The forest authorities stated that the film unit had no licence to keep tigers in confinement.

However, the film producer claimed that the 16-year-old tiger had performed in many films, including the famous Malayalam movie *Mrigaya*, and that he had obtained permission to take the tiger to Kerala for the shoot.

Divisional Forest Officer Jayaprasad said, he would verify the film unit's claim. Veterinary doctors have examined the animal that is now under the custody of the Forest Department.



# A boost to relations with Indonesia

By Amit Baruah

**BALI (Indonesia), JAN. 13.** It had been 14 long years since an Indian Prime Minister visited Indonesia. By choosing to visit Indonesia at its current stage of intense domestic turmoil and democratic transformation, the Prime Minister, Mr. A. B. Vajpayee, has achieved much. Just coming here has been good for the bilateral relationship, long neglected in India's diplomatic calculus.

Though officials accompanying the Prime Minister have been at pains to emphasise that a Joint Commission has been set up at the level of Foreign Ministers by the two countries for regular interaction, the fact remains that Indian diplomacy has yet to come of age in South-East Asia.

Ironically enough, while India's cultural footprints are everywhere in South-East Asia, India and Indians know very little about this part of the world, especially a big archipelago of a nation such as Indonesia.

In the case of Vietnam, where the Prime Minister spent three full days in the first leg of his

South-East Asia tour, India has had a consistent relationship — more of a process than an event. Even here, India has still to consistently raise its trade profile in a country with much goodwill for both India and Indians. A visit by the Vietnamese Communist Party (VCP) general secretary, Mr. Le Kha Phieu, is expected in the first quarter of the next year.

In separate interviews with this newspaper, both the Vietnam Prime Minister, Mr. Phan Van Khai, and the Indonesian President, Mr. Abdurrahman Wahid, have made points to ponder as far as Indian diplomacy towards South-East Asia goes.

As Mr. Khai pointed out, India's economic and trade relations with the ASEAN remains modest — accounting for "less than one per cent of the ASEAN's total trade value". The Prime Minister said India needed to increase its economic linkages to increase interaction with the ASEAN.

The language of business is understood loud and clear in this part of the world. If India wants to eventually have a separate summit with the ASEAN, its economic

relationship with the regional grouping must create the ground conditions for such an interaction. Mr. Wahid's comments on the separate India-ASEAN summit are also significant. "It has to be understood that no decision in the ASEAN can be taken by one side. Although, I am very preferable to the idea of putting India there, but India is part of the SAARC. And, the relationship between India and the SAARC should be considered. That's the point of Malaysia," he told *The Hindu*.

If, indeed, New Delhi is serious about strengthening its economic linkages with Southeast Asia and the rest of the world, then SAARC must be revitalised. If the Government can consider sending a Hurriyat Conference delegation to visit Pakistan, then surely the SAARC process can be put back on the rails.

Since the Prime Minister will be in Malaysia from February 7-10, the remarks of the Indonesian President have provided Indian diplomats with a job to do as far as working on Kuala Lumpur's perceptions is concerned.

The Pakistanis have been able to successfully curry favour in Malaysia, a point that needs to be countered by setting the basis of a solid economic relationship.

Malaysia is a country which is not afraid of speaking out its mind in international forums. A new understanding of India in Malaysia not only augurs well bilaterally, but could have regional spin-offs as well.

## Award for Vajpayee

A press release on behalf of Sri Chinmoy said he met the Prime Minister, Mr. Atal Behari Vajpayee, on Saturday evening at the hotel where he was staying and presented him with the U Thant Peace Award in recognition of his lifetime service to India. During the meeting, Sri Chinmoy sang a song which he had composed about the Prime Minister.

Sri Chinmoy is in Bali accompanied by 360 of his students from all over the world as part of his annual two-month peace goodwill visits to different countries. Last month, he was in Myanmar where he met the country's leader, Mr. Khin Nyunt.

THE HINDU

14 JAN 2001

# SAARC, ASEAN must develop dialogue, says Wahid

By Amit Baruah

JAKARTA, JAN. 12. The following are excerpts from the interview granted by the Indonesian President, Mr. Abdurrahman Wahid, to The Hindu at his Binagraha office in Jakarta, as the Prime Minister, Mr. A. B. Vajpayee, was on a five-day visit to Indonesia:

**The Hindu: Why do you think it has taken so long for India and Indonesia to discover each other again?**

**Mr. Wahid:** You know that in India as well as Indonesia, the past is not very bright because in the past despite the technological advancement of India and our oil boom and so forth... actually the economy itself is very elitist... economic development... (tended to) favour (some) groups in both countries.

In Indonesia, we gave the status of golden boy to our conglomerates and India only the advanced circle of society — the modern businessmen had the chance to develop. Not the cottage industry. Because of this we had to wait for such a long time. For both India and Indonesia it has been three decades before we were able to correct the situation.

Now, in my view, (Mr. A.B.) Vajpayee with the BJP people understands very well the need for "populistic approach" to life — that is to release the energy of the lower classes through the cottage industry and so forth... although Vajpayee takes advice from the modern sector...

In Indonesia, it's the same. The credit was given nearly totally to the "modern sector" of the economy while the credit for the small people was pocketed usually by the bureaucrats. Now, we have changed all that.

**Excellency, the fact that this is the first visit by an Indian Prime Minister in many years to a democratic Indonesia, do you think it can set the tone for a future relationship?**

Oh, yes, of course. I admire India. And I think they also relish the improvements in the situation vis-a-vis democracy in Indonesia. Actually, there are four countries to be remembered in this respect. There is Venezuela where Hugo Sanchez is able to give meaning to democracy... democracy in South America has existed only for the benefit of the upper classes not for the lower classes.

Now, in Venezuela, the (indigenous) Indians begin to get attention. And the fourth is Nigeria. (President) Obasanjo has been able to set the tone for further improvements for the people. His incessant use of government power to develop the people economically is very good.

**What are the concrete results of your discussions with Mr. Vajpayee during this visit?**

The concrete content is in the MoUs signed... on science, technology, culture, defence cooperation...

**By concrete, I mean, will India and Indonesia coordinate their actions on say, multilateral, fora and has a personal rapport developed between you and Mr. Vajpayee?**

Yes. Yes. You know I like (Mr.) Vajpayee because he is considerate... with leaders like that... you

can pay attention to the real needs of the people. Not only for political results.

**Your Foreign Minister (Mr. Alwi Shihab) has spoken of Indonesia's support for India for a permanent seat on the United Nations Security Council. You have also made a reference to the issue at your joint press conference...**

Well, you know, we have to discuss that between myself and the Foreign Minister and the Coordinating Minister for Security, (Mr. Susilo)

Bambang Yudhoyono. For me personally, I like India and I like to support it. But we have other obligations. Not only personal ones. We have to see that.

**What role do you think India can play in Southeast Asia?**

I think in the long run the SAARC and the ASEAN should coordinate more... have more trade and develop a free and open dialogue between themselves. The ASEAN is not only for the region, but for the world at large.

**Right now, the SAARC is not moving ahead because of problems in the region. Do you feel the SAARC should play a more meaningful role?**

Oh, yes. It is impossible for us to improve the relationship between Indonesia and India without a further improvement in the situation of SAARC.

**There is now a "humanitarian pause" in Kashmir announced by our Government. What do you think India and Pakistan can do on this issue?**

As a third party, I don't know what to follow — whether it's open talk between both sides — between Pakistan and India — that means for the Indians, let's say, the violation of their rights. So, we have to be careful on this thing. And, I hope in the future both (Mr.) Vajpayee and General (Pervez) Musharraf would be able to talk together.

**India is also interested in having a separate summit with the ASEAN and the issue had been raised during the ASEAN informal summit in November in Singapore. Do you think this will happen soon?**

It has to be understood that no decision in the ASEAN can be taken by one side. Although, I am very preferable to the idea of putting India there, but India is part of the SAARC. And, the relationship between India and the SAARC should be considered. That's the point of Malaysia.

**Do you see the SAARC and the ASEAN having a greater relationship?**

It should be... it's the future.

**In the past, you have spoken of the need for greater Asian integration. Your Defence Minister (Mr. Mahfud M.D.) had earlier spoken of a security pact between India, Indonesia, China, Russia. Is this a serious suggestion or is it a suggestion Ministers some times make?**

(Laughs). You know the problem with our Defence Minister is that he is still living in the past. And he

is talking based on false information provided by others. You have to know

that in the Ministry there are people, the residue of (the) Suharto regime. Because of this I have asked him (the Defence Minister) to reorganise his own Ministry.

**So, you think it's just one of those things. It's not serious?**

Oh, no. No.

**Were the Defence Minister's problems with the U.S. Ambassador to Indonesia, Mr. Robert Gelbard, (which led to a major public row between Mr. Mahfud and the envoy) reflected in the statement calling for a defence pact?**

(Guffaws loudly). You know I told President Clinton that he sent the most undiplomatic ambassador to Indonesia and Mr. Clinton said he doesn't complain only to you, also to me. So, on both sides — the Minister of Defence and the Ambassador — these were only personal clashes, in style. Not more than that.

**Will your recent idea of the West Pacific Forum (grouping Indonesia, East Timor, Australia, New Zealand, Papua New Guinea, Philippines, etc.) evolve into a concrete entity?**

As soon as East Timor gets independence, then we'll have a conference. The Foreign Ministers of New Zealand and Australia have agreed to hold a meeting with our Foreign Minister and the Papua New Guinea Foreign Minister in Jakarta. Of course, East Timor now has not formally become an independent country. We will invite them not as a full member, but as a future member. We also have to consider the fact that Philippines is there. So, as soon as President Estrada gets over with the (impeachment) problem in the Senate... then we can proceed directly.

**Do you feel this new grouping will conflict with the ASEAN?**

No, no, no. You know it should be understood why the idea came. Because (the Singapore Senior Minister, Mr.) Lee Kuan Yew rejected the idea of helping East Timor once it gets independence. I requested him (Mr. Lee) to accept East Timor and Papua New Guinea within ASEAN, but he refused. According to him, both will be very much a burden for ASEAN. So, in my reply, I said that, well, of course, in the first (initial stages) yes — but I don't think it will always be like that. Anyway, the solidarity between states of the same area will be given priority to any kind of idea. We don't want to have East Timor as a weak flank behind us.

**Australia's relationship with Indonesia is looked upon with suspicion by some quarters here, especially for its role in East Timor. How will this relationship develop?**

First of all, we have to under-

stand that the Australians have a complex about seeing their neighbours begin to walk (develop?). And they have already been there for a long time... but now it (Australia) has to understand that we have gained the status of a free state and that for Australia it's better to relate to us. I discovered that Australia already has this kind of feeling. So, there is no point in continuing the dispute in the political way. If there's a dispute, we have to settle the dispute in other ways. Maybe, (a) middle (compromise) way or something like that.

**There is a perception that only you can steer Indonesia out of its present domestic problems. You are known to have a breadth of vision, can you steer the country out of troubled waters?**

Now, we have already finished the political crisis looking at the reports from Maluku, Irian Jaya and Aceh. It's a matter of time. Of course, we still have to be careful about (taking) certain steps. For example, the Free Aceh Movement has still not relinquished its political demand for freedom, but it's understandable... as long as they talk about that, but not doing (violent) acts, it's okay.

**For yourself, politically, and your party, which is a minority one, how will the political situation evolve in your perception?**

One thing is clear. Both the PDI-P (the party of the Vice-President, Ms. Megawati Sukarnoputri) and Golkar (the erstwhile ruling clique) should understand that the people will not forgive the things that can go (happen) by mistake. So, they have to be careful about this.

But, in the long run, in Indonesia, as in the past, only two forces should be considered — the voice of the moderate Muslims from the Islamic movements as well as the "moderate" nationalists. So this is the lesson that I have and I am working towards that. In the long run, there will be two major, let's say, parties — the Muslim moderates and the nationalist moderates. So, my job now is how to amalgamate the Muslim moderates into one single political movement, a major movement. So, if there are other movements, they will be other small... the extremist tendencies will be washed out by events.

**Since you are a scholar of considerable repute, and you are a living example of moderation and unity, I would like your views on the perception in some quarters that Islam is "extremist".**

The more apt terminology is the formalistic Muslims. They would like to have an Islamic state, legislating Islamic laws and so forth. For me, Islam is embedded in morality, religious teachings and education of the Islamic people. So that's enough. Without intervention of the state. So, this is my thinking. The others would like to have this formalised. So, as long as they formalise those things according to the situation, they will not be rejected by the people. For example, like in Iran. But in Indonesia, no. Because in Indonesia people are really against that. Only by force can those extremists (in Indonesia) instil a kind of obedience (in the people)... but that's only for a short period. Not long.



# Indonesia is facing a Kashmir-like situation in Aceh

By Manoj Joshi

JAKARTA: No one quite articulates it this way here, but the rebellion of Indonesia's northern-most Aceh province looks a lot like India's own headache in Kashmir. Rebels in this oil and gas rich province, just about 200 km from Indira Point, the southern-most end of India's Andaman and Nicobar Islands, are seeking an independent republic to be ruled under strict Islamic laws.

The sense of *deja vu* was inescapable when it was disclosed on Wednesday that the Indonesian government and the Free Aceh Movement (GAM) had agreed to a one-month ceasefire according to an agreement reached through secret talks in Geneva. Like India, Indonesia has maintained that it was willing to enter into substantive talks with the GAM if they were conducted under the context of Aceh remaining part of the unitary Indonesian state.

Some 30,000 Indonesian troops are tied down fighting the 25-year-old rebellion that seemed to have got a new wind with the establishment of a democratic government in this country.

Ironically, the Indonesian government is headed by a respected Islamic leader, President Abdurrahman Wahid, who has stead-

fastly rejected calls for imposing the Shariat law. Islamic parties, including Wahid's National Awakening Party, won some 40 per cent of the seats, though Vice-President Megawati Sukarnoputri's Party of Struggle was the largest single party with 34 per cent of the votes. According to Indonesian law, atheism is a crime but all monotheistic religions are accepted. Balinese Hinduism was brought into the fold of the law when leaders there came up with the formulation that their polytheism was contained within the larger belief of a Supreme Being.

Similarities between Aceh and Kashmir cannot be overstated. First, the rebellion is not that of a minority; with 88 per cent Muslims, Indonesia is the largest Islamic nation in the world. Second, there is no irredentist neighbour seeking to acquire the province and funding the rebellion. Further, unlike Kashmir which is part of a federal Indian structure, Indonesia wants to discuss the issue only within the context of its unitary constitution.

Finally, where Aceh rightly complains that its rich natural resources are being exploited

without adequate returns to the province, India regularly subsidises Kashmir. According to minister of state for commerce Omar Abdullah, accompanying Mr Vajpayee here, Kashmir's total revenues are Rs 700 crore, while its salary bill alone exceeds Rs 4,000 crore. The deficit is made up by central revenues.

However, the democratic mood in the country has led to a more flexible approach, and besides the ceasefire, Indonesians are willing to think of more autonomy. On Wednesday, a group of 86 legislators cutting across party lines submitted a draft bill to grant the province various powers and to set up a community leadership system to preserve the cultural customs of the Achinese. Under the bill, 80 per cent of the income generated by the region would be given back to it.

A.B. Vajpayee

Not everyone believes that the Aceh movement is all about Islamic fundamentalism. According to Dr Nasir Tamara, a well-known scholar and editor of the journal *Kapital*, "the whole issue is about money". According to him, the Indonesian government

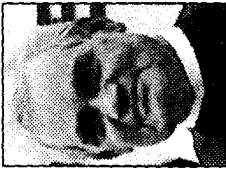
only returns two per cent of the revenue it gains from the riches of Sumatra back to the island.

Prof Din Syamsuddin, the secretary-general of the Majelis Ulama Indonesia (MUI), a central organization of Islamic scholars and teachers and community leaders in the country, echoes the same view. "As far as Indonesian Islam is concerned, it (Islamic fundamentalism) is not a mainstream issue," he notes.

The UCLA-educated Syamsuddin is also vice-president of the Muhammadiyah organization, one of two major Islamic groups in the country.

But Indian officials accompanying the Prime Minister say they are concerned not just about Aceh, but the spread of fundamentalist Islam in an arc running from the Moro Islands in southern Philippines through the Maluku peninsula to Aceh and Malaysia.

In these circumstances, say PMO officials, India is a strong backer of President Wahid's efforts to maintain the territorial integrity of Indonesia and resist Islamic radicals. In his banquet remarks on Wednesday, the Prime Minister made it a point to refer to the pride both countries took in their "ethnic, religious and linguistic pluralism".



A. Wahid

# Mishra upbeat on new equation with Indonesia

By Amit Baruah

**BALI, JAN. 12.** The Prime Minister, Mr. A. B. Vajpayee, arrived in the picturesque island of Bali today for a three-day holiday, at the end of his formal meetings with the Indonesian leadership.

In yet another departure from protocol, the Indonesian Vice-President, Ms. Megawati Sukarnoputri, came to see him off at the Jakarta airport. The Prime Minister was received at Denpasar airport, Bali, by the provincial Governor, Mr. Dewa Made Bartha.

Giving an assessment of the Indonesian visit, the Principal Secretary to the Prime Minister, Mr. Brajesh Mishra, told reporters that the visit had been "very good, very friendly."

On the recent statements of the Indonesian leaders on a permanent seat for India on the United Nations Security Council, Mr. Mishra said Jakarta was "leaning towards supporting India." Sounding upbeat about the new India-Indonesia equation, he said Ms. Sukarnoputri would be visiting India in April. The President, Mr. Abdurrahman Wahid, would also be coming to India in the second half of 2001 and would be conferred with an honorary degree by the Vishwa Bharati.

Mr. Mishra maintained there was a convergence of views between the two countries on various international and regional

issues. Pointing out that India had strongly endorsed the sovereignty and territorial integrity of Indonesia, the Principal Secretary was hopeful that the five agreements signed between the two countries, including the one in the defence field, would be implemented in the next few months.

Indonesia was interested in the purchase of naval craft from India. When asked about the reasons for the defence arrangement, Mr. Mishra said perhaps this opportunity was not available earlier in India. The idea was to push the bilateral relation-

ship to a level that had never been seen before.

Asked to comment on the remarks of the Indonesian Defence Minister, Mr. Mahfud M.D, on a possible defence pact between India, Indonesia, China and Russia, he said the idea did not come up for discussion. Refusing to be drawn into commenting on India's view on such an arrangement, he said he preferred not to answer a hypothetical question.

The Prime Minister and his delegation are scheduled to return to New Delhi on Sunday.



Children of Bali in their traditional costume welcoming the Prime Minister, Mr. Atal Behari Vajpayee, on his arrival at the Ngurah Rai airport in Bali on Friday. — PTI

THE HINDU

13 JAN 2001

# India to build sugar mill, oil rigs in Indonesia

JAKARTA POST  
ASIA NEWS NETWORK

JAKARTA, Jan. 12. — India and Indonesia yesterday signed agreements on cooperation in information technology, the construction of a sugar mill, the development of offshore oil rigs and oil and gas drilling, in conjunction with the Indian Prime Minister, Mr A B Vajpayee's visit.

The Indonesian Chamber of Commerce and Industry chairman, Mr Aburizal Bakrie signed an agreement on IT with the president of the Federation of Indian Chambers of Commerce and Industry (Ficci), Mr Chirayu R Amin.

P T Aditya, Indo Mitra Niaga and the Indian Sugar and General Engineering Corporation (ISGEC) signed an agreement to build a sugar mill in Lampung, while India's Shiv Vani Universal Ltd and Indonesia's PT Gunanusa Utama Fabricators agreed to cooperate in the construction of offshore oil rigs in India.

Shiv Vani also agreed to cooperate with P T Gemilang Technodrill Paripurna in the development of oil and gas drilling projects in Indonesia and with P T Shillelagh Marine Construction for the marketing of its offshore oil drilling equipment in India, the Middle East, and Iran.

The Indonesian Minister of Industry and Trade Luhut Binsar Panjaitan who witnessed the signing said the cooperation between Indonesia and India was very promising.

He said cooperation in IT was especially promising as India currently was holding 60 per cent of the world's software market, and if Indonesia hoped to gain at least five per cent of the market in six years, it would have to learn from India's experience.

India's minister of state for commerce and industry, Mr Omar Abdullah, hoped the business people of both countries would be able to resolve problems that stand in the way of business cooperation for the sake of strengthening bilateral

economic ties.

Bilateral trade between the two countries totalled \$1.2 billion in 1999, and about \$1.6 billion in 2000.

According to the Indonesian Central Bureau of Statistics (BPS), Indonesia's exports to India totalled \$923.9 million in 1999, while imports totalled \$275.5 million during the same period.

Indonesian exports to India include vegetable fats and oils, petroleum products, coal, copper ore, fruits and nuts, textile yarn, hydrocarbon, pulp and waste paper, glass, and spices.

Imports from India include animals fodder, steel, aluminum, synthetic fibre, electrical appliances, and pharmaceutical products.

India and Indonesia also signed an agreement on defence cooperation under which Indonesia is expected to source armaments. Indonesia in the past few years has been in great need of replenishing its arms stock, particularly since the USA imposed an arms embargo.

THE STATESMAN

13 JAN 2001

# 'Ties hinge on SAARC well-being'

18/1 By Amit Baruah 119-1

**JAKARTA, JAN. 12.** The Indonesian President, Mr. Abdurrahman Wahid, has said it is "impossible" to improve the relationship between India and Indonesia without a "further improvement in the situation of the SAARC".

Mr. Wahid, who spoke exclusively to *The Hindu* at his Jakarta office in a wide-ranging conversation, also qualified Jakarta's support for India's entry into the United Nations Security Council as a permanent member. While personally he supported India, the President said Indonesia had "other obligations".

The President, who spoke warmly of the visiting Prime Min-



ister, Mr. A.B. Vajpayee, described him as a "considerate" leader.

On Kashmir, Mr. Wahid seemed wary of saying too much,

9-5 Bhasia  
but supported the idea of a meeting between Mr. Vajpayee and the Pakistani Chief Executive, Gen. Pervez Musharraf.

Candidly stating that he supported a separate India-ASEAN summit, the President once again brought in the South Asian Association for Regional Cooperation, which could be interpreted as a euphemism for Pakistan.

"It has to be understood that no decision in ASEAN can be taken by one side. Although, I am very preferable to the idea of putting India there, but India is part of SAARC. And, the relationship between India and SAARC should be considered. That's the point of Malaysia," Mr. Wahid said.

Text of interview: Page 14

THE HINDU

13 JAN 2001

# Indonesia supports India's peace move in J-K

Jay Raina  
Jakarta, January 11

**I**N A significant development loaded substantially in India's favour, Indonesian President Abdurrahman Wahid today extended support to Vajpayee's position on Kashmir. He also asserted that Jakarta rejected terrorism everywhere.

While expressing his support to India's claim for a permanent seat at the UN Security Council, the President, however, hastened to clarify that it was his personal preference subject to the approval of his Cabinet. At a joint Press conference addressed by the President along with the visiting Prime Minister Atal Bihari Vajpayee, Mr Wahid also reaffirmed his Government's stand against terrorism.

On Indonesia's stand on Kashmir, the President indicated that Jakarta was supportive of a peaceful resolution of the problem through existing laws and treaties, since Indonesia was 'tied to such arrangements with India and other countries'.

Explaining the President's remarks minutes after the Press conference, Indonesian Foreign Minister Alwi Shihab told The Hindustan Times that Jakarta favoured a peaceful resolution of the Kashmir issue. "We are against any conflict that puts peace in the region in jeopardy," he explained.

Mr Shihab further clarified that Jakarta stood for a 'satisfactory settlement' (of the Kashmir problem) to be worked out bilaterally by India and Pakistan. He also welcomed Prime Minister Vajpayee's latest



Prime Minister Atal Bihari Vajpayee being presented a bouquet by Indonesian artists during a cultural function held in his honour in Jakarta on Thursday. Photo: AP

Kashmir (peace) initiative. As regards Jakarta's stand on India's bid to seek membership of the UN Security Council, Mr Shihab explained that the views expressed by the President were to be endorsed by the multi-party coalition headed by Mr Wahid. Informed sources said here that even as

President Wahid and his Foreign Minister had extended support to India's claim to the UN Security Council membership, Jakarta would officially endorse the stand after undertaking a thorough review of the situation and also New Delhi's responses to the ongoing crisis in East Timore. Indonesia had, of late, been toying with the

idea of laying claim to UN Security Council seat from the Asian quota along with India and Japan. But after realised the bleak possibility of getting international support to its claim, Jakarta is apparently eager to lend support to India's bid. The latest change of stance is also attributed to Indonesia's cool off in its relations with Japan.

In his remarks at the joint Press conference, Mr Vajpayee stated that both India and Indonesia had common maritime borders and common security concerns.

Referring to his talks with President Wahid and other members of his Cabinet at the high-level meeting this morning, Mr Vajpayee indicated that the discussions had covered all aspects our bilateral relationship and other regional and international issues.

While expressing India's preparedness to share its developmental experience with Indonesia, the Prime Minister also offered it whatever 'assistance was required' by the friendly country.

Soon after the Wahid-Vajpayee talks, India and Indonesia signed an important agreement on cooperation in Defence besides four other memoranda of understanding (MOUs).

To be valid for five years, the crucial Defence agreement commits the two countries to establishment of a Joint Commission to coordinate Defence activities in various fields including training, technical assistance and supply of Defence equipment and materials. Under the agreement, the two countries will also share their experiences in the field of Defence management and policy.

# Vajpayee in Jakarta, to build new era ties

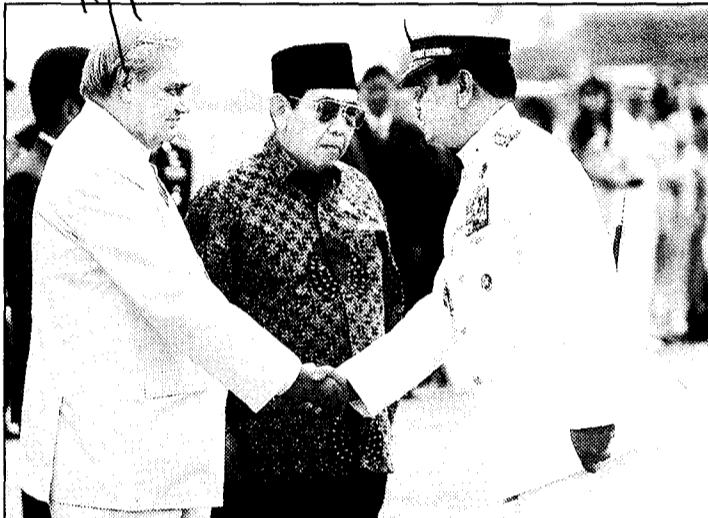
By Manoj Joshi

JAKARTA: Prime Minister Atal Behari Vajpayee arrived here to a ceremonial welcome, complete with a guard of honour and 19-gun salute at the Halim Perdana Kusuma Airport. In a special gesture, Indonesia's ailing President Abdurrahman Wahid, popularly known as Gus Dur, received him.

The Indonesian President is a leading Islamic scholar and admirer of Mahatma Gandhi and has visited India many times. Last February he paid an official visit to New Delhi following his election as the President in the first democratic polls in this sprawling archipelago that stretches across three time zones.

Mr Vajpayee later called on Gus Dur formally and also called on Vice-President Megawati Sukarnoputri, the daughter of the former President Sukarno who along with Pandit Nehru did much to shape the non-aligned movement in the 1950s.

In the evening, the PM attended a banquet hosted in his honour at the Istana Negara or the Presidential Palace. There was no sense of *deja vu* which marked Prime Minister Rajiv Gandhi's official visit 14 years ago, the last by an Indian Prime Minister. From a run-down and decaying city,



Indonesian President Abdurrahman Wahid (centre) introduces military chief Admiral Widodo Adisucipto (right) to Indian Prime Minister Atal Behari Vajpayee soon after the PM's arrival at Halim airport in Jakarta on Wednesday.

Jakarta appears to have become a modern metropolis. The city centre replete with high-rise buildings has been completely transformed and is several times the size of Cuffe Parade in Mumbai and Connaught Place in New Delhi, albeit with much better appointed buildings.

Given Indonesia's historical associations, there is a lot of 'India'

around. For example, the Prime Minister is the 'Peradana Mantri', a room or a place is called 'Istana' from *sthan* in Sanskrit. And, of course, Vice-President Megawati is 'Sukarnoputri'.

After the fall of Sukarno in the mid-1960s, India and Indonesia drifted apart and with the Vietnamese invasion of Cambodia

in the late 1970s they became cold. In this period, it was Indian business houses that flew the Indian flag here as South Block remained fixated on fighting the Cold War. The Tatas and Bajaj exported trucks, two/ three wheelers in the 1970s, and in the early '80s Triveni Engineering completed a \$20 million sugar plant in South Sulawesi. In this period, several joint ventures also came up, particularly in the textile sector with the Aditya Birla Group, Bombay Dyeing and Gokak Industries in the lead. The Birla group has three manufacturing units producing viscose, rayon staple fibre and blended yarn. JK Industries have a hand tool manufacturing unit at Surabaya and Essar has a cold rolling mill. NRI houses like the Lohias, Mittals, Kewalram also operate here.

But in the present context, the Indian presence is marginal compared to the other actors and the potential that exists. The government is hoping that the Prime Minister's visit will kick-start a new phase which could see Indonesian oil, copper and paper come to India in exchange for Indian finished goods, IT and agricultural knowhow. Several of these areas have already been identified during President Wahid's visit and are likely to be finalised now.

THE TIMES OF INDIA

11 JAN 2001



# Jakarta backs India's claim for Security Council seat

11/1 By Amit Baruah

JAKARTA, JAN. 10. Signalling a new warmth in bilateral relationship, the Indonesian Foreign Minister, Mr. Alwi Shihab, today said Jakarta supported India's entry into a reformed United Nations Security Council as a permanent member.

Mr. Shihab's statement came on a day the Prime Minister, Mr. A.B. Vajpayee, arrived here on the second-leg of his Southeast Asian tour and called for a "meaningful alliance" with Indonesia. The Prime Minister also held first-stage discussions with the Indonesian President, Mr. Abdurrahman Wahid. The Foreign Minister's formulation means India's quest for a seat on the Security Council has received a major boost since Indonesia itself was earlier seen as a candidate for the so-called Asian seat.

Mr. Shihab had no hesitation in telling Indian reporters that Indonesia supported India's entry into the Security Council in response to a direct and pointed question. Given that Indonesia is a major Asian nation of 200 million, Jakarta's new position is a major step forward for India.

Other than Japan, Mr. Shihab said, Indonesia would support India's entry into the Security Council from Asia.

Earlier, departing from proto-



The Indonesian President, Mr. Abdurrahman Wahid (right), looks on as his daughter, Ms. Zannuba Arifah Chafsoh Rahmian, greets the Prime Minister, Mr. A.B. Vajpayee, at the Presidential Palace in Jakarta on Wednesday. — AP

col, Mr. Wahid received the Prime Minister at the airport where a guard of honour was presented. The Prime Minister later called on the President and the Vice-President, Ms. Megawati Sukarnoputri.

Speaking to the reporters, Mr. Shihab also said India could count on Indonesia's support for making possible an ASEAN-India summit, a proposal that New Delhi has been pushing for some time now.

On Kashmir, he candidly said it

was a delicate issue but supported the recent informal talks. It is evident that after Mr. Wahid took over as President, the relationship between the two countries is poised for a great leap forward. This change in the bilateral environment is a departure from the Suharto era where the relationship seemed to have stagnated. Several agreements are to be signed tomorrow, including one establishing a Joint Commission.

PM's banquet speech: Page 13

THE HINDU

11 JAN 2001

# Admirer meets hero Giap

FROM PRANAY SHARMA

Hanoi, Jan. 9: The request from the Prime Minister surprised his Vietnamese hosts and, perhaps, caused worry in some quarters. But in the end it was honoured: Atal Bihari Vajpayee did get to meet Vietnam's living legend, General Vo Nguyen Giap, whose military strategies shaped many a victory against the French and the Americans.

For Vajpayee, who has said he belongs to a generation "consumed by the cause of Vietnam", the 30-minute meeting this morning was momentous. The general, too, did not disappoint his guest: he walked into the International Convention Centre replete in army regalia.

Gen. Giap (pronounced Zap in Vietnamese), a close associate of Ho Chi Minh, led the troop during the war against the French and won a decisive victory at Dien Bien Phu in May 1954.

Despite his five-foot nothing height, Gen. Giap is arguably the tallest political figure in the country today. But that, perhaps, is also his problem. The current leadership in Hanoi, which has opened its doors to foreign capital and is keen to normalise relations with the US, is a little nervous about veterans like Gen. Giap. Though his views are not known officially, Vietnam-watchers claim he does not approve of the policies being pursued by the cur-



Prime Minister AB Vajpayee with Vietnamese general Vo Nguyen Giap in Hanoi. (PTI)

rent dispensation in Hanoi. Vajpayee visited the mausoleum of Ho Chi Minh — the body lies embalmed — and paid rich tributes to the architect of Vietnam's independence.

Hours later, he was praising the Vietnamese leadership for its "Doi Moi", or open-door economic policy, which, he said, "brought high growth, investment, expanding trade and a better standard of living for the Vietnamese people".

"History has willed that we be-

# Vajpayee eyes Asean platform

FROM OUR SPECIAL CORRESPONDENT

Hanoi, Jan. 9: At the end of Prime Minister A.B. Vajpayee's "successful" visit to Vietnam and on the eve of his trip to Indonesia, India remained optimistic that perhaps a consensus is building up among the Southeast Asian nations for Delhi to play a more meaningful role in the region.

India is hopeful of a plus-one summit with the Association for Southeast Asian Nations (Asean), an honour extended so far to only three non-Asean powers — China, Japan and South Korea.

Vajpayee's visit to Vietnam and Indonesia and his proposal to tour Malaysia next month — all three are key Asean members — is being seen in the context of Delhi's desire to play a significant role in Southeast Asia — a crucial region in its immediate neighbourhood.

Vajpayee has made it clear that Vietnam "is a critical element" in India's plans to forge stronger ties with Asean. "It is pivotal to our Look East policy," he said during his visit.

India, which embarked on its "Look East Policy" in 1991 during P.V. Narasimha Rao's regime, has become more active in the region. In 1996, it was allowed to become a full-dialogue partner of the elite security grouping, the Asean Regional Forum, which is represented by all major world players.

India now wants to deepen this partnership and an Asean plus-one summit could go a long way in that direction.

Asean is important for India

not only because most of its members are cash-rich and together they comprise one of the biggest trade blocs in the region. The individual members have technology in infrastructure and provide a ready market for Indian entrepreneurs, particularly those in the information technology sector.

Moreover, keeping the vast sea-lanes of the Asean countries free and peaceful is in India's interests.

National security adviser Brajesh Mishra, while explaining these issues, said India and Vietnam have had excellent ties dating back to centuries but the time had come to "lay the groundwork for a modern relationship between the two sides".

He said that India sees Vietnam as a strategic partner which can play a key role in maintaining peace and security in the region.

Vajpayee held a series of meetings with Vietnamese leaders, including President Tran Duc Loung, Prime Minister Phan Khai and the general secretary of the ruling communist party, Le Kha Phieu.

Stressing that the economic content will play a crucial role in this new relationship, the Prime Minister invited businessmen from India and Vietnam to help in this endeavour.

"If the traditional spiritual bond between our two nations is the heart of our bilateral relationship and our common geo-political perception is its mind, then stronger economic ties will have to be its flesh and bones," Vajpayee said at a Joint Business Council meeting here this afternoon.

# Bharat Shah arrest

FROM PAGE 1

Singh said the police would not try to prevent the release of Shah's films — other than the already seized *Chori Chori Chupke Chupke* — unless they had evidence these were made with mob money.

Shah, arrested yesterday at the crime branch office under the harsh Maharashtra Control of Organised Crime Act that is known as the mini-Tada, was admitted to the state-run J.J. Hospital this morning after he complained of chest pain. He was put under intensive care by doctors at the hospital.

In the crime branch lock-up last evening, Shah was questioned repeatedly about his suspected links with the underworld. He would again be questioned on his return from the hospital, the police chief said.

The financier has repeatedly denied links to the mafia since the December 13 arrest of Nazim Hassan Rizvi, producer of *Chori Chori Chupke Chupke*, the film Shah claimed to have funded.

Police said the film was funded by Chhota Shakeel and accused Shah of fronting for the gangster.

With the film industry plunged into uncertainty since the arrest of the big-time financier, Bollywood producers met today to discuss the situation, but decided to let the police do its job unhindered. They said they were pleased with the police decision not to stop Shah's films from being released.

The producers said Shah should not be pronounced guilty unless the court ruled against him. At least 10 films funded by Shah are in different stages of production, including the remake of *Devdas*, starring Shah Rukh Khan and *Ladla* with Aishwarya Rai and Madhuri Dixit.



Prime Minister A.B. Vajpayee (R) walks behind a wreath carried by soldiers as he pays respects to Vietnamese late President Ho Chi Minh at his mausoleum in Hanoi on Tuesday. Photo: AFP

## PM's visit successful, says Brajesh Mishra

Jay Raina  
Hanoi (Vietnam), January 9

PRIME MINISTER'S national security advisor Brajesh Mishra today confirmed that India had entered into an agreement with Vietnam to train its select Army officers in "jungle warfare".

"We have been training the Vietnamese officers at our specialised training institutes over the last many years. The programme will be strengthened with Indian officers being trained here in jungle warfare," Mishra told reporters.

Mishra revealed that the India-Vietnam agreement on the "jungle warfare" training programme had been okayed during Defence Minister Fernandes's recent visit to Hanoi. He, however, hastened to add that the training programme may take little time to fructify.

"The Vietnamese have to earmark institutes for the training and the Indian officers have to learn the local language," Mishra explained.

Describing Prime Minister Vajpayee's Vietnam visit as a resounding success, Mishra who doubles as PM's principal secretary said that the visit was not only part of India's "look East" policy

but aimed at strengthening its commercial and economic ties with the countries of the region-Asia in general and the ASEAN in particular.

The national security advisor explained that the security of seafarers that would facilitate India's greater commercial activities with these countries had assumed an added importance. "India is keenly looking forward to this kind of co-operation especially with its close allies and friends such as Vietnam," he asserted.

Vajpayee held an important meeting with the ruling Communist Party general secretary Le Kha Phieu. The meeting marked the finale of the PM's Vietnam sojourn.

Mishra said that Phieu had reiterated Vietnam's support to India on all important issues including Kashmir. "The Communist leader had also reaffirmed his country's support to our bid for the membership of the expanded UN Security Council," he added.

As regards priority areas in enlarged Indo-Vietnam economic cooperation, the he remarked that besides exploration and exploitation of oil and natural gas, Vietnam could be helped by us in a big way to modernize its information technology sector.

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# Vajpayee push for Asean entry

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VIETNAM NEWS AGENCY  
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## PM MEETS GEN GIAP

HANOI, Jan. 9. — Mr Atal Behari Vajpayee ended his Vietnam visit today with a brisk push to India's Asean set-up.

The Prime Ministers of both countries agreed to step up bilateral cooperation and co-ordination at regional and international fora.

The enhanced co-ordination, they felt, would contribute to peace, stability and development in the Asia-Pacific region and the wider world. They agreed that Mr Atal Behari's Vajpayee's visit would help cement traditional ties between the two countries in the new century, benefiting both.

(The addition of a new economic and technology content to the relations would ensure better cooperation and mean something more than India's 'look-east' policy towards the Asean region and Asian Regional Forum, Mr Brajesh Mishra said, adds UNI.)

Mr Phan Van Khai said he was pleased to see the efforts of Indians to build their country

HANOI, Jan. 9. — Mr Atal Behari Vajpayee today met the legendary military officer who led Vietnam in the wars against France and USA.

Gen Vo Nguyen Giap (88), one of the architects of revolutionary warfare and guerrilla tactics, is remembered for his victory against the French in the Battle of Dien Bien Phu in 1954.

Mr Vajpayee said yesterday: "My generation was consumed by the cause of Vietnam.... I recall the spontaneous joy on the streets of Indian cities... Over 25 years ago, when Vietnamese troops entered Saigon to complete the liberation of South Vietnam from foreign occupation." — PTI

bear fruit over the second half of the last century.

He appreciated India's moves to strengthen the relationship between countries in the region; the role of the Non-Aligned Movement; and south-south co-operation.



Mr Atal Behari Vajpayee pays homage at Ho Chi Minh Mausoleum in Hanoi on Tuesday. — AP/PTI

On the last and final day of the official tour, Mr Vajpayee said he was happy to have been able to visit Vietnam. Witnessing the achievements of Vietnamese people in national renovation, opening up the economy and in regional and global

integration had given much joy.

The Indian government is committed to expanding and intensifying friendship with Vietnam in the near future, Mr Vajpayee said.

Vietnam, as the current chair of the Asean, hails Delhi's moves to boost India-Asean dialogue relations, Mr Khai said. He also supported India's bid to become a member of the UN Security Council.

The two leaders emphasised the need to develop trade and investment ties that have yet to match potential despite steady growth over three decades.

Mr Vajpayee met President, Mr Tran Duc Luong, who reaffirmed Vietnam's determination to deepen ties with India in the new century. This would serve the interests of both nations, Mr Luong said.

Mr Vajpayee also met other Vietnamese leaders who reiterated Vietnam's support for India's position on Kashmir.

Mr Vajpayee leaves for Jakarta tomorrow and will visit Malaysia next month — tours expected to consolidate India's position in this region.

THE STATESMAN

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# Vajpayee meets superpower basher General Giap

● TUESDAY saw the largest ever bilateral get-together of Indian and Vietnamese captains of industry. Prime Minister Atal Bihari Vajpayee addressed hundreds of participants at a meeting of the India-Vietnam Joint Business Council in Hanoi. The FICCI president, Chirayu R. Amin, led the 30-member Indian delegation.

Three agreements were signed by the business representatives of both countries, and a plaque at the Ranbaxy pharmaceutical project was unveiled. Oil and Natural Gas Commission-Videsh is already sniffing for oil and natural gas in Vietnam. It plans to invest a further \$ 238 million in Vietnam - its largest ever investment in a foreign land. Not to be left out, Tata Auto netted a contract to export 300 truck chassis to Vietnam.

● VIETNAM may be a one-party communist regime but it is rapidly opening up its economy to foreign goods and investment. The Vietnamese word for economic reforms is *doi moi*. But in a pattern all too familiar to Indian, the Vietnamese are finding themselves inundated with cheap Chinese manufactures.

Vietnamese makers of textiles and motorbikes are already in trouble.

However, in keeping with a country that consecutively defeated three great powers on the battlefield, the Vietnamese are not begging for protection. Professor Le Dang Doanh, head of the Central Institute of Economic Management, and considered one of the brains behind liberalization, explained,

"We are committed to letting our own industry grow on its feet to compete with the rest of the world." Already, Vietnamese entrepreneurs have beaten off the challenge of imported Chinese beer and bottled waters through improved technology and quality control.

● THE Indian Prime Minister had the rare privilege of meeting the legendary Vietnamese military genius, General Vo Nguyen Giap, today. The 88-year-old Giap earned a place in history for masterminding the defeat of the French colonial army at the 1954 battle of Dienbienphu and then leading an equally successful war against America until 1973. The living legend was all smiles during his chat with Prime Minister Vajpayee at the International Convention Centre. Despite his age, Giap's walked with a ramrod straight

back that would have been the envy of a soldier a quarter his age.

● INDIA could claim to have secured a victory of sorts in a land where other countries went down in defeat. The fresh-faced Minister of State for Commerce and Industry Omar Abdullah left Vietnamese girls swooning.

Young women made many inquiries about his identity while he delivered an address at the India-Vietnam Joint Business Council in the morning. Abdullah duly received a standing ovation, at least in part because of his brief and business-like intervention.



Jay Raina in Hanoi

THE HINDUSTAN TIMES

10 JAN 2001

# Vajpayee offer to develop Vietnam's infrastructure

By Amit Baruah

HANOI, JAN. 9 . India would be ready to assist with "requisite capital" the development of transportation, telecommunications, railways, power generation and water supply in Vietnam, the Prime Minister, Mr. A. B. Vajpayee, said today.

Addressing an India-Vietnam Joint Business Council meeting, the Prime Minister said Vietnam was a "critical element" in India's plans to forge stronger ties with ASEAN. "It is pivotal for our Look East policy," Mr. Vajpayee, who is here on a four-day-long visit, maintained.

Several agreements were signed between Indian and Vietnamese companies in the presence of Mr. Vajpayee, who also unveiled a plaque for the setting up of a \$10-million pharmaceutical plant by the Ranbaxy. The factory, which will be ready by May this year, is the first Indian pharmaceutical unit in Vietnam.

The other venture is that of gas and oil production between ONGC Videsh and Petro Vietnam in which the Indian company's in-

vestment is \$ 238 millions, the largest Indian investment in the world.

The Prime Minister was frank in saying that the mutual goodwill in the bilateral relationship was not adequately reflected in the economic ties between the two countries.

Calling for the forging of greater economic links (trade value in 1999-2000 stood at \$ 153.13 millions), the Prime Minister urged existing Indian companies to expand their operations and for new ones to come in.

"India has not only products and projects to offer to Vietnam. We are also ready to share our experience in all aspects of economic liberalisation. Be it computerisation of the monetary and banking sector or promotion of e-commerce, modernisation of stock and securities exchanges of framing of legal and regulatory systems — Vietnam is free to tap our expertise in any field that it feels it could benefit from," Mr. Vajpayee said.

Referring to India's expertise in Information Technology and Vietnam's strengths in this sector, the Prime Minister told business leaders: "We have already seen the initiation of

this partnership in IT. But this is just the beginning. The future is going to be immensely more attractive and fruitful."

On the importance of human capital in the knowledge economy, the Prime Minister said India's technical cooperation with Vietnam was one of New Delhi's largest such ventures.

"This covers a number of fields including frontier sciences such as atomic energy, biotechnology and oceanography. We remain committed to giving further impetus to this," the Prime Minister stated.

"We shall encourage collaboration between Indian and Vietnamese educational institutions to further this goal. We are also ready to significantly increase the opportunities for Vietnamese students to come to India for studies in technology, medicine, management and other areas..." he said.

The Prime Minister said he had discussed these ideas with the Vietnamese leadership. "I am happy that they broadly agree with my perception."

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NEW DELHI BACKS HANOI'S ENTRY INTO WTO

# Consensus in ASEAN for summit with India?

9. S.E. Asian (viet)

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By Amit Baruah

**HANOI, JAN. 9.** A "consensus is perhaps emerging" within the Association of South East Asian Nations for a separate summit meeting with India, Mr. Brajesh Mishra, Principal Secretary to the Prime Minister, told Indian reporters this evening as the Prime Minister, Mr. Atal Behari Vajpayee, wrapped up his tour of Vietnam.

Mr. Vajpayee, who held talks with the Vietnamese Communist Party general secretary, Mr. Le Kha Phieu, this afternoon, was informed that Vietnam supported the idea of an ASEAN-India summit. "For example, there is an Indo-E.U. (European Union) Summit. So it is only natural there should be an Indo-ASEAN summit. And Vietnam supports it," said Mr. Mishra.

"A consensus is perhaps emerging (within ASEAN) and in the coming months or in a year or two this may happen". (The ASEAN informal summit in November was of the view that it was "too early" to consider the idea of such a summit). "I don't think there is any hesitation on the part of India to cooperate more closely with the ASEAN. And Vietnam was of the same view," Mr. Mishra said.

The Prime Minister had assured Vietnamese leaders that India fully supported Hanoi's entry into the World Trade Organisation. "They want to become members of the WTO. We have assured them full support." Spelling out India's interests in the region, Mr. Mishra said Mr. Vajpayee's visit had gone off well. "It will pay both countries dividends in the future."

Asked whether Kashmir figured



The Prime Minister, Mr. A.B. Vajpayee, with the Vietnamese General Vo Nguyen Giap, in Hanoi on Tuesday. — PTI

in the discussions, the Principal Secretary said Mr. Le Kha Phieu had informed Mr. Vajpayee that Vietnam supported India's position on Kashmir. The Prime Minister had also raised the issue in his discussions with his Vietnamese counterpart, Mr. Phan Van Khai, yesterday.

To a question where the ASEAN fitted into the larger "post-Pokhran" vision, Mr. Mishra said: "The ASEAN is a very important entity for us. Trade-wise, economic cooperation-wise... don't forget that the sea lanes here are as important to us as they are to any other country. Our trade through the sea lanes to Japan, etc. is an important factor."

"And ASEAN, of course, is

there. But I would not look at a relationship only from the angle of security or strategic concern. There is a commercial, economic and cultural content to this relationship which is important," he said.

Giving an example, Mr. Mishra said if India wanted to import crude from Vietnam, then "we want security of sea lanes" for it to reach us. Or any other contact of that kind. It is there. It's part of our... I wouldn't say security concern but part of our security strategy".

Expanding Mr. Vajpayee's statement yesterday that Indians were being trained in jungle warfare in Vietnam, Mr. Mishra clarified that this exercise involved a few select officers and not combat

troops in general. This was an agreement in principle — the officers would have to learn the language. He said the agreement was reached during the visit of the Defence Minister, Mr. George Fernandes, in March 2000, to Vietnam.

Mr. Mishra also said Vietnamese officers received training at the National Defence College in India and at the Army's Pachmarhi language training facility. There was also naval cooperation — with India ready to supply the Petia class boats to Vietnam. Asked why Indian officers should be trained in jungle warfare in Vietnam when the Army had its own facilities back home, Mr. Mishra responded: "Let's go back to Delhi and talk about that."

On whether China figured in the Prime Minister's discussions with the Vietnamese leadership, Mr. Mishra said: "Not at all". Mr. Vajpayee's visit to Vietnam had laid the foundation for a modern relationship between the two countries — based on the traditional political understanding that was in existence, he said.

## 'India, Vietnam must strive for stable environment'

By Amit Baruah

**HANOI, JAN. 9.** The Vietnamese Prime Minister, Mr. Phan Van Khai, has said that Vietnam and India need to work together for building a peaceful and stable regional and international environment "without causing detriment to any third party."

In an exclusive interview to *The Hindu*, in the form of a written response to questions provided earlier, Mr. Khai said as a "big country" in the Asia-Pacific region, India had an "increasingly important role and position in the region and the world."



The Prime Minister linked the





# Vietnam for dynamic ASEAN-Indian ties

By Amit Baruah

HANOI, JAN. 9. The following are the written answers by the Vietnamese Prime Minister, Mr. Phan Van Khai, to questions submitted to him by *The Hindu*.

**Question: How would you describe the current status of Vietnam-India relations?**

**Mr. Phan Van Khai:** Vietnam and India have long entertained traditional, close and reliable relations and multi-faceted cooperation. These relations are now continuing to develop well for the benefit of our two peoples and in the interest of peace, stability, cooperation and development in the region. Since our two countries gained independence, the late President, Ho Chi Minh, and the late Prime Minister, Jawaharlal Nehru, contributed a lot to build and cultivate close ties between the two countries. In recent years, bilateral relations have increasingly developed at various levels and in several fields — political, cultural, scientific, technical, security and defence. High-level visits between the two countries of which the most recent are those paid by the President, Mr. Tran Duc Luong, to India in December 1999 and the Prime Minister, Mr. Vajpayee to Vietnam now have contributed to consolidating and strengthening friendly relationship and multi-faceted cooperation. The two Governments have set up a mechanism aimed at coordinating bilateral cooperation like the Inter-governmental Committee for Economic, Cultural and Scientific-Technical Cooperation and the Joint Working Group on IT cooperation and others. All this have helped increase the efficiency of our relations.

**What are the areas in which Vietnam and India can cooperate further?**

Currently, the two countries are making efforts to promote economics, trade, finance, credit, education-training, science-technology, agriculture, forestry and fishery. These relations have proven to be highly effective in promoting economic development and developing human resources for Vietnam. In the current regional and international situation, we wish to see the further strengthening of cooperation between the two countries. We believe that it is necessary to find effective measures to promote the current level and scope of cooperation and while moving to the areas that Vietnam and India can further cooperate like education and training, information technology, trade and economics, etc.

**In November, Vietnam and India were party to the launch of the Mekong-Ganga Cooperation initiative. How do you view this?**

The Inaugural Ministerial Meeting on Ganga Mekong Cooperation took place in Vientiane at the initiative of India and Southeast Asian countries in November last. Ministers from six countries agreed on the steps to be taken to promote and increase the efficiency of multi-faceted cooperation. This has contributed to enhancing solidarity between the six participating countries and accelerating the implementation of the hunger elimination and poverty reduction programme in Vietnam.

The Ganga-Mekong Cooperation will make an active contribution to the implementation of cooperative programmes and projects in the Mekong basin and thereby to the region's sustainable development. Among the areas of cooperation agreed upon recently, tourism, identified as a priority at the meeting, holds much potential for fast implementation. Viet-

nam's competent agencies and bodies are now actively preparing for the exchange of the most feasible cooperative projects and programmes with other countries concerned. Vietnam will also make efforts to host the 2001 Ministerial Meeting on Ganga-Mekong Cooperation.

**What role do you foresee for India in the Asia-Pacific region?**

As a big country in the region, India has an increasingly important role and position in the region and the world. India has been consistently following a foreign policy of independence, peace, and non-alignment both in the past and at present. India has made efforts to strengthen its relations with neighbouring and regional countries, contributed actively to the Non-Aligned Movement, promoted the South-South cooperation and safeguarded the legitimate interests of developing countries at international fora. India has recorded important achievements in the course of reform and economic development and thus enhanced people's living standards. This will surely help enhance India's standing on the international arena, especially in the Asia-Pacific region.

**What are the possibilities of cooperation in the field of information technology between the two countries?**

Though new, information technology is a very important area of cooperation and a central component of Vietnam-India relations. At the ninth meeting of the Vietnam-India Inter-governmental Committee for Economic, Cultural and Scientific-technical Cooperation, held in New Delhi in 1999, the two Governments agreed to the establishment of the Joint Working Group on Information Technology in

## INTERVIEW

order to materialise potential in this area. The Vietnamese FPT Company has already set up its branch in India and entered into joint venture with APTECH to open training centers for Vietnamese IT experts. These companies have operated effectively. The Indian Government has agreed to provide soft credits to Vietnam to assist the latter in establishing training centres and developing computer software. It is our hope that early implementation of these projects in Vietnam will help strong IT development in Vietnam and constitute a new bright spot in our bilateral cooperation picture.

**India is already a dialogue partner of ASEAN. Do you see any greater formal engagement between ASEAN and India in the coming months and years?**

The foundation of ASEAN-India cooperation dates back to the 1980s and India became a full dialogue partner of ASEAN in 1995. Ever since, India has made great efforts and active contribution to many fora such as ARF, PMC, etc. Those activities of India, together with the endeavours of other dialogue partners, have enhanced peace, stability, cooperation and development in the region. India's economic and trade relations with ASEAN are also in the increase; with two-way trade reaching US\$7 billion in 1999. It is, however, still modest, accounting for less than one per cent of ASEAN's total trade value. In the near future, we need to make greater efforts in promoting our economic cooperation, and try to seek ways and means to expand trade and investment, science and technology, etc. On the basis of the

priorities set forth in the Hanoi Plan of Action, we should build a more dynamic and effective ASEAN-India relationship. We support improved relations between India and ASEAN in the future.

**In bilateral trade, Vietnam faces an adverse trade balance. What specific measures can be taken by India to improve the balance of trade?**

Recently, two way trade between Vietnam and India has kept increasing, and currently amounts to around US\$ 160 to 170 millions a year. However, this has not been commensurate with the vast potentials of each country as well as with our fine political relations. In fact, Vietnam's trade with India is in deficit. There are a variety of reasons for this, yet, the most important one is the similarity in their exports, as well as the lack of understanding of each other's market and business environment. In an effort to improve the balance of trade, at the tenth meeting of the Joint Commission on Economic, Cultural, Scientific and Technological Cooperation in Hanoi last November, the two Governments agreed to consider the diversification of Vietnam's exports to India, enable businesses of each country to study the other's market and business environment, streamline unnecessary and cumbersome administrative procedures, etc. We hope that India will come up with a more appropriate tariff regime to encourage Indian businesses import Vietnamese goods, especially crude oil, coal, ceramics, handicrafts, construction materials, etc. Besides efforts by our two Governments, businesses of the two countries should be more active in exploiting on our vast business potentials.

**Vietnam and India have been firm friends during the anti-colonial struggle. What new challenges will define this relationship in coming years?**

The world and regional situation have been witnessing fast and profound development. The globalisation process is an inevitable trend which brings about both positive and negative impacts to all countries in the world. In this context, India, Vietnam as well as other developing countries enjoy various opportunities for development, but, at the same time, have to face many challenges in the security, political, economic and cultural areas. In the economic field, the threat of lagging behind presents the biggest challenge to us. We both want a peaceful and stable environment in the region as well as the world which serves as a precondition for us to focus on national development. We, therefore, should work closely with each other in coping with those challenges, further consolidate and develop our fine traditional relationship, fully exploit every potential for cooperation and advance forward. Recently, the two countries have made active contribution to the South-South cooperation, made the voices of developing countries heard more loudly and defended their legitimate interests at international fora. Vietnam and India need to work closer toward building a peaceful and stable regional and international environment without causing detriment to any third party.

On the occasion of the new year, through *The Hindu*, allow me to convey my best wishes to the Indian people; May the traditional relationship of mutual attachment, trust and multi-faceted cooperation between Vietnam and India be ever developed.

THE HINDU

- 9 JAN 2001



MoUs ON TOURISM, CULTURAL EXCHANGE SIGNED

# India to assist Vietnam in nuclear research

By Amit Baruah

**HANOI, JAN. 8** India has offered to provide equipment for a nuclear science laboratory in Vietnam as part of a set of three agreements signed today, the Prime Minister, Mr. A.B. Vajpayee, said at a press conference here.

After talks with his Vietnamese counterpart, Mr. Phan Van Khai, and the President, Mr. Tran Duc Luong, Mr. Vajpayee confirmed that Indian troops had been receiving training in jungle warfare in Vietnam. "This is an ongoing programme — imparting of military training. That has been going on since very long. And there is no other cooperation in the military field."

India will supply laboratory equipment for the nuclear research institute in Dalat in southern Vietnam on a part-grant, part-purchase basis. As many as 30 Vietnamese scientists were trained at Indian facilities dealing with peaceful uses of nuclear energy, officials said. Vietnam is also interested in "concepts" relating to nuclear reactors for a future nuclear energy generation programme.

The three agreements signed in the presence of the two Prime Ministers are an MoU between India's Department of Atomic Energy and the Vietnamese Science Ministry; a protocol on cultural exchange and an agreement on tourism cooperation.

On the cooperation in the nuclear field, Mr. Vajpayee said, "science and technology, including frontier sciences, are the



The Prime Minister, Mr. A. B. Vajpayee, being presented with a bouquet by a Vietnamese girl on his arrival at the Presidential Palace in Hanoi, on Monday — PTI

backbone of a modernising society and India is pleased to assist Vietnam in this direction. I am glad cooperation in the area of peaceful uses of nuclear energy is progressing well."

A statement on the MoU on nuclear energy said its basis lay in an agreement signed in 1986, valid till May, 2002. "This MoU reviews visits of a number of Vietnamese scientists to facilities in India in the field of peaceful utilisation of

nuclear energy. Indian scientists would continue to cooperate with the Vietnamese Atomic Energy Commission on the technical and functional aspects of the Dalat Nuclear Research Institute."

Mr. Vajpayee stressed the prospects for cooperation and recalled the identification of India's liberation movement with the anti-colonial struggle of Vietnam.

In his banquet speech, the Prime Minister said he came from

a "political generation in India, which closely identified with Vietnam's struggle. What energised India's liberation movement, under the leadership of Mahatma Gandhi and Pandit Jawaharlal Nehru, and Vietnam's epic battle for independence and re-unification under the leadership of Ho Chi Minh, was the same universal ideal — namely, freedom from alien rule and exploitation."

At the press conference, Mr. Vajpayee said he had "very good discussions" with Vietnamese leaders and looked forward to cooperating with Vietnam in the context of the Association of South East Asian Nations.

"ASEAN has always been very close to us in terms of history, geography and cultural association. The Ganga-Mekong Cooperation Programme, India's dialogue partnership with ASEAN and our ARF partnership all underline our linkages. We would like to see these linkages flourish in the future in the interest of our collective security and prosperity," he said.

"I take this opportunity to once again express the appreciation and gratitude of the people of India to our friends in Vietnam, for their support of India's candidature for permanent membership of the United Nations Security Council and on various issues that command the attention of the international community. We look forward to both our countries continuing to work together in international bodies, especially on ASEAN fora."

Vietnam's support: Page 13

THE HINDU

9 JAN 2001

# Delhi help to rebuild US-hit nuclear plant

Uncle Sam  
meets  
Uncle Ho  
in discos

FROM PRANAY SHARMA

Hanoi, Jan. 8: *Apocalypse Now* is a disco now.

It started life as Francis Ford Coppola's grim Vietnam epic, in which special agent Martin Sheen is sent into the heart of Cambodian darkness to kill errant American colonel Marlon Brando. But in the Hanoi Prime Minister Atal Bihari Vajpayee is visiting currently, 'Apocalypse Now' is a happening disc — where the only thing apocalyptic is underground and trance remix, imported fresh over the Pacific.

Three decades after the war, Uncle Sam is meeting Uncle Ho everywhere in Vietnam — most eagerly in the discs.

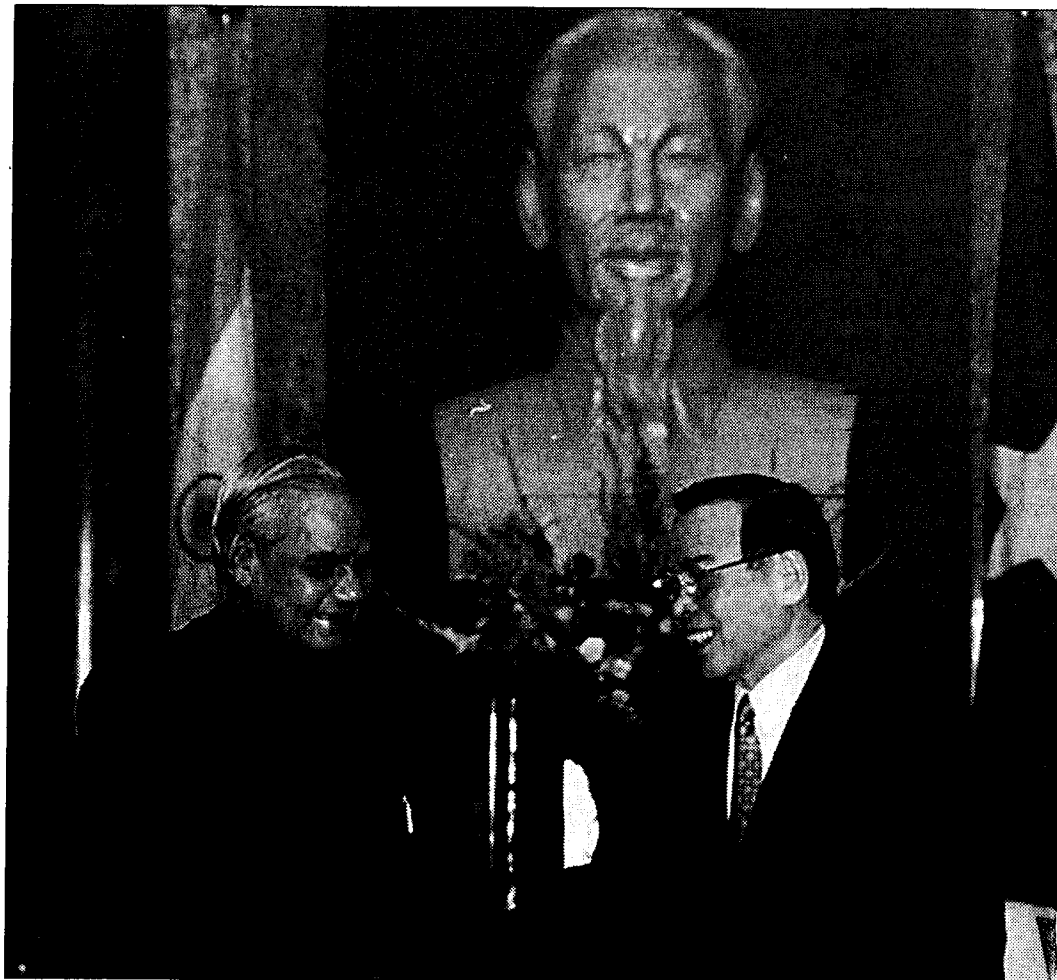
Apocalypse, after all, was then.

In the New Century disco in downtown Hanoi, the Vietnamese red flag with the gold star joins the American star and stripes on the ceiling. Under their benevolent gaze, scores of early-teen Vietnamese girls and boys sway to Iglesias Jr.

In Magic, toughies — both male and female — with half-jackets branded SECURITY watch for trouble like hawks for prey as the bold and the beautiful shake their legs and their hair, occasionally dyed platinum blonde.

The post-Ho Chi Minh Communist leadership in Hanoi is trying hard to marry two conflicting positions: the quest for foreign capital to push through economic liberalisation and maintaining the socialist structure.

Over the past decade, Vietnam has been able to normalise its relations with the US in a big way. The two sides not only restored their diplomatic ties five years ago but also managed to bring Bill Clinton over end of last year. Clinton was



Prime Minister AB Vajpayee (left) greets his Vietnamese counterpart Phan Van Khai at the welcoming ceremony in Hanoi. (Reuters)

the first serving American President to visit Vietnam.

War memorials are prominently displayed, as are the "American-killer" medals of former Viet Congs. But Hanoi has also signed a free-trade agreement with Washington which may bring an additional \$1.5 billion every year to its foreign reserves.

The main challenge before the ageing leadership in Hanoi now is striking the right balance between liberalisation and holding onto political authority.

Vietnam, according to many, is the new "Tiger" of Southeast Asia, waiting to leap out of its cage. But the impact of the landing, particularly on the political structure, remains a major worry.

The party organ — the only

newspaper in the country which is still under strict state control — continues to caution people not to deviate from socialist ideology or to forget Vietnam's glorious past.

Beijing is a role-model for Hanoi. Chinese goods — mainly the competitively-priced bikes, garments and textile products flooding its market — pose the main challenge to domestic Vietnam products.

But like Beijing, Hanoi, too, wants to pursue a liberalisation process as long as it is in the country's interest and does not pose a threat to the political structure.

"The policy of Doi Moi or economic reforms is not only to create wealth, but also to maintain

equality," says Le Dang Doanh, president of the Central Institute for Economic Management, one of the main Vietnamese think-tanks on economic issues.

Foreign investors, several Western countries and Vietnam's fellow members in the Asean are watching out for the new steps the leadership will announce at the party congress in March.

The state sector in Vietnam makes up for 42 per cent of the country's GDP and provides employment to 15 per cent of its total employment share.

Le Dang Doanh said 40 per cent of the public sectors was profit-making, while another 40 per cent was breaking even and only the remaining 20 per cent was running at a loss.

Vajpayee tells  
Vietnam of  
spontaneous joy

FROM PRANAY SHARMA

Hanoi, Jan. 8: On a day when Delhi entered into an agreement with Hanoi that could lead to the re-construction of a Vietnamese nuclear plant dismantled by the JS, Prime Minister Atal Bihari Vajpayee told the leadership in Hanoi that he comes from a generation "consumed by the cause of Vietnam".

Vajpayee and his delegation members insisted that the cooperation in the nuclear field was "only for peaceful purposes". It will entail supply of equipment for the Dalat Nuclear Plant, about 300 km from Saigon — better known now for its lush green 18-hole Golf Course rather than the nuclear research institute.

Vajpayee described science and technology as the "backbone of any modern society" and assured that India was always ready to share its expertise with friends like Vietnam. He also said that as part of defence cooperation, Indian troops were training in Vietnam in guerrilla warfare.

At a banquet organised at the Presidential Palace this evening, Vajpayee regaled his hosts with quotes from poems by Ho Chi Minh and drawing a parallel between the independence struggles of the two countries.

"What energised India's liberation movement, under the leadership of Mahatma Gandhi and Pandit Jawaharlal Nehru, and Vietnam's epic battle for independence and re-unification under the leadership of Ho Chi Minh, was the same universal ideal — freedom from alien rule," he said.

The Prime Minister added: "My generation was consumed by

the cause of Vietnam. We took it to the UN, the Non-Aligned Movement and other international fora unmindful of the consequences."

Vajpayee told the guests about the spontaneous joy on Indian streets the day in April "over 25 years ago" when Vietnamese troops entered Saigon to "complete the liberation of South Vietnam from foreign occupation".

But he stressed that all that was part of history now. Though a "stirring" episode, it was "still in the past", Vajpayee said, adding Delhi admires Hanoi now for the "rapid strides" it is making towards a future.

The Prime Minister's carefully chosen remarks indicate that though India and Vietnam share a strong historical bond, the two sides should now look for areas of cooperation which benefit both countries politically, economically and technologically.

Vietnamese Prime Minister Phan Van Khai said: "Before the solidarity between our two peoples was a key factor contributing to victories of our struggles for independence. Now cooperation between our two countries is indispensable in an era of intense economic competition."

The two countries want to get on with the present.

Vietnam is not only a ready market for Indian goods, but also provides Delhi the opportunity to consolidate strategic depth in Southeast Asia.

Hanoi, on the other hand, wants to tap India's expertise in technology. Delhi announced a Rs 100 million grant for building a software research centre in Vietnam.

10-13  
9/1

# 'India deserves membership on all S.E. Asian fora'

By Amit Baruah

**HANOI, JAN. 8.** The Vietnamese Prime Minister, Mr. Phan Van Khai, said tonight that India "deserves membership on all important economic and political forums in the (Southeast Asian) region" while reiterating its support for New Delhi's entry into the United Nations Security Council.

Mr. Khai, speaking at a banquet he hosted in honour of the visiting Prime Minister, Mr. A. B. Vajpayee, made it clear that the traditionally friendly relationship between the two countries meant that Hanoi had no hesitation in supporting India's entry into any and every regional forum.

"The Vietnamese people are proud of our great friend, India. With her great stature, India has a very important role to play in the region and the world... India today has become a scientific and technical power, especially in software technology. Building on its growing strength in all fields and high sense of responsibility in international affairs, India will make a greater contribution to peace, stability, cooperation and development in the world."

Referring to the ancient contacts between the two nations, Mr. Khai mentioned the friendship between Ho Chi Minh and Jawaharlal Nehru, first foreign leader to visit Vietnam after the French defeat in Dien Bien Phu in 1954.

"Since then, along the difficult path of our struggle for national liberation and reunification and the current phase of national building and defence, we always have India as our close and faithful friend... that friendship will be forever strengthened and flourish in the new millennium," Mr. Khai said.

The two countries enjoyed excellent political ties and well-established mechanisms for cooperation "all of which constitute the foundation for deeper and more efficient bilateral cooperation".

In his speech, Mr. Vajpayee said he vividly recalled the "expression of spontaneous joy" that erupted in Indian cities when Vietnamese troops entered Saigon 25 years ago. "All this is now history. A stirring history, but still it is the



**The Prime Minister, Mr. A.B. Vajpayee, with his Vietnamese counterpart, Mr. Phan Van Khai, in Hanoi on Monday. — PTI**

past. We are full of admiration for Vietnam's rapid strides towards a bright future."

"Today, the international situation has changed. A globalising world and the information technology revolution have transformed the world economic scene. Building on the history of traditional friendship... India and Vietnam should today renew and revitalise our bilateral relations in consonance with current realities," Mr. Vajpayee said at the banquet.

"What our two countries need to do is to identify and exploit more fully the synergies that our new conditions have created... we have much to offer each other, more economically and with more appropriate technologies. We should dispel the awareness gap that seems to exist in the business community and even among the Government officials in each country about the capabilities and successes of the other," the Prime Minister said.

Mr. Vajpayee made it clear that India supported the consistent support Vietnam had extended on issues of mutual concern at international fora. "We share a common determination to strengthen the Non-Aligned Movement.

We also share a similarity of views on the need to reform and strengthen the UN and its Security Council." "History and geography have willed us to become strategic partners in the new century to promote peace, stability, security and sustainable cooperation among countries in Asia," he added.

At the joint press conference, Mr. Vajpayee announced that apart from the \$5 million credit offered in December 1999 to set up two centres for software and human resource development in Vietnam, India had added a Rs. 100-million grant for a software and training centre.

THE HINDU

9 JAN 2001

# India has minuscule presence in Vietnam

By Manoj Joshi

HANOI: The two may share close political ties and an 'identity' of views on a range of global issues, but culturally India and Vietnam are far apart. It is clear that Vietnam lies beyond the pale of the Indian cultural region in South-East Asia. One benchmark is the fact that there are just two Indian restaurants in this city of four million: Khazana and Tandoor. Indian films are unheard of. Though some Hindi cable channels are available, the predominant filmy influence is that of China and Hong Kong.

According to Indian embassy officials, just about 350 Indians live in this country, the bulk of them in Ho Chi Minh City, formerly known as Saigon. Hanoi boasts just 20-25 families, including those of Indian diplomats. Given its penchant for business and commerce, Ho Chi Minh City is seen as this country's Mumbai, but Hanoi is primarily all about government, and of course, the all-powerful Communist Party that runs the government.

Among the more popular Indian standard-bearers here is Z.N. Patil, who is with the Institute for International Relations. Prof Patil, an

English teacher on deputation from the Hyderabad-based Central Institute for English and Foreign Languages, has been here 18 months and has, according to one of his young Vietnamese students, become quite native.

According to Prof Patil, the Vietnamese are very keen on learning English and he has been sent here through the ministry of external affairs' Indian Technical and Economic Cooperation (ITEC) programme to help them. At his institute, Vietnamese students graduate to take up careers in Vietnam's ministries of external affairs, finance or in the private sector.

India extends considerable assistance to Vietnam under ITEC and offers some 110 slots to Vietnamese stu-

dents every year for training in a variety of fields like agriculture, fisheries, animal husbandry, management, foreign trade, science and technology, mass communications and so on. But if there is one thing

## India, Vietnam sign 3 protocols

By Manoj Joshi

**HANOI: India and Vietnam signed three protocols on Monday to mark the visit of Prime Minister Vajpayee. The first was on co-operation in the peaceful uses of atomic energy, the second on promoting cultural exchanges, and the third on promoting tourism.**

**The pact on co-operation in nuclear research was signed by Anil Kakodkar of the department of atomic energy and Pham Khoi Nguyen, vice-minister in the science and technology ministry of Vietnam. The MoU is an extension of an earlier agreement on co-operation on the peaceful uses of nuclear energy. It focuses on providing training for Vietnamese scientists.**

that the Vietnamese want even more of, it is English teachers. So far, Prof Patil is the only teacher on this programme, but the Vietnamese are seeking more.

One major manifestation of the Indian presence is the numerous representatives of pharmaceutical companies. All the big names are here: Ranbaxy, Dr Reddy's and so on. According to Ajay H. Panot of Raptakos, Brett & Co,

"Business is good and the future is very promising." Having set up office here 10 years ago, Mr Panot says he has sales of the order of \$1.7 million per annum, mainly on digestive enzymes and medicines for peptic ulcers. So far, none of them have established manufacturing bases here, but it is learnt that Ranbaxy is likely to start a plant for the production of antibiotics soon.

Another major, albeit traditional, area of investment is sugar refining. There are four companies with sugar plants across the country such as Rajshree Sugars and Chemicals, KCP Vietnam Ltd, Nagarjuna International and Dhampur Sugar Mills. The most recent joint venture is that of Godrej, which has a \$6 million project in Ho Chi Minh City to manufacture its brand of office furniture.

"Given the goodwill that India has," says an Indian expatriate, "our investment is minuscule." But, he hopes that once the Vietnamese economy starts taking off, Indian investment will grow at a faster pace. Currently, according to Prof Le Dang Doanh of the Central Institute of Economic Management, an independent think-tank, the major investors are Singapore, Taiwan, Japan, Korea and Hong Kong.

THE TIMES OF INDIA

9 JAN 2001

## Three deals on Day 1 of PM visit

UNITED NEWS OF INDIA

HANOI, Jan. 8. — Prime Minister Atal Behari Vajpayee today offered all round assistance to Vietnam's economic renovation and urged it to be a strategic partner in promoting peace and stability in Asia.

Three important agreements on tourism, culture and peaceful uses of nuclear energy were signed between the two countries today. Mr Vajpayee said various MoUs will be signed between business representatives at the joint business meeting tomorrow.

The Prime Minister invited Vietnam to jointly exploit the synergies created by globalisation but warned it not to fall into the trap of seeking assistance and services from the developed world.

Mr Vajpayee said India and Vietnam should renew and revitalise their bilateral relations in consonance with current realities. "The common goal today is rapid economic progress for all our people, with social justice," he said.

He thanked Vietnam for supporting India's claim to the permanent membership of the Security Council.

At a banquet hosted by Vietnamese Prime Minister Mr Phan Van Khai, Mr Vajpayee sought Vietnam's assistance to strengthen India's bond with Asean, the standing committee of which is headed by Vietnam.

He said India has offered considerable assistance to Vietnam in the areas of petroleum products, agriculture, information technology and peaceful uses of atomic energy.

India, now a world leader in IT, had offered a grant of Rs 10 crore to Vietnam to set up a software development and training centre. This is in addition to the credit of \$5 million extended earlier.

THE STATESMAN

9 JAN 2001

## Vietnam training Indian troops in jungle warfare

Jay Raina  
Hanoi, January 8

PRIME MINISTER Atal Bihari Vajpayee cryptically told a questioner here today that Indian troops are being trained in jungle warfare in Vietnam.

At a media conference that he jointly addressed with his Vietnamese counterpart, Phan Van Khai, Mr Vajpayee stated that the training was part of an ongoing programme.

Mr Vajpayee, however, refused to comment any further on the subject.

India and Vietnam signed three agreements on the extension of the cultural exchange programme, utilisation of atomic energy for peaceful purposes and greater co-operation in travel and tourism.

Detailed report on page 13

THE TELEGRAPH

9 JAN 2001

'INDIAN LOOK-EAST POLICY WILL REAFFIRM CLOSENESS OF OUR RELATIONS'

# PM push to terror fight in Asia

PRESS TRUST OF INDIA

HANOI/NEW DELHI, Jan. 7. — The Prime Minister today arrived in Hanoi with a message for Asian neighbours to fight international terrorism together and work for a strong security "architecture".

"A pressing imperative for Asian states is to work in concert against international terrorism, towards elimination of nuclear weapons and for a strong security architecture. We feel that India and Vietnam are strong allies in this," Mr AB Vajpayee told Vietnam News Agency in New Delhi hours before boarding his flight.

Mr Vajpayee begins the first leg of his week-long tour of Vietnam and Indonesia seeking to provide a major push to India's "look east" policy.

He was received by Vietnam's science and technology minister Chu Tuan Nha at Hanoi airport. This is the first visit to Vietnam by an Indian Prime Minister in six years.

Mr Vajpayee would be accorded a ceremonial reception at the presidential palace to-



Mr Atal Behari Vajpayee on his arrival at the Hanoi airport on Sunday. — PTI

row before getting down to wide-ranging discussions on regional, international and bilateral issues with Vietnamese Premier Phan Van Khai.

Mr Vajpayee will also meet President Tran Duc Luong and the Communist Party secretary, General Le Kha Phieu.

Several bilateral agreements, many of them on agriculture, education and culture, are likely to be signed during the visit.

Setting the broad parameters of his visit, the Prime Minister,

just before boarding his plane, said in a statement in New Delhi that "my visit, which is a part of India's look-east policy, would reaffirm the closeness of our relations at the highest political level."

He said New Delhi's friendly relations with Hanoi and Jakarta were rooted in the strong civilisational and cultural ties between India and South-east Asia going back thousands of years.

"We're also closely cooperating

with them in international and regional fora, including Asean."

Stating that a multipolar global structure had "not yet emerged" after the Cold War, Mr Vajpayee said: "The opportunity for significant progress on nuclear disarmament has also been frittered away."

He sought diversification of the trade basket between India and Vietnam to raise the bilateral trade figure to \$ 500 million from the current \$ 140 million.

THE STATESMAN

8 JAN 2001

PM IN S.E.ASIA / CONTINUING LOOK EAST POLICY

# India must set its own goals

By Amit Baruah

**HANOI, JAN. 7.** When Mr. Atal Behari Vajpayee arrived here this evening, he became the first Indian Prime Minister since Mr. P.V. Narasimha Rao in 1995 to visit Southeast Asia.

Mr. Vajpayee's week-long, two-nation tour, which takes him to Indonesia as well, will see the usual high-level meetings and ceremonies that go along with a prime ministerial visit.

It hardly comes as a surprise that Prime Minister-level visits from India have been suspended for over five years given New Delhi's frequently changing chief executives and the 1997-98 economic crisis in the region. For Southeast Asia and India, this suspension of contacts has taken place at a time of furious change in bilateral, regional and global realities.

India's new diplomatic tango with the United States has been noted in the region as were the nuclear tests of May 1998, planned and conducted by Mr. Vajpayee's Government.

As the ASEAN region stumbled out of the 1997-98 crisis, it is nowhere near the growth rates achieved in previous years, causing leaders from the grouping to speak of it as a sunset organisation.

Indochina nations such as Vietnam, Laos and Cambodia, once seen by other ASEAN neighbours as problem children, are today part and parcel of the Association of South East Asian Nations. Vietnam is the current chairman of the ASEAN Standing Committee.

Mr. Vajpayee, as Morarji Desai's Foreign

Minister, was visiting Beijing in February 1979 when China walked into Vietnam. In protest against the Chinese invasion, the Minister cut short his visit maintaining that Beijing's action was intended to sabotage Indo-Vietnam ties.

A lot of water has since flown down the Mekong and the Ganga. Last month, the Vietnamese President, Mr. Tran Duc Luong, paid a historic visit to China and the two countries have delineated their land border and the waters of the Gulf of Tonkin. The disputed Spratleys in the South China Sea are also being discussed by the two countries. Trade between China and Vietnam, who normalised their relations only in 1991, was well over the \$2 billion mark this year.

As the Vietnam-China equation develops, India too will do well to place its own interests first in Southeast Asia. Vietnam, for instance, wants to accelerate its goal of "diplomacy serving economic development" in 2001.

India, too must set its own goals in Southeast Asia. New Delhi's "Look East" policy is still to take off. Ironically enough, Indian business is almost absent in a country such as Vietnam even though India and Indians are welcome here.

Mr. Vajpayee's visit will also take him to Indonesia, which has been described in the past as the "other regional influential". Unfortunately, Indonesia is domestically engaged. Its politics and democracy continues to unravel two years after the dictator Gen. Suharto was forced to step down.

It would, however, be wrong on India's part

to focus on Indonesia's crises alone since New Delhi has several home-grown ones to deal with. India, for better or for worse, can best appreciate the problems of Indonesian democracy. It needs a forward policy of engagement with Vietnam and Indonesia, one which will actively encourage business, travel and people-to-people contact.

Since Rajiv Gandhi in 1986, no Prime Minister has paid a visit to Indonesia. Mr. Vajpayee would have met the Indonesian President, Mr. Abdurrahman Wahid twice in a year — the cleric-leader having visited India early last year.

The last thing India needs in a region, which it is still to discover or fathom fully, is to be drawn in Asia as a strategic competitor. India's interests in the Indian Ocean are well known. It has no territorial problems with any Southeast Asian country. It should plan on keeping things that way as trade and commercial links with the region are forged.

For instance, India has hardly built up on relations with Malaysia (which publicly supported India in the 1965 war against Pakistan). If the "Look East" policy is to yield something, India, through its emerging economic clout and strategic stability, should be able to compel Southeast Asia to "look west".

India's cultural footprints in Southeast Asia came about through trade and religious contact, not a show of power. History, as they say, is a great teacher.

THE HINDU

8 JAN 2001



# S.E. Asia tour reaffirms close ties: Vajpayee

By Amit Baruah

119-1 811  
HANOI, JAN. 7. The Prime Minister, Mr. A.B. Vajpayee, today said that his visit to Vietnam and Indonesia was part of the "Look East" policy and would "reaffirm the closeness of our relations at the highest political level".

Mr. Vajpayee was met at Noi Bai airport here this evening by the Vietnamese Minister for Science and Technology, Mr. Chu Toan Nha, and the Vice-Minister for Foreign Affairs, Mr. Le Cong Thung. He will be formally received at the Presidential Palace tomorrow morning.

In a statement on his Southeast Asia tour, the Prime Minister, who will call on the Vietnamese President, Mr. Tran Duc Luong, and hold talks with the Prime Minister, Mr. Phan Van Khai, and the Vietnamese Communist Party general secretary, Mr. Le Kha Phieu, said India enjoyed "close and friendly" relations with both Vietnam and Indonesia.

"These relations are rooted in the strong civilisational and cultural linkages between India and Southeast Asia going back thousands of years. We are also closely

cooperating with them in international and regional fora, including ASEAN... some agreements are also expected to be signed there to infuse new content into India's ties with Vietnam and Indonesia," the Prime Minister said.

Mr. Vajpayee said he would discuss a range of bilateral and regional issues with Vietnamese leaders. Referring to the visit by the Vietnamese President in December 1999, and the November tour of the External Affairs Minister, Mr. Jaswant Singh, to Vietnam, the Prime Minister said these "indicate a continuity of our relations in different areas".

On Indonesia, he said the Indonesian President, Mr. Abdurrahman Wahid's visit to India last year had provided an opportunity to renew bilateral relations and "exchange views on the emerging developments in our region".

"Indonesia is a close neighbour of ours separated by less than a hundred kilometre stretch of sea. During my visit to Jakarta, I would continue the process of dialogue initiated during President Wahid's visit," said.

India must set its goals: Page 14

THE HINDU

8 JAN 2001

# Vajpayee breaks Vietnam business ice

FROM PRANAY SHARMA

**Hanoi, Jan. 7:** After dithering for years and watching the proceedings from the sidelines, India appears to have decided to move into Vietnam — which, according to many experts, is emerging as the Tiger economy of Southeast Asia.

Prime Minister Atal Bihari Vajpayee arrived here this afternoon with a large delegation to consolidate Delhi-Hanoi relations. Taking advantage of strong historical links with Vietnam, the Prime Minister aims to forge ties at the highest political level. He will urge his officials to look for areas where the two countries can cooperate closely.

Vietnam's economy is growing

at 6.7 per cent — much beyond the official target of 5.8 per cent — and is likely to pick up further in the next few years. With few opportunities left for investing in South Asia and the threat of Chinese economic invasion increasing in the region, Delhi is left with few options but to move into Southeast Asia in a big way. It realises any delay may be a costly mistake.

Vajpayee is the first Indian Prime Minister in six years to come to Vietnam, which indicates Delhi's past reluctance to maintain the "historical links" with an ally like Vietnam.

P. V. Narasimha Rao, then Prime Minister, came here in September 1994 when Delhi was still "re-discovering" Southeast Asia,

but after that enthusiasm ebbed. Vietnam is part of Vajpayee's week-long travel to Southeast Asia. The second leg of his visit will take him to Indonesia — another important country in the region — and help in sending a signal to strengthen ties between India and Southeast Asian nations in general, both politically and economically.

In a statement before leaving Delhi, Vajpayee said: "India has enjoyed traditionally close and friendly relations with both these countries. These relations are rooted in the strong civilisational and cultural links between India and Southeast Asia, going back thousands of years."

Vajpayee maintained that his

visit to these countries which is part of India's "Look East Policy" would "reaffirm the closeness of our relations at the highest political level".

At the Hanoi airport the Prime Minister was received by Chu Toan Nha, the Vietnamese minister of science and technology and environment and junior foreign minister Le Cong Thung. Traditionally, the Vietnamese do not accord ceremonial reception on arrival. Vajpayee will have to wait till tomorrow morning when he will be received at the Presidential Palace by Vietnamese President Tran Duc Luong and other senior members of his government and the ruling Communist party.

Officials pointed out that even

American President Bill Clinton was denied a ceremonial welcome at the airport when he came here last year.

The serious political level talks between the two sides will begin tomorrow when Vajpayee will meet Tran. "We would discuss a range of bilateral and global issues of mutual concerns with the leaders in Vietnam," Vajpayee said.

A number of agreements are also likely to be signed during his stay here in natural-gas exploration and extraction of crude petroleum, cooperation in information technology, defence, agriculture and tourism and culture. A banquet in Vajpayee's honour will also be hosted tomorrow evening by the Vietnamese President.

India's "Look East Policy" began in 1991 when Rao as Prime Minister took the initiative of stressing on Southeast Asia — in those days the booming Tiger economy — and began engagement with key members of the region. Though initially many of the countries were interested in investing in India, Delhi's babudom scared them off.

It was a major boost to India's efforts when in 1996 it became a full member of the high-profile security outfit, Asean Regional Forum. But since within a year the economic meltdown in Southeast Asia found the Asian Tigers on their knees, Delhi felt it was prudent to wait for a while before seriously committing itself.

THE TELEGRAPH

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# In Vietnam, PM means business

M. K. Tikku  
New Delhi, January 6

THOUGH THE Prime Minister's three-day visit to Vietnam, beginning tomorrow, will focus on economic cooperation, the two sides are also expected to deliberate on the slow implementation of agreements arrived at earlier.

The Vietnamese are seeking to enlarge Indian assistance in setting up of atomic power plants and peaceful use of nuclear energy. Agreements on cooperation in science and technology, Mekong Ganga project and tourism are also expected to be signed. A FICCI delegation accompanying the Prime Minister is also expected to come up with some concrete investment plans. During his last

trip to New Delhi, the Vietnamese president had urged the Indian industry to invest but nothing much has happened ever since.

The Oil and Natural Gas Commission's (ONGC) 230 million dollar project so far is the biggest Indian investment in Vietnam.

It also happens to be the most ambitious overseas commitment made by the ONGC. It includes developing an offshore gas field with an expected yield of about three trillion cubic meters.

Price and pace, the Vietnamese complain, are the two major hurdles in trade relations with India. They find Indian products simply too expensive and the pace of decision making too slow. For instance, very little progress has been made

with regard to a proposal seeking Vietnamese assistance in jungle warfare for anti-insurgency operations.

The Vietnamese wanted to buy some helicopters from India but the same were provided on a lower price by Russia and Ukraine.

They same happened with locomotives. Germany clinched the deal with a more competitive offer backed by a suitable credit line.

Earlier, Vietnam had wanted to buy a naval ship but Australia offered the same several million dollars cheap. Analysts, however, believe that the Australian price could not have worked out that cheap and had been lowered deliberately to enter into a defence equipment deal with this Pacific-rim nation.

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