

Chokila hands over PM's letter to Koizumi

J. Chokila
A.B. Vajpayee
Mr. J. Koizumi *RD-11*
2/11

NEW DELHI, NOV. 20. The Foreign Secretary, Ms. Chokila Iyer, today handed over the letter of the Prime Minister, Mr. A.B. Vajpayee, to his Japanese counterpart, Mr. Junichiro Koizumi. The letter highlights the developments in Afghanistan as well as the importance of Indo-Japanese bilateral relations.

The letter was handed over to the Japanese Foreign Minister, Mr. Makiko Tanaka, by Ms. Iyer during a meeting in Tokyo. Ms. Iyer, who is on a two-day official visit to Japan to prepare the agenda for the Prime Minister's visit to that country from December seven to 11, met Mr. Tanaka, her Japanese counterpart, and several other dignitaries and discussed with them bilateral relations, developments in the region and the fight against terrorism.

There was broad agreement between the two sides on the contours of a post-conflict situation in Afghanistan and a government which would be broad-based, multi-ethnic and representative. It was agreed that the international community, in cooperation with the Afghans should ensure that Afghanistan was no longer a hotbed of terrorism. — UNI

THE HINDU

21 NOV 2001

Kabul the common ground for our ties: Delhi to Tokyo

■ India willing to back Japan in rebuilding Afghanistan

ARATI R. JERATH
TOKYO, DECEMBER 11

PRIME Minister Atal Behari Vajpayee today hinted at a possible Indo-Japanese axis on Afghanistan which would be built on an economic foundation but with important strategic implications for the region.

Addressing a press conference, shortly before winding up his day visit here with an audience with the Japanese Emperor, Vajpayee emphasised that India and Japan share identical views on Afghanistan. This, he added, would be a good basis to build a partnership in the region.

He said he had urged his counterpart Junichiro Koizumi to make Japan one of the largest investors in the reconstruction and rehabilitation programmes for Afghanistan. India, he said, would be a willing partner to Japan in this.

With other nations — including Pakistan and China — eager to jump in as well, an Indo-Japanese joint effort will be an important interest block from which New Delhi hopes to draw strength to bolster its position on its security concerns vis-a-vis both Pakistan and China.



Vajpayee acknowledged that he and Koizumi did discuss Kashmir; Japan, he said, understood India's position that a conducive atmosphere is necessary for talks to resume with Pakistan.

He said he reiterated that Pakistan should not obstruct the electoral process coming up in Jammu and Kashmir next year. These elections will be an important instrument for the people of the state to express themselves peacefully and freely, he told the Japanese PM.

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INDIAN EXPRESS

12 DEC 2001

12 DEC 2001

PM ends Japan visit on winning note

Vir Sanghvi
Tokyo, December 11

PRIME MINISTER Atal Bihari Vajpayee concluded his state visit to Japan with a lunch in his honour hosted by the Emperor. Before lunch, the two men had a private meeting at which the Emperor spoke Japanese and Vajpayee spoke Hindi — unusually for an Indian Prime Minister, most of whom persist with English which the Japanese don't speak anyway.

The Indian delegation leaves in a triumphant mood, having persuaded the Japanese to issue a joint declaration in which they more or less accepted the Indian position on the nuclear question.

Earlier, the Indian side had threatened to abandon the statement (or declaration) if Japan insisted on using tough language on the nuclear issue to please a domestic political constituency.

While the declaration contains nothing earth-shaking in



Japanese Emperor Akihito welcomes Prime Minister Atal Bihari Vajpayee at the Imperial Palace in Tokyo on Tuesday.

its wording, what is significant and new is the attention being paid to India by Japanese politicians and businessmen.

There are three reasons for this. One: Japan sees India as a means of countering Chinese

influence in the region. Two: Japanese foreign policy takes its lead from Washington. The improved relationship between India and the US has been reflected in India-Japan ties. And three: as its economy slides further into

recession, Japan sees potential in the Indian market.

At a Press conference this morning, Vajpayee announced that India and Japan had agreed to organise "regular interactions" between our Foreign Ministers, Defence Ministers, Finance Ministers and Ministers dealing with economic matters.

Vajpayee had already assured Japanese businessmen that he would reduce red tape in India and at his Press conference he mentioned his "determination to address the procedural, administrative and legal obstacles experienced by Japanese investors."

A Japanese economic team will visit New Delhi early next year and officials are certain that the level of Japanese foreign investment in India will go up.

The Japanese Prime Minister has also invited India to participate in an international conference on Afghanistan scheduled to be held in Tokyo in January.

THE HINDUSTAN TIMES

1 2 DEC 2001

Symbolism in Tokyo

IN A context when economic indicators are registering a general slowdown and recession is in the air, it may not be correct to expect major investment decisions. The Japanese economy has not been performing to its full potential and an over five per cent unemployment rate is viewed in Tokyo as worrying. Obvious limitations were thus placed on what one could expect out of Prime Minister Atal Bihari Vajpayee's three-day visit to Japan. Surely, with the disinvestment minister as part of the prime minister's delegation, the Japanese must have been provided an encouraging picture about the progress of the reforms and the scope for enlarging Japanese investments in India. The delegation must have also clarified whatever misgivings Japanese investors may have vis-à-vis an interactive relationship with India.

In the circumstances, the outcome has to be counted with symbolism as an essential part of the exercise. And it was there all the way from the prime minister's mandatory visit to Renkoji Temple to the small print of the 11-page joint declaration. The declaration, issued after hectic rounds of confabulations, affirmed the two governments' resolve

to work for the promotion of stability and prosperity in Asia. Not surprisingly, the major headline to emanate out of Tokyo during the talks was regarding the concurrence of views on the dangerous dimensions of global terrorism.

However, a certain thaw in relations between the two countries which had chilled following the May 1998 nuclear tests at Pokhran was long overdue. Though the prime minister's visit had been on the cards for about a year, the post-September 11 situation has added an element of urgency to its agenda. It is really odd that two of Asia's largest economies — one in terms of its size and another for its clout — should continue to be so disconnected. True, as this round of talks in Tokyo confirmed, the nuclear issue and CTBT continue to remain major sticking points. These are issues on which the two governments have established positions, and the differences remain somewhat basic. But this should no longer be an obstacle in the way of productive interactions in the crucial spheres of economics and regional development. To the extent Mr Vajpayee's visit helped clear the air on these crucial issues, it may still be counted as well worth the exercise.

WEDNESDAY, DECEMBER 12, 2001

AN INDO-JAPAN CORE AGENDA

INDIA AND JAPAN seem inclined to evolve a core agenda of cooperation in the specific context of their search for a "global partnership". While the core agenda itself may span the possibilities of new economic linkages, a "comprehensive security dialogue" will determine the spirit of bilateral cooperation. These and other related aspects are discernible in the fine print of the Joint Declaration that the Japanese Prime Minister, Mr. Junichiro Koizumi, and his Indian counterpart, Mr. Atal Behari Vajpayee, issued at the conclusion of their summit in Tokyo on Monday. Their meeting was a sequel to the talks that the previous Japanese Prime Minister, Mr. Yoshiro Mori, held with Mr. Vajpayee in New Delhi in August last year with the stated objective of setting the bilateral relationship on a new course for the 21st century. The latest meeting between Mr. Koizumi and Mr. Vajpayee, a noticeably friendly exercise in public diplomacy, was preceded by Japan's decision to suspend the "economic measures", a euphemism for sanctions, which Tokyo imposed on India in the context of its nuclear weaponisation tests in 1998. In a definitive sense, the circumstances of Japan's move in October this year to roll back those sanctions had much to do with the politics of an emerging global environment in which India and the U.S. made common cause in the anti-terror 'campaign'. Not insignificantly, therefore, Tokyo threatened to reimpose the original sanctions in the event of any fresh testing of atomic arms by India. Yet, with India now appearing to have come to terms with Mr. Koizumi's plainspeak about the waiver of those sanctions, Mr. Vajpayee has chosen the present moment to express an appreciation of Tokyo's recent gesture of goodwill. The language of the latest Joint Declaration indicates that India and Japan are indeed hopeful of a new spring in bilateral ties in the wake of a so-called nuclear winter that has gone by.

Official India reckons that vibrant economic interactions and a certain degree of strategic convergence will set the parameters for a viable relationship with Japan in the present international climate of unusual uncertainties. Tokyo, on the other hand, is of the view that the economic opportunities and the geostrategic compulsions of both India and Japan in facing the present global challenges might shape a new bilateral paradigm of mutual benefit. An objective reality that must be underlined is that the Indo-Japanese relationship can be stabilised only if the residual sensitivities of the two sides about the nuclear issue and other related matters are addressed in a mutually acceptable way.

India - G. B. S. M. N.

It is a good sign, therefore, that the Joint Declaration seeks to institutionalise the intended bilateral exchanges at the echelons of Ministers for foreign affairs, finance and defence on a regular basis. In a broad sweep, the security dialogue will cover counter-terrorism issues as well, not to mention maritime safety for the purposes of energy supplies to Japan from West Asia and the like. However, Japan's basic objective in formulating the catch-all proposition is to engage India in a sustainable fashion on global issues of disarmament, non-proliferation of the weapons of mass destruction, missile technology and the like. The studied accent on Japan's "global partnership" with India is shorthand for such activities aimed at evolving a common stand in the context of their separate aspirations for permanent seats in the United Nations Security Council. In a sense, the "global partnership" can be buttressed by a strong bilateral economic linkage. The two leaders have identified complementarities in the information technology sector, while Japan recognises India as the last major frontier for foreign investments in such other fields as infrastructure.

THE HINDU

12 DEC 2001

The Prime Minister, Mr. A.B. Vajpayee, paying homage to Netaji Subhash Chandra Bose at the Renkoji temple in Tokyo on Sunday. — Reuters (Report on Page 11)

India, Japan can change face of Asia: Vajpayee

By Neena Vyas

HPD-1
12/12

TOKYO, DEC. 9. Japan is interested in cooperating with India in the information technology sector. Indications to this effect came through during a lengthy interaction between the Minister for Disinvestment, Mr. Arun Shourie, and top Japanese business and eminent persons here this afternoon.

Significantly, the Prime Minister, Mr. Atal Behari Vajpayee, joined the discussions for over an hour, and assured the Japanese that India would ensure a congenial business atmosphere for them.

Mr. Vajpayee's message was that stronger ties between India and Japan would make for stronger political ties. New Delhi and Tokyo could together change the face of Asia and play a global role.

Mr. Vajpayee was, perhaps, hinting at the new possibilities of bilateral cooperation in the area of security but it will become clear only when the joint declaration is signed by him and his Japanese counterpart tomorrow.

Among those who were present at the interaction were Mr. Yoshimi Ishikawa, a noted opinion maker and strong supporter of Indo-Japan relations (he later appeared at a briefing for the Indian media by Mr. Shourie), Mr. Yuji Inoue, senior director, NTT Data Corporation — largest system integration company

India - 5 Asia
in the world — Mr. Akinobu Kanagusi, director of NEC, one of the five largest electronic giants of Japan, and Mr. Toru Arakawa, president, Access, fastest growing IT company in Japan.

At what was reportedly a frank exchange of views at the meeting that lasted 90 minutes, Japan did have some reservations. Mr. Ishikawa said later that the lack of people-to-people contact between India and Japan and language and cultural barriers played a major role in the reluctance of the Japanese companies to venture into India.

Increase in tourism would help break these barriers. That, in turn, would lead to stronger economic ties, as in the case of China. Despite historical and political problems between Japan and China, the ordinary Japanese trusted the Chinese and that was important. Tomorrow, Mr. Vajpayee will be given a ceremonial welcome at Akasaka Palace and official talks will begin.

Reports suggest that the joint declaration could make some interesting formulations on the nuclear issue to suggest that this main irritant between India and Japan could finally be buried.

What this visit seeks to achieve is demonstrate the political determination in both countries to go ahead and forge stronger, mutually beneficial ties.

THE HINDU

10 DEC 2001

India & Japan sign pact against terror

CL Manoj in Tokyo

Dec. 10. — India and Japan today vowed to strengthen economic relations with special focus on private sector, jointly fight against global terrorism and the countries which “provide support, sustenance and safe haven” to ultras, continue with military-to-military consultations and campaign for induction of new members into the UN Security Council. A joint declaration to this effect was issued at the end of the Tokyo summit talks between Mr Atal Behari Vajpayee and Mr Junichiro Koizumi.

The talks were held this evening at the Japanese Prime Minister's residence. The declaration, in a way, reflects a give-and-take policy. India could showcase it as a move forward in its campaign against terrorism, with the indirect reference to Pakistan, which “provides support and haven to terrorists”.

Japan has succeeded in committing India to move steadily on deeper economic reforms and work on building a “national consensus on signing CTBT.”

Both countries would be happy to go ahead with military cooperation and strive for their inclusion into the UN council.

Speaking at the banquet Mr Koizumi hosted for him, Mr Vajpayee underlined India's keenness to send a message to the world that it's determined to move rap-

idly with reforms.

Later, the minister of state for external affairs, Mr Omar Abdullah, said the terrorism issue was extensively discussed during the talks between the two leaders. Both sides had said there's no place for

Sartorial trouble

TOKYO, Dec. 10. — Mr Atal Behari Vajpayee had to abandon his plans to dress in traditional Japanese attire for a banquet tonight hosted by Mr Junichiro Koizumi, at the last moment. The PM had with him a Japanese sleeveless jacket, stitched for the occasion, but he failed to fit into it! After some game attempts to squeeze in, he gave up and went to the banquet wearing a formal *bandgullah* suit instead.

In keeping with this traditional motif, Mr Vajpayee at his meeting with the Japanese emperor tomorrow is expected to present a *navratan* necklace to the crown prince's new-born daughter, Aika, said Mr Omar Abdullah. — SNS

any country which harbours terrorists on its land while pretending to fight against global terrorism. Mr Abdullah said Pakistan's role in the Afghan issue and its support to Kashmir militants figured prominently in the talks.

Mr Vajpayee said India is always prepared to hold a dialogue with

Pakistan and discuss Kashmir, Mr Abdullah said. But, Mr Vajpayee said, Kashmir can't be the focal point of discussion and it's Islamabad's responsibility to create a “conducive atmosphere.”

Both countries agreed to hold foreign minister-level meetings every year and are keen on more interactions between their defence and finance ministers.

They also decided to organise more exchange programmes in the areas of culture, education and science and technology. India will set up India Cultural Centre in Tokyo.

The declaration said both sides felt “India's continuing economic reforms, Japan's recovery through structural reform and the existing complementarities between the two economies, will provide a solid foundation for further enhancing their economic relations.” It's necessary to reduce impediments to bilateral trade and investment and encourage economic growth with due consideration to environmental preservation, it said.

Mr Abdullah said it would be in India's interest to carry out more structural reforms. He didn't think the Japanese side was making these a pre-condition for investments.

Before the summit, Mr Vajpayee spoke to representatives of various Japanese industrialists, assuring them of India's commitment to move ahead with reforms and urged them to invest more in India.

DIFFERENCES OVER N-ISSUES SIDE-STEPPED

HD-1

11/12

India, Japan vow to fight global terrorism

India
6:58 AM
11/12

By Neena Vyas

TOKYO, DEC 10. India and Japan have smartly side-stepped their differences on nuclear issues to put them firmly behind and look forward to taking bilateral relations to a qualitative new level that will mean the continuation of a comprehensive dialogue, covering all security-related issues and the forging of a new trust at the political level.

The 11-page Joint Declaration which came at the end of today's hectic round of meeting was more than just positive. It talked about India and Japan working together for stability and prosperity in Asia, regularly exchanging views in all security-related matters, increasing military-to-military contacts, and more important, working for the total elimination of terrorism in all regions, while extending the fight against terrorism to those who provide support and sustenance and safe haven to terrorists.

Although neither Kashmir nor Pakistan was mentioned, the for-



The Prime Minister, Mr. Atal Behari Vajpayee, with his Japanese counterpart, Mr. Junichiro Koizumi, in an Indian traditional outfit, 'band gala', at the latter's residence in Tokyo on Monday. — AFP

mulation in the declaration made it clear that India's point of view had been adequately reflected. Importantly, it talked about strengthening the international

legal framework against terrorism. The declaration spelt out the intent of the two countries to promote exchanges in defence and institutionalise the recently-started dialogue on security matters by a commitment to an annual dialogue at an appropriate high level.

The sticky points related to the Comprehensive Test Ban Treaty and non-proliferation of nuclear weapons were circumvented. India would continue to try for a national consensus on the CTBT even as it would not stand in the way of the entry-into-force clause of that treaty.

It would also continue its unilateral moratorium on nuclear testing while committing itself to implement export control.

On non-proliferation, it was emphasised that both sides would continue to make efforts to prevent the proliferation of weapons of mass destruction. The two countries also wanted negotiations for a treaty to ban the production of fissile material.

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THE HINDU

11 DEC 2001

Hopes of spurt in Japanese investment

Hopes of spurt in Japanese investment

11/12

By Neena Vyas

TOKYO, DEC. 10. The Japan visit of the Prime Minister, Mr. Atal Behari Vajpayee, has generated great expectations of economic relations between the two countries witnessing a quantum jump.

It seems that at a top business meeting this morning between senior members of the Indian delegation led by the Prime Minister and senior executives of top business houses in Japan, the Government put on the table some 60 infrastructure projects which Japanese companies could have if they wished to. Although naturally, there has been no immediate response in the sense no project agreements have come through. But the general direction of the meeting was described as very positive.

The Indian delegation is reported to have bluntly pointed out that recently Malaysia had won several contracts for the Golden Quadrilateral Highway project, and there was no reason why Japan could not get similar projects. The Fuji Bank chairman, Mr. Toru Hashimoto, the chairman of Asahi Ka-sei, Mr. N. Yamahuchi, the Toyota chief, Mr. Hiroshi Okuda, and the Marubeni chief were among the top businessmen and CEOs present at the meeting.

It seems that the summit meeting is to be followed up by several high level exchanges.

Mr. Murosoli Maran, the Commerce Minister, may be here within a few months and the Japanese Foreign Minister, Ms. Makiko Tanaka, and the Finance Minister, Mr. Masajuro Shiokawa, could be visiting India soon.

The meeting has sent India's hopes soaring, and certainly Japan has shown keen interest, but will possibly demand a much

more congenial business environment. India is also acutely aware that perhaps Japan alone is in a position to make the kind of investment needed in infrastructure, and it also has a proven record of doing it well.

The celebration of the 50th anniversary of the diplomatic relations between the two countries could lead to signing a major environment project to clean up the Ganga

A pendant for the Princess

By Our Special Correspondent

TOKYO, DEC. 10. When the Prime Minister, Mr. Atal Behari Vajpayee, calls on Japan's Emperor, His Majesty Akihito, on Tuesday morning, he will be carrying with him a special gift for the most special person in Japan, the baby grand-daughter of the Emperor born just a week before Mr. Vajpayee left India — a bejeweled navratna pendant for the little Princess, called 'kanya ratna'.

The day started today with an official reception given to Mr. Vajpayee at the Akasaka Palace just across the road from the hotel where he is staying. And this signalled the start of his official visit.

The day's hectic engagements saw sev-

eral political leaders calling on Mr. Vajpayee, including the Leader of the Opposition and president of the Democratic Party, Mr. Yukio Hatoyama, and two former Prime Ministers, Mr. Ryutaro Hashimoto and Mr. Yoshoro Mori. Then there was the meeting with the Japanese Prime Minister, Mr. J. Koizumi, followed by delegation-level talks and a banquet hosted by Mr. Koizumi.

But on Tuesday it would be a special day when Mr. Vajpayee calls on the Emperor of Japan, who as a young Crown Prince has visited India. Mr. Vajpayee has already extended an invitation to Mr. J. Koizumi to visit India, which he has accepted. The dates are to be finalised later.

and the Yamuna — the Japanese have reportedly shown interest in this. This project is bound to please Mr. Vajpayee's political constituency as well. It has also been announced that for the ongoing Delhi Metro project and the Andhra Pradesh Simhadri project 56 billion yen will be forthcoming.

The points being made repeatedly are that Japan needs to invest its vast resources and India needs the investment, that there could be a synergy of hardware and software expertise in the information technology area, that nearly all India-Japan business ventures have a track record of profitability, and finally, both countries could lead Asia to prosperity and stability and become players on the global political arena.

Significantly, at the banquet hosted by the Prime Minister of Japan, Mr. Junichiro Koizumi, this evening, Mr. Vajpayee, referred to the need for a cooperative role in the search for a multi-polar world order, although, as is well-known, Japan's foreign policy has very much been influenced by the United States. The Joint Declaration between the two countries finalised later this evening made it clear that greater economic cooperation was bound to lead to closer political and social interaction, and this could be mutually advantageous.

INDIA-JAPAN TIES ON FIRM FOOTING

PM hopes Pak. won't disrupt J&K polls

By Neena Vyas

TOKYO, DEC. 11. Japan wants India to talk to Pakistan with love. But, India has conveyed to the Japanese Prime Minister, Mr. Junichiro Koizumi, the various initiatives it has taken to start a comprehensive dialogue covering all outstanding issues. The fact that Assembly elections are to be held in Jammu and Kashmir shortly has also been emphasised, the Prime Minister, Mr. Atal Behari Vajpayee, said here today.

Addressing correspondents covering his five-day visit to Japan which concluded today, Mr. Vajpayee expressed the hope that Pakistan would not try to disrupt the elections in any way and allow the people to freely make their democratic choice.

"Pakistan should not create hurdles in the way of holding polls (in Jammu and Kashmir). Let the people of the State freely come out, participate in the elections without fear," he said.

To a question whether Japan wanted India to resume talks with Pakistan to resolve outstanding disputes, he said that every friendly nation wanted New Delhi to do so.

He told Mr. Koizumi that India was facing certain difficulties and the atmosphere was not "congenial." Turning to India-Japan re-

lations, Mr. Vajpayee said there was a new strength and maturity now on both bilateral and international levels covering a wide range of issues. This was the major achievement of the visit — a strong friendship between the two countries.

It was clear that the bitterness that had crept in after India's nuclear tests in May 1998 was more or less a thing of the past.

In fact, even on the contentious Comprehensive Test Ban Treaty,

Japan had understood India's strategic defence needs and its commitment to maintaining the self-declared moratorium on further tests. This shows a maturity in the relations, he added.

To a question, Mr. Vajpayee said he hoped Japan would support India's membership of the Security Council. India would certainly support Japan on the International Court of Justice.

Remarks unfortunate, says Pak.: Page 12

When Nehru jacket failed Vajpayee

By Neena Vyas

TOKYO, DEC. 11. The sunshine in Tokyo and the rapport established with Japan's Prime Minister, Mr. Junichiro Koizumi, helped Mr. Atal Behari Vajpayee get his famous humour in full form.

There was indeed a secret understanding between the two Prime Ministers at their meeting on Monday, Mr. Vajpayee told the press.

The "agreement" was that at the banquet later, both of them would wear a black Nehru jacket. But, alas, while Mr. Koizumi kept his word and appeared at the dinner in the jacket, Mr. Vajpayee found that he could no longer fit in it. "I broke my word," he lamented.

"Next time I come here, I will get a new jacket tailored to my size or I will ensure that I lose some weight," he remarked.

Did he enjoy Japanese food? Well, he paused, even the Japanese like to eat "cheeni" he said punning on the word which in Hindi means both Chinese and sugar. At his interaction with Japanese parliamentarians this morning, Mr. Vajpayee was asked which country had the strongest friendship with India. Prompt was his response. Japan, of course. There was laughter all around and the comment was that his answer was surely political.

THE HINDU

1 2 001 201

India, Japan strategic tie-up in the offing

SF-1 1812
Statesman News Service

NEW DELHI, Dec. 12. - Government circles are attaching much importance to the discussions on defence matters that the Prime minister has had with his Japanese counterpart during his Tokyo visit. The post-summit joint declaration indeed talked about the desire to further strengthen military-to-military cooperation between the two countries that has been on since Mr George Fernandes' visit last year.

Sources said this cooperation could also include the "exploration" of possibilities in the Japanese ultra-modern expertise in electronics for India's ambitious satellite-based missile defence system plans. In fact, the sources see a greater meaning in the Prime Minister's reference to "strategic convergence" during his address to a select group of parliamentarians before he left Tokyo yesterday morning.

These sources do not rule out the possibility of the "strategic convergence" at "some time in the future" leading to Indo-Japanese cooperation in the fields of optics, building sensors and robotics, crucial in the scheme of satellite-based defence mission.

Japan could find the Indian defence an attraction to guard the sea lines that carry the oil from the Gulf to Japan. In the late 90s, when a Japanese cargo ship carrying aluminum was hijacked from somewhere near Indonesia, it was the Indian Navy that intercepted the ship in the Gulf and helped Tokyo regain it.

Following Mr Fernandes' Tokyo visit last year there has been increased cooperation on the defence front, including joint-coastal guard vigil against sea piracy.

13 DEC 2001

Japanese 25/12
Ambassador calls on
BJP chief
19.11

By Our Special Correspondent

NEW DELHI, DEC. 24. The Japanese Ambassador to India, Mr. Hiroshi Hirabayashi, called on the BJP president, Mr. Jana Krishnamurthy, today.

Talking to presspersons here, the party spokesman and general secretary, Mr. Sunil Shastri, said the envoy condemned the December 13 suicide attack on the Parliament House and expressed deep sympathies for the families of those killed in the attack.

Mr. Hirabayashi recalled the Prime Minister, Mr. Atal Behari Vajpayee's visit to Japan earlier this month, which he termed 'useful and cordial'. He hoped that the economic ties between the two nations would flourish further.

Asked about the situation along the Indo-Pakistan border, Mr. Shastri said the Government had already said that "appropriate action will be taken at an appropriate time." He expressed the hope that Pakistan would take action against the two terrorist outfits which were involved in the December 13 attack.

THE HINDU

25 DEC 2001

Atal carries business briefcase to Tokyo

FROM PRANAY SHARMA

New Delhi, Dec. 6: Prime Minister Atal Bihari Vajpayee will be going to Japan on a four-day official visit beginning December 7 to strengthen bilateral ties and convince Japanese investors that India is an attractive investment destination for the big business houses of Tokyo and Osaka.

Japan is India's largest donor and third largest trade partner but, at the political level, relations between the two countries have been lukewarm and distant.

Vajpayee will be the first Prime Minister to visit Japan in nine years. P.V. Narasimha Rao visited Tokyo in 1992.

Relations between the two countries came under severe strain following the nuclear tests of May 1998. Japan suspended most of its economic aid to

India, and subsequently to Pakistan, and became one of New Delhi's worst critics at international fora, demanding that India sign the Comprehensive Test Ban Treaty and dismantle its nuclear programme.

India did not sign the CTBT, but foreign minister Jaswant Singh visited Tokyo in November 1999 and assured the Japanese leadership of Delhi's resolve against further tests. This led to Prime Minister Yoshiro Mori's visit to New Delhi last year and culminated in the statement on global partnership between the two sides.

Mori remains an important advisor to the Japanese government on foreign policy matters, but he is no longer the Prime Minister. There is need for New Delhi to renew its contact with the Junichiro Koizumi regime in Tokyo.

"One of the objectives of the visit is to concretise the Global Partnership for the 21st century that was agreed" between the two sides during Mori's visit, Indian foreign secretary Chokila Iyer said.

She said it would also give Vajpayee the opportunity to "directly interact" with Japanese business and industry at the highest levels "with a view to encouraging greater Japanese interest and awareness of opportunities for investment

and business in the Indian economy."

Vajpayee's visit comes at a time when Japan has finally withdrawn its economic sanctions, though New Delhi was not too happy at the manner in which Tokyo worded its statement announcing the decision to lift the economic sanctions last month.

Vajpayee's visit is part of India's Look East policy, which South Block has been trying to push since the early 1990s. A close tie with Japan in the near future could also lead to India playing an important role in the Asia-Pacific region.

India and Japan are looking at ways and means to closely cooperate with each other on strategic and defence related issues.

A section in Japan sees India playing a balancing role in the region vis-a-vis China and, therefore, could be a close ally of Japan.

In the past, most of Japanese investment has gone to China. But Tokyo would like to spread out its foreign investment. India feels it can take advantage of this opportunity.

Already the two sides could complement each other on information technology with India's expertise on software and Japan's strengths in hardware.

Panel wants India, Japan to strengthen security ties

By Neena Vyas

NEW DELHI, DEC. 6. The setting up of a machinery to institutionalise a policy dialogue on all security-related issues between India and Japan has been suggested by the Eminent Persons' Group of the two countries that was set up last year. The report by the Group has been sent to the Prime Ministers of the two countries, Mr. A.B. Vajpayee and Mr. J. Koizumi, and the Ministry of External Affairs released a copy of it today — a day before Mr. Vajpayee leaves for a five-day visit to Japan.

The Group has listed various areas where there can be active cooperation between the two countries and even extension of cooperation to other areas which have so far not been part of the India-Japan bilateral relations. Security of sea lanes which carry oil and gas to both countries, dealing with sea piracy, and the international war against terrorism after the September 11 strikes against the United States are areas on which a regular dialogue could begin, the report has suggested. Already joint exercises have been held by the Coast Guards of the two countries as an anti-piracy measure.

Releasing the report here today, Mr. Som Pal, co-chairman of the Group, pointed out that although the two countries have had historical ties — Buddhism has played no mean role in this — they have been looking at each other through the eyes of the West. It was time they developed strong and direct links. It

was emphasised that the Eminent Persons' Group should not (and would not) "duplicate" the India-Japan interaction taking place through the normal diplomatic channels. In short, it should help the relationship to grow in a number of other areas, widening its scope.

In the emerging field of Information Technology (IT), for example, the cooperation could build on the fact that Japan is strong in hardware and India in software. Close cooperation between the two countries could be mutually advantageous. In fact, there is an earlier proposal to set up an advanced IT centre here with Japan, and during this visit by Mr. Vajpayee, this could take concrete shape. Mr. Som Pal today said that cooperation in IT should have a "missionary approach."

The proposals by the Group cover a wide range of areas — politics and diplomacy, terrorism, matters relating to the United Nations, infrastructure development, railway reforms, and even economic reforms with a view to making it easier for investment to flow in from Japan to India. (The Japanese and others have often complained of the harassing red tapism here and today Mr. Som Pal said that this evil could not be denied). There is a view that even in the area of trade and commerce, though relations have improved over the last decade, these have not yet reached their full potential. Currently, Japan is going through recession, but that is all the more reason for Japanese businessmen to be looking towards India for a new market.

THE HINDU

- 17 DEC 2001

Great expectations over PM's Japan trip

India East Asia
Nov 8 12 5F-1
CL Manoj in Osaka

Dec. 7. — A chilly and windy Kansai international airport greeted Mr Atal Behari Vajpayee as he touched down tonight.

Earlier in Delhi, the Prime Minister described India and Japan as "natural partners" keen to build a relation based on "strategic convergence and economic complementarities".

Mr Vajpayee was received at the Osaka airport by the Japanese senator, Mr Taro Nakayama.

The Prime Minister begins his official engagements from tomorrow by attending a reception hosted by the Osaka Governor and addressing the business community.

Indications here are clear that Mr Vajpayee's visit includes summit talks with his Japanese counterpart, Mr Junichiro Koizumi, marking the start towards a long-term strategic, economic and political relation between the two countries.

Even while cautioning against "high expectations", experts are confident of the visit's marking a "step-by-step process" towards fostering "substantial" bilateral

ties. In fact, the possibility of a joint declaration, which was not scheduled in the beginning, cannot be ruled out entirely.

Experts see a strategic advantage for India in the Japanese perspective, especially, after the former's emergence as a nuclear power and the improving New Delhi-Washington relationship.

The recent downturn in the Japanese economy and its search for new avenues of growth have made Tokyo aware of the great Indian opening, especially, after it lifted its post-Pokhran sanctions on India, in the wake of the Afghanistan crisis. The mutually-shared concern against global terrorism has provided another ground for co-operation.

With USA and Japan already into a pact over missile production, and with India's stated desire in the field, many see a potential for a strategically important bilateral, or even trilateral pact, emerging on that front.

However, all hopes rest heavily on the "reputation" of the "maverick" Mr Koizumi to break new grounds.

THE STATESMAN

- 8 DEC 2001

PM in Japan with anti-terror agenda

Osaka, December 7

India best friend

SEEKING TO institutionalise security relations with Japan, Prime Minister Atal Bihari Vajpayee arrived here today on a five-day visit for talks that will also focus on terrorism and other international issues of mutual interest.

Vajpayee, accompanied by a high-level delegation, will stay here for two days before he goes to Tokyo for talks with his Japanese counterpart Junichiro Koizumi on Monday. Before embarking, he told reporters in Delhi that a joint working group (JWG) on terrorism could be set up during his visit. "Our countries should strengthen bilateral cooperation against terrorism," Vajpayee, the second Indian Prime Minister to visit Japan in 10 years after PV Narasimha Rao, said.

A comprehensive security dialogue had started and "it is to be institutionalised," he added.

Apart from terrorism, the other issues likely to come up during the talks include cooperation in reconstruction and rehabilitation in war-ravaged Afghanistan and restructuring of the UN Security Council. "India and Japan have a number of contributions to make not only to peace and stability in our regions but also to the strategic and economic dialogue within the international community," Vajpayee said.

His talks with Koizumi, followed by delegation-level talks, will be in the backdrop of recommendations made by the high-powered Indo-Japan group which has suggested a JWG against international terrorism. It has also favoured cooperation at the new round of WTO negotiations and comprehensive strategies for consolidation of operation in infrastructure, IT and other areas.



Prime Minister Atal Bihari Vajpayee waves as he arrives at Kansai International Airport in Japan on Friday.

Vajpayee, who postponed his February visit to Japan following the devastating Gujarat earthquake, was given a rousing welcome on his arrival at the Kansai International Airport. Indians here waved national flags as Vajpayee came out of the special Air India plane. He is accompanied by Disinvestment Minister Arun Shourie, Minister of State for External Affairs Omar Abdullah and his principal secretary and national security

adviser Brajesh Mishra.

Vajpayee drove straight to Hotel New Otani where he will spend two days before proceeding to Tokyo on Sunday. In Tokyo, he will be accorded a ceremonial welcome at Akasaka Palace.

The ties between the two countries nosedived in May 1998 following the Pokhran nuclear tests, with Tokyo imposing economic sanctions, which were lifted after the September 11 strikes.

PTI

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8/12

Vajpayee arrives in Osaka

India - East Asia rel.

By Neena Vyas

OSAKA, DEC 7. The Prime Minister, Mr. Atal Behari Vajpayee, arrived here late this evening to begin a five-day visit — the second summit meeting between the two countries in two consecutive years — signalling a new political determination both in India and Japan to explore and concretise a relationship covering political, economic and security related areas.

Although the outcome of the visit is not expected to be spectacular, it is, nonetheless, seen as very significant, for it would certainly help to give the relationship a high profile and place the India-Japan bilateral relations on a new footing. The recent cooperation in defence matters is seen as extremely important, especially in the context of Japan's own desire to free itself of the restrictions imposed after World War II.

The fact that Japan started a dialogue with India on security-related issues even before the formal lifting of sanctions imposed against it after Pokhran II in May 1998, is now being seen as a pointer that Japan has more or less accepted the reality of a nuclear India. Although differences persist on disarmament and proliferation issues, the possibility of cooperation in missile theatre defence system is accepted.



The Prime Minister, Mr. Atal Behari Vajpayee, waves as he arrives at the Kansai International airport in Osaka on Friday. — AP

As one official put it before the visit of the then Prime Minister of Japan, Mr. Yoshiro Mori, to New

Delhi in August 2000, there was a "roadblock in our bilateral relations. The Mori visit removed that

and the Vajpayee visit now will try to concretise the concept of a global partnership between the two countries.

Tomorrow morning Mr. Vajpayee will interact with businessmen in Osaka. He will have a major interact with industrialists and businessmen in Tokyo during the second leg of the visit, where the plan for an Indian cultural center is expected to be taken forward. In India, there are plans for setting up an advanced Information Technology Centre with Japan and encourage more direct Japanese investment, especially in infrastructure. On critical international issues such as terrorism, the two countries hold that it cannot be tolerated anywhere in any manner.

During the six-and-a-half-hour flight from the Indira Gandhi airport in Delhi, the special Air India plane carrying the Prime Minister and his delegation overflew Bangladesh, Myanmar, China and South Korea and Mr. Vajpayee sent his greetings to the people and the heads of Government.

On arrival at the Kansai international airport here, the Prime Minister was received by Japan's Chief of Protocol and then driven straight to his hotel in Osaka. A ceremonial welcome will be given to him in Tokyo at the Akasaka Palace on December 10

THE HINDU

- 8 DEC 2001

India, Japan keen to counter China

Vir Sanghvi
Osaka, December 8

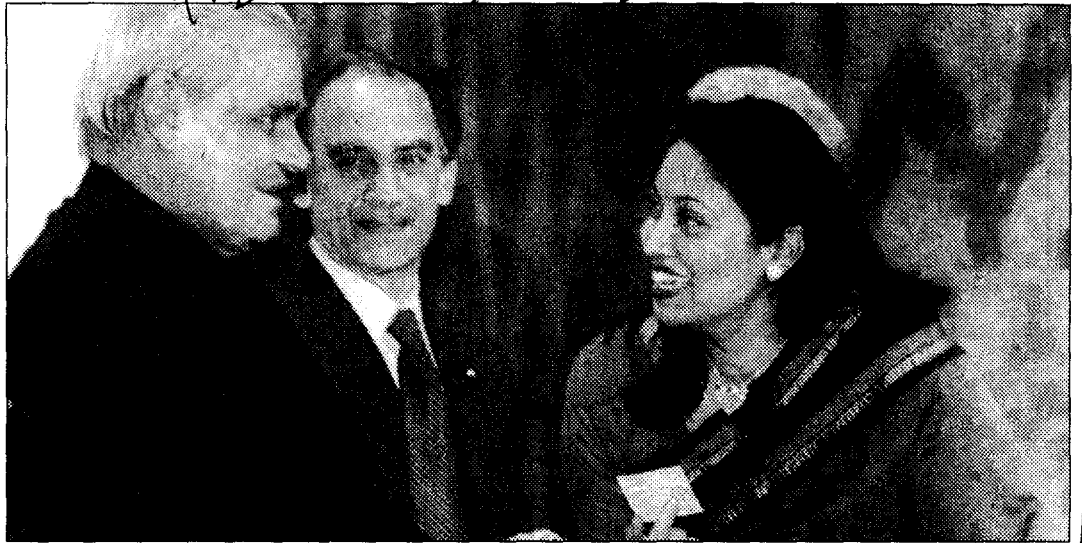
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HS-9

PRIME MINISTER AB Vajpayee arrived in Japan on Friday night at the start of a five-day-official trip, the first by an Indian Prime Minister in nearly a decade. The visit will conclude with the issuance of a Tokyo Declaration (or a joint statement), the details of which have obsessed the Indian and Japanese foreign official for the last fortnight.

India and Japan are expected to re-assert their close ties and emphasise economic collaboration but the draft is currently mired in a predictable controversy over the phrasing of the clause relating to nuclear weapons. Nevertheless, the Indian side is optimistic that the differences will be ironed out.

Japan has been India's largest donor in the 1990s. Though sanctions were imposed in the immediate aftermath of Pokhran, the level of aid is so high that last year, Japanese organisations made the highest level of disbursements of previously



AP PHOTO

Prime Minister AB Vajpayee and Disinvestment Minister Arun Shourie at a reception in Osaka on Saturday.

promised aid of any country.

For the Indian side, the visit is proof that India's Look First policy does not stop at ASEAN. The Japanese side is looking at the large Indian market which could help its economy rise above its

current recession. And both sides are keen to establish a relationship that counters China's growing clout in the region. Vajpayee was originally scheduled to visit Japan in February, 2000, but cancelled his visit in the wake of the

Gujarat earthquake. Nevertheless, the Japanese urged him to visit before the year was out.

Hence this trip, scheduled, unusually for an Indian Prime Minister, when Parliament is in session.

India needs Japanese investment, says PM

By Neena Vyas

OSAKA, DEC. 8. It would be to the mutual interest of India and Japan if the "mismatch between the depth of cultural and spiritual relations between India and Japan and the inadequacy of economic and business relations between the two countries could be removed".

The Prime Minister, Mr. Atal Behari Vajpayee, made this forceful plea here today to a distinguished gathering of members of the Osaka Chamber of Commerce and a delegation of Indian businessmen representing the CII and the FICCI. The Kansai region, of which Osaka is a part, represents the commercial hub of Japan.

He pointed out that India needed investment in the infrastructure, manufacturing and services sectors, and Japan had a huge economy and a significant under-utilised capacity. India also offered a huge market where consumers were fast becoming quality and brand conscious.

Mr. Vajpayee mentioned Japan's growing interest in the emerging Information Technology sector in India and said even if there had been difficulties in the past, he was confident Japanese firms seeking to invest in India would not be disappointed, and their shareholders would be kept happy. He was referring to the successful track record of several India-Japan joint ventures.

Mr. Vajpayee's short and crisp address emphasised the new determination to establish a global partnership between the two countries, a decision which was first taken during the visit to New Delhi by the former Prime Minister of Japan, Mr. Yoshiro Mori, in August 2000. Mr. Vajpayee will



The Prime Minister, Mr. A.B. Vajpayee, with the Osaka Governor, Ms. Fusa Ohta, at a reception hosted in his honour in Osaka on Saturday. — PTI

meet his Japanese counterpart, Mr. Junichiro Kuizumi, in Tokyo on December 10 to establish a partnership not only in the economic field but in the area of defence and security also.

Before the Prime Minister's address Mr. Arun Shourie, Minister for Disinvestment, admitted that India had been a "decade late in opening up its economy, and there may still be several glitches". The Indian Government was aware of the problems faced by Japanese business houses and very recently decided to set up a cell in the Finance Ministry to deal with "company-specific problems faced by Japanese firms in India or those wanting to do business there". It was, perhaps, a direct response to the recent criticism ar-

ticulated by the Japanese Ambassador in India that Japanese business found it hard to deal with the Indian bureaucracy. In fact, Mr. Shourie referred to the harassing "ways of the bureaucracy at the lower levels", but was confident that would change.

Mr. Shourie talked about matching and marrying the skills of the Japanese in hardware with the growing and recognised Indian expertise in software. He said that in the defence-related fields of robotics, sensors and optics, a cooperation between the two countries would be fruitful.

Mr. Shourie also stressed India's strong commitment to continue economic reforms. That process would go on, irrespective of political changes. It was a "puzzle" that despite strong cultural ties and in spite of Japan's vast resources and India's huge potential, foreign direct investment from Japan had been so small. "We want to find the answer to this puzzle." The Minister emphasised the resilience of the Indian economy. "Neither the South-East Asian financial crisis, nor the Kargil war and the imposition of economic sanctions had put the economy down". There had been a steady reorientation of the economy, a "change in the balance of influence and power shifting from the Indian state to society". The IT revolution had created new demands even in the villages where television had penetrated, and the "market in India was no longer restricted to the middle classes".

In Tokyo, another major business session will take place, and in Kobe today there was an interaction between the Indian and Japanese chambers of commerce.



The United National Front leader, Mr. Ranil Wickremesinghe, with the Sri Lankan President, Ms. Chandrika Kumaratunga, at her official residence in Colombo on Saturday. Mr. Wickremesinghe, who will be sworn in Prime Minister on Sunday, has said that he will visit India later this month.

— Photo: Sriyantha Walpola (Report on Page 8)

More news leaders: Page 8

Invest in India, Vajpayee urges Japanese industry

By Devidas Gupta

TOKYO: Reassuring Japanese captains of industry and business that his government was creating a "congenial atmosphere" for foreign investment, Prime Minister Atal Behari Vajpayee on Sunday invited them to invest in India in a big way.

"Together we can change the face of Asia," Mr Vajpayee told a group of prominent Japanese businessmen who made several suggestions for enhanced economic cooperation between the two countries.

Saying that his government was committed to economic liberalisation, Mr Vajpayee told them that the economic reforms process had been speeded up to remove all hurdles in the way of foreign investment.

India would like to go in for joint ventures in various sectors, particularly in information technology, Mr Vajpayee said, adding that success in the economic field could lead to a tie-up in other areas.

Later, disinvestment minister Arun Shourie told reporters that the Japanese businessmen had made a number of suggestions, one of which related to promotion of bilateral tourism.

Noted Japanese business magnate Yoshiri Ishipawa stressed that promotion of tourism could lead to a better economic cooperation between the two countries and pointed out that despite political, cultural and historical conflicts with Beijing, Japan was today investing in China in a big way.

"This was because we are getting more tourists from China and our tourists are going to Japan," Mr

Ishipawa said, and added that on an average, three to four million Japanese tourists visited China every year.

On the other hand, about 1.15 lakh tourists from Japan visited India in a year and this was because "we do not have such information about India although we are culturally closer to each other," Mr Ishipawa said.

He suggested the urgent need for direct flights operating between the two countries, and said that a people-to-people exchange could play a vital role.

India should send more students to Japan, he suggested, adding now only 200 Indian students were studying in Japan compared to 20,000 from China.

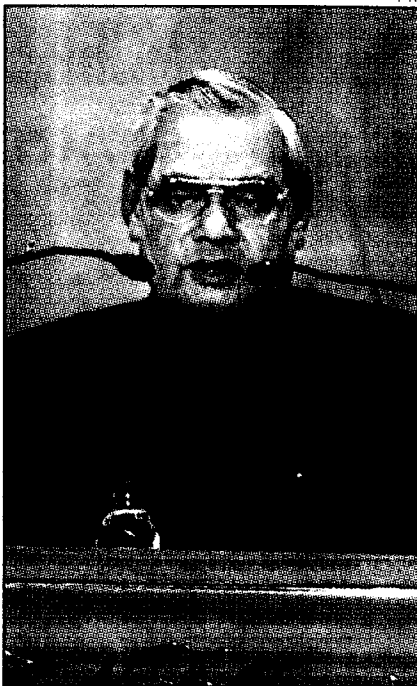
Mr Shourie said that India was planning to project new Buddhist centres in other places such as Ladakh.

It was suggested at the meeting that a permanent house be opened by Indian businessmen in Japan for better understanding, he said.

Many Indian software engineers were needed in Japan, he said, adding the Japanese language should be taught from school level to make their entry into Japan easier.

Mr Vajpayee attended a reception on Sunday evening hosted by Indian ambassador in Japan, Aftab Seth, where he spoke about the need for greater economic cooperation between the two countries.

A Japanese artiste, Yukiyo Kubota, who teaches Bharatanatyam in Tokyo and Chibi, presented a ballet in honour of the prime minister. Mr Vajpayee presented a memento to her. (PTI)



Prime Minister Atal Behari Vajpayee addresses an Indo-Japanese business meeting in Osaka on Saturday.

Vajpayee pays homage to Netaji

Vir Sanghvi
Tokyo, December 9

DOES THE Government of India believe that Netaji Subhash Chandra Bose is still alive? Or is it willing to end the controversy once and for all — and render redundant a commission probing the issues — by accepting that he died in a plane crash as the Japanese version has it?

These questions threatened to overshadow Prime Minister Atal Bihari Vajpayee's visit to the Renkoji Temple in Tokyo where Netaji's ashes are supposed to be preserved.

The Prime Minister was keen to make the trip. P V Narasimha Rao, the last Indian Prime Minister to visit Japan, also visited the temple. Admit-

tedly, Rajiv Gandhi who came to Tokyo in the late 1980s, gave the temple a miss but this was more a consequence of scheduling problems than of any doubts about the circumstances of Netaji's death.

Nevertheless, Vajpayee had a problem. If he paid homage to the ashes, he would be seen as conceding that they were Netaji's and that the Japanese version of the manner of his death was accurate. This could lead to a parliamentary storm and to protests from the Forward Bloc.

The Prime Minister's solution was to visit the temple but to make no comment about the authenticity of the ashes.

Before he left for the visit, he dictated what he wanted to write in the visitor's book.

Translated from the original Hindi, this said that he was pleased to come to a place that held so many memories of Subhash Chandra Bose.

Does that mean that the ashes are Netaji's? Clearly not, because the Prime Minister made no mention of them.

In that case, does it mean that they are not Netaji's? Once again, Vajpayee's message is subtle enough to ensure that no commitment is made on that contentious issue.

The Prime Minister's men, who had worried about the ramifications of Vajpayee's visit, say that they are pleased. His statement is so subtly framed that no one can take offence — or create a parliamentary storm.

Mori meets Fernandes, Advani

By Our Special Correspondent

NEW DELHI, OCT. 29. Within days of the lifting of post-Pokhran sanctions, the visiting former Japanese Prime Minister, Mr. Yoshiro Mori, has begun discussions here on adding a new strategic dimension to Indo-Japanese ties.

Mr. Mori, who arrived here on Sunday night today held talks with the Defence Minister, Mr. George Fernandes, and the Union Home Minister, Mr. L.K. Advani. Mr. Mori is carrying a special message from the Japanese Premier, Mr. Junichiro Koizumi, for the Prime Minister, Mr. Atal Behari Vajpayee.

Japan is showing interest in working together with India in the security arena. Japan imports large quantities of oil from the Persian Gulf area. It is, therefore, highly concerned about the security of its oil tankers which pass through Indian waters before heading for Japan. Not surprisingly, India and Japan have discussed defence cooperation to ensure a safe passage for the oil tankers moving towards the Straits of Malacca, the strategic funnel through which these ships pass before reaching Japan.

Indian security planners feel that the newly created Andaman and Nicobar Command, which is based in Port Blair can play a crucial role in protecting vital ship-



The Home Minister, Mr. L.K. Advani, with the former Japanese Prime Minister, Mr. Yoshiro Mori, who is on a four-day visit to discuss terrorism and the recent regional developments. — AFP

ping lanes in this area. Highly placed Government sources said that India is also exploring the possibility of making the Andaman and Nicobar islands an interim destination for storing oil, and if possible, of oil refining as well.

Both countries are also closely monitoring the growth of the Chinese military and economic power in the region. The war against terrorism is also bringing India and Japan closer. Both countries

have shown an interest in the economic reconstruction of Afghanistan after the war is over. India is keen that Japan and Germany also participate in a new 15 member U.N. grouping that will oversee the return of normality in Afghan-

istan. Diplomatic sources here pointed out that Japan is interested in holding an international conference on providing humanitarian relief to Afghanistan.

MONDAY, OCTOBER 29, 2001

RE-CHARTING TIES WITH JAPAN

JAPAN'S POLITICAL DECISION to send its former Prime Minister, Mr. Yoshiro Mori, to New Delhi at this time is as important as Tokyo's parallel announcement about suspending its economic sanctions in relation to India and Pakistan. The sanctions, described by Japan in the euphemistic terminology of "economic measures", were imposed after India and Pakistan competitively tested nuclear weapons in 1998. In a sense, Mr. Mori had sought a strategic readjustment of Japan's ties with a 'nuclearised' India during his tenure as Prime Minister. Yet, he may now find himself on a new fence-mending mission. The reason is simple but salient. New Delhi has taken a dim view of Tokyo's circumspect defence of its current move to waive the sanctions. For the Japanese Prime Minister, Mr. Junichiro Koizumi, a truly formidable challenge at this stage is to harmonise Tokyo's realpolitik compulsions with its moralist view of itself as a credible champion of nuclear pacifism. As an oft-repeated article of political faith, nuclear pacifism is a highly emotive subject in Japan — the only country to have been attacked with atomic weapons, albeit in a different era of world politics. Arguably, this should account for, if not also adequately explain, the blunt rider that Japan has attached to its latest decision. Tokyo has directly threatened to suitably reimpose its economic sanctions if, in its reckoning, either India or Pakistan were to vitiate the environment for nuclear non-proliferation by going back on their own independent declarations of moratorium on any further testing of atomic weapons. However, New Delhi seems to be concerned about not only the puritanical tone of Tokyo's plain-speak but also the overall political context in which Japan has equated India with Pakistan. But the plain fact is that New Delhi can and must come to terms with Japan's world view, given the need for mutually beneficial economic linkages and also India's intrinsic credentials as an emerging global player.

The current move by Japan follows a similar decision by its strategic ally, the United States, to lift its economic sanctions in regard to both India and Pakistan. Significantly, the contemporary consideration that weighed with Washington was its felt need for a tactical reliance on Islamabad to launch a multilateral conflict, now under way, with Pakistan's one-time protege, the Afghan-Taliban regime, and its terrorist-patron, Osama bin Laden. Not surprisingly, Tokyo has now cited the importance of regional stability in Afghanistan's neighbourhood. Japan has also packaged the suspension of sanctions as a form of incentive to both India and Pakistan to keep them on course for a possibly long international campaign against the politics of terror. So, what has upset New Delhi is its reading of an implied aspersion that India, itself a victim of terrorism for long, will need carrots from foreign powers to sustain its innate moral fervour for any genuine anti-terror agenda. Mr. Mori will do well to address such a psychological backlash that seems to have been produced by the circumstances of Tokyo's decision to roll back the sanctions at stake.

Viewed in this perspective, Japan's current action cannot be equated with that of the U.S. a few weeks ago or with the earlier Canadian decision to remove nuclear-regime sanctions in regard to India. Yet, unexceptionable are the two points that Tokyo has made about its expectations that India might play a "significant role for a stable South Asia as well as (in) future anti-terror operations". If Japan can now help Pakistan stabilise itself internally following its controversial decision to join the U.S. in the war against the Taliban-Osama axis, New Delhi should have little to quarrel about. Pakistan's plea for a debt cancellation of the order of \$ 5 billions has not been accepted by Japan at this moment. However, Tokyo has made clear its intentions of baling out an economically distressed Pakistan in the interest of regional peace.

THE HINDU

29 OCT 2001

Tokyo 'tall talk' wipes off cheer from sanctions repeal

FROM PRANAY SHARMA

New Delhi, Oct. 28: Delhi is not alone in celebrating the lifting of nuclear sanctions on Pakistan.

Clear tests because of the post-Pokhran sanctions and punitive measures imposed by Tokyo.

On Friday, Japan announced its decision to lift economic sanctions slapped on India and Pakistan following the 1998 nuclear tests. Far from being cause for cheer, the move rubbed India up the wrong way because of the graceless manner in which the matter was handled.

The statement from Tokyo indicated that the moratoria on nuclear tests and steps taken by India and Pakistan to ensure strict controls on nuclear and mis-

site-related goods and technologies were because of measures imposed by Japan.

Prime Minister's special envoy Yoshiro Mori, who came here to honour guest of India and Prime Minister A.B. Vajpayee has decided to break from protocol by hosting a private lunch for him on Tuesday.

The last time Vajpayee made such a gesture was during the visit of Russian President Vladimir Putin in October 2000. By repeating the gesture, the Prime Minister wants to make it clear that Mori is not only an honoured guest but also a "close friend".

Tokyo's statement announcing the lifting of sanctions said: "Delhi will urge India and Pakistan to agree to the field measures in the field of non-proliferation, including the of the CTBT. Sanctions on Pakistan concerning nuclear non-proliferation deteriorate in India or Pakistan, Japan will consider taking appropriate measures, including restoring of the discontinued measures."

The "school-masterly" tone and Tokyo's "tall claim" has made the Indian leadership unhappy. India's moratorium on further nuclear tests came voluntarily after it was satisfied that it had the means to establish a credible, retaliatory strike capability. The controls announced by India were also part of its nuclear doctrine

and without the prompting of any third country. Japan's decision to take credit for either of these has not been received favourably.

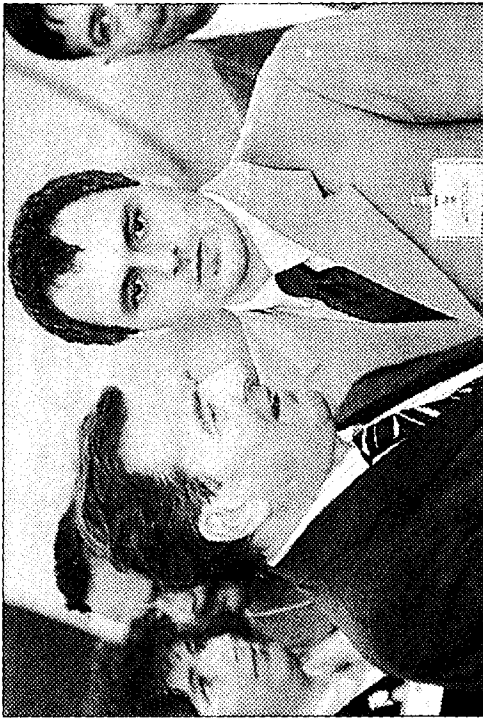
The US, too, had imposed sanctions on India after the Pokhran tests, but did not refuse to engage with it on non-proliferation and disarmament. Japan not only went into a sulk, it also took a hard line against India in every international forum and continued to insist that the South Asian nuclear neighbours sign the test ban treaty even after all other countries gave up the demand.

With several key world players engaging with India now, Japan has realised that its hard line is isolating it more than Delhi. Besides, with Pakistan's new-found status in the West following the

Afghanistan strikeback and the US and European Union loosening their purse strings to woo Pakistan President Pervez Musharraf, Japan, too, decided to jump on to the bandwagon. As lifting sanctions only on Pakistan would have invited criticism, Japan took the opportunity to discontinue them on India as well.

Pervez plea

Musharraf today said Pakistan and India should resume dialogue in line with agreements made during the Agra summit. But he claimed at a press conference with German Chancellor Gerhard Schroeder, who reached Delhi this evening, that India was continuing to be hostile to Pakistan to raise its stock as a regional power.



German Chancellor Gerhard Schroeder (left) in New Delhi with Omar Abdullah. (AFP)

9 and in
E. Asia

Kashmir is a bilateral issue: Mori

H10-13
31/10

By Our Special Correspondent

NEW DELHI, OCT. 30. Japan today reiterated that India and Pakistan should address the Kashmir issue directly, but urged both countries to exercise restraint, especially in the backdrop of the war against terrorism.

The visiting former Japanese Premier, Mr. Yoshiro Mori, said at a press conference after his meeting with the Prime Minister, Mr. A.B. Vajpayee, that Tokyo had "taken note of" terrorist activity in Jammu and Kashmir. Later in the evening, the spokesperson of the Ministry of External Affairs said the issue of Jammu and Kashmir was a "a direct consequence of cross-border terrorism and proxy war unleashed by Pakistan." In response to a question on the advocacy of restraint by Mr. Mori, she said, "there was no lack of restraint, maturity or balance on India's part."

Mr. Mori who has delivered a special message by the Japanese Premier to Mr. Vajpayee arrived here within days of Japan's decision to lift post-Pokharan sanctions on India. Japan's decision to remove economic restrictions was on account of the declaration of a moratorium on nuclear testing by India, progress in the field of non-proliferation and "international circumstances", Mr. Mori said.

The attacks on the U.S. had further added to the urgency of forging a "global partnership" between the two countries, he said. Mr. Mori pointed out that Japan and India were set to develop

a multi-dimensional relationship that also included cooperation in the field of defence.

Referring to the situation in Afghanistan, Mr. Mori said that India and Japan could focus their attention on the reconstruction of war-torn Afghanistan. "India and Japan are not in a position of undertaking direct action," he said, adding that Tokyo had already noted India's decision to participate in the Afghanistan's reconstruction exercise and its willingness of render humanitarian relief to the Afghan refugees.

Mr. Mori said that the post-conflict political transition in Afghanistan needed to be undertaken by the Afghans themselves. He, however, declined to comment on the proportion in which the ethnic communities represented by the Northern Alliance and the Pashtuns could participate in post-Taliban political arrangement. Asked whether Japan held Pakistan responsible for exporting terrorism, Mr. Mori said that "on Pakistan connection to terrorism, we simply do not know precisely."

Church desecrated

JHABUA (Madhya Pradesh), OCT. 30. A church was desecrated on Monday night by tribals at Tichkia village, 10 km from here, police said today. A case has been registered against 11 persons and an additional force, including a sub-divisional officer, was camping to maintain law and order, the district superintendent, Mr. Vijay Kataria said. — UNI

THE HINDU

31 OCT 2001

TAIWAN IS WILLING

But is India ready to develop bilateral ties? Or is it too scared of China?

BY PRAKASH NANDA

India recently disallowed Taiwanese vice president Annette Lu's proposed Gujarat visit. Famous for her rehabilitation work following a severe earthquake in Taiwan in September 1999, Lu wanted to come to Gujarat in her private capacity as the chairperson of a voluntary organisation called Love and Care which had gathered relief material worth more than one million US dollars. What Lu found more insulting was the undue delay later by New Delhi to grant a visa to Dr Parris H. Chang, chairman, Committee on Foreign Relations of Taiwanese Parliament (Legislative Yuan), who finally came to India on her behalf last month to hand over the relief material.

If Chang is to be believed, he was issued effectively a conditional visa in the sense that he was told by our ministry of external affairs (MEA) not to take any Taiwanese journalists in his delegation. He was also asked to keep the visit absolutely low profile and not meet representatives of the Indian media and Indian ministers throughout the trip. "MEA officials told me that such a huge amount of relief material, that, too, from a single private organisation in Taiwan, will anger China whose total relief-help for Gujarat was of only 60,000 US dollars," said Chang.

However, both Lu and Chang attributed this state of affairs to "the imprudent behaviour" of the MEA only, and believe that Prime Minister Atal Behari Vajpayee and the Indian people would have never approved of what was done to them, had they been informed. They think that the MEA suffers from Sino-phobia and is yet to recover from the shadow of the 1962 military defeat. In fact, many senior Taiwanese officials and scholars that this writer interacted with in Taipei recently complain only about the MEA. Otherwise, they shower praises on India, its people and the country's scientific-technological capabilities. But for the MEA there would have been a "reciprocity" in Indo-Taiwan relations.



HAND OF FRIENDSHIP: Taiwanese President Chen Shui-ban

For instance, in the absence of formal diplomatic relations, as part of New Delhi's "one-China policy," the one pursued by many other major world capitals, India and Taiwan coordinate their relations through their respective economic and cultural centres in each other's capital. However, the Taiwanese complain that whereas in "a democratic Taiwan," the Indian representative is free to meet any political and official functionary at any level, his Taiwanese counterpart in the world's largest democracy is required to operate through the MEA only.

The Taiwanese have a valid point when they say India is not the only major country in the region with which Taiwan does not have diplomatic relations. Japan, South Korea, the ASEAN countries, not to speak of the United States, do not recognise Taiwan's sovereignty. And yet, their engagement with Taipei is multi-dimensional. Why cannot it be the same between India and Taiwan? Three points are pertinent in this regard.

First, given the importance of China in India's foreign policy, Indian policy makers, foreign policy analysts and think-tanks must understand Beijing well. This is particularly so when India does not have China-experts worth the name. And the best way to improve this state of affairs is to interact with the Taiwanese scholars who are considered to be

among the best China-watchers in the world. The Taiwanese scholars proudly say that no other place in the world conducts as extensive and intensive a research on Communist China as their people do. It is not that Taiwanese researchers are only critical of Beijing. There is a significant pro-China grouping within Taipei. The point is if there were regular academic and journalistic exchanges between India and Taiwan, Indian analysts would gain a better insight of China.

Secondly, there can be mutually beneficial exchanges of information between the intelligence agencies and militaries of the two on a range of issues such as cyber hacking, navigation security, sea-piracy, international terrorism and strategic matters. Similar exchanges do take place between the Taiwanese agencies and their counterparts in the US, South Korea and Japan to name a few. Even if one treats the Taiwan-US interactions as unique

Taiwan thinks that the MEA suffers from Sino-phobia and is yet to recover from the shadow of the 1962 military defeat. But for the MEA, there would have been a 'reciprocity' in Indo-Taiwan relations

Given the importance of China in India's foreign policy, Indian policy makers must understand Beijing well. This is particularly so when India does not have China-experts worth the name. And the best way to improve this state of affairs is to interact with the Taiwanese scholars who are considered to be among the best China-watchers in the world

and complex, the fact that Tokyo and Seoul share strategic information with Taipei is interesting. They have much more at stake than New Delhi in maintaining friendly relations with Beijing, given their quantum of trade with and investments in mainland China. The point is if Japan and South Korea can do it, why not India.

Thirdly, there is tremendous scope for economic cooperation between India and Taiwan, which, now, is not progressing because of what Taipei says the reluctance of New Delhi to conclude agreements on investment protection and avoidance of double taxation. As it is, with a GNP worth 288 billion US dollars, Taiwan is one of Asia's four "tiger economies," one of the largest exporters of the world and holder of the third largest foreign exchange reserve. Its annual growth rate has been one of the highest in the world (about seven per cent) and the per capita income of its 23 million people is 15,600 US dollars.

India has plenty to learn from the Taiwanese experience, particularly from the phenomenon of its small and medium sized industries accounting for 98 per cent of all business in the country, 80 per cent of all business employment, and 25 per cent of all direct export value. Taiwan also happens to be fourth in the world behind the US, Japan and South Korea in terms of its production value in the field of

computer industry.

Incidentally, Taiwanese policy makers would like to cultivate India's software industry the most, particularly at a time when Indian software giants are looking for alternate markets for collaboration following the recession in the US Silicon Valley. Taiwanese eagerness in this field could also be explained by the fact that they are having second thoughts about their growing investments in mainland China (Taiwan is the third largest investor in Communist China after Hong Kong and the US; in fact, largest portion of Taiwan's outward investment, 39 per cent of the total, has gone to the mainland).

Apart from the fears that 300,000 Taiwanese doing business in the mainland could in future become hostages of Beijing, Taiwanese officials believe that their products would lose technological edge and innovation in the long run if their businessmen continue to engage in low-added value production activities in the mainland because of cheap labour and establishments costs there. Their point is that since technological innovation is the key component to long-term sustained growth in this age of competitive globalisation, Taiwanese businessmen strengthening their ties with "developing China," which is weak at innovation, will be suicidal after some years. The solution, according to them, lies in establishing strategic R&D alliances with global innovation centres. And here, they find the possibility of a collaboration between Taiwanese hardware and Indian software extremely promising.

However, all this would be possible if India is not too sensitive to China. There is no reason why India cannot have a healthy relationship with Taiwan, even within the constraints of not having proper diplomatic relations. After all, the rest of the world is managing that.

■ PRAKASH NANDA, a national fellow with the ICHR, went to Taiwan on a field trip sponsored by the ICSSR

26 JUN 2001

THE ASIAPAGE
THE ASIAN AGE

PLATFORM | Ashok Ashta

Enter the rising sun

HPF8 ✓
19/5

There is no reason why Indo-Japan ties cannot reach a creative threshold. But we should first break the stereotypes embedded in the Japanese mind about the Indian bureaucracy and corruption

THE TRAGIC earthquake in Gujarat made headlines in the Japanese media, and rightly so. Unfortunately, most of the time when India is in the news, other than for the CTBT debate, it is for tragedies, poverty and corruption and these are the images that then become embedded in the minds of the ordinary Japanese. You could blame their media for this.

However, even veterans who have dealt with India do not seem to have a favourable impression. They advise anyone starting dealings with India on the five As: *Aserazu* (do not be impatient), *Awatezu* (do not hurry), *Anadorazu* (do not despise), *Atenishinai* (do not have expectations) and *Akiramemai* (do not give up). Obviously, these are not the normal As that one desires on a report card.

The first four As are inter-related and can be clubbed together. While the fifth A is encouraging, the poor view reflected in the first four should be a cause of concern to Indians who apparently admire Japan even more than the US, according to a recent survey commissioned by the Japanese embassy in Delhi. An impulsive reaction might be that if the Japanese hold India in such poor esteem, and if the Japanese don't need India, then India does not need Japan.

India and Japan have a long history of friendly relations and there is a strong potential for mutual benefit. While this is already recognised by our political leaders, the recognition must flow down to the common citizen so that the potential may be realised.

India stands to gain economically with a positive relationship with Japan. With the US economy showing signs of a slowdown, even an ailing Japanese economy must be tapped for the further globalisation of our economy. The task becomes all the more urgent as there are warnings that FDI inflows in the current fiscal might show stagnancy.

Japan stands to gain economically not only because of the size of the Indian market but because India holds a vital key for their economic resurgence — information technology (IT) solutions. On the spiritual front, as materialism gives rise to increasing stress in Japanese society, they have even more to gain by cultural contact with the birthplace of Buddhism.

What is it that needs to be done so that the potential of Indo-Japanese interaction and mutual gain is realised more? Two underlying causes need to be addressed for India's sake, and then the complementary issue of how India can contribute to Japan must be raised.

One of the causes for the poor report on India is a fact that Indians, both politicians and the common man, cannot simply wish away our bloated bureaucracy. The impediment posed by our bureaucracy is repeatedly emphasised by the Japanese elite, and at forum after forum.

As far as our managers go, the best attract internationally competitive rates — if the Japanese want excellent Indian managers they should be

willing to pay their accompanying price tags. Especially in the case of India's golden star, IT, the Japanese need to be aware that there is a human resource crunch even in India. While India produces IT solutions that define international quality and set global standards, these services should not be expected 'cheap'. They are reasonably priced, but certainly not 'cheap'. (I clarify to the readers that the Japanese image of 'cheap' is defined by the images of poverty they see on their mass media — a perception that has to be changed). ✓

So, the Indian government and our commercial ambassadors (in CII, FICCI etc.) would be well advised to first clarify the real actions that will be implemented to unshackle Indian labour and then remove the protective regulations that are in reality harming labour (except the privileged few who benefit from the protection.)

Also, we should avoid the trap of overstressing 'cheap'; instead we should initiate a paradigm shift in our country's 'sales' efforts and start emphasising 'quality', relevant most in the case of IT. Our speech-makers should scour the dictionaries for all the synonyms of 'high quality', and replace

'cheap' with 'competitively priced' in their vocabularies. Besides, an honest admission is required for the new capitalism in India to provide services to the highest bidder.

The fact is that engineers from leading Japanese manufacturing companies that search for good components' manufacturers in India do find the level of Indian engineering higher than that prevalent in Southeast Asia — markets in which they have invested. An intelligent change in our sales presenta-

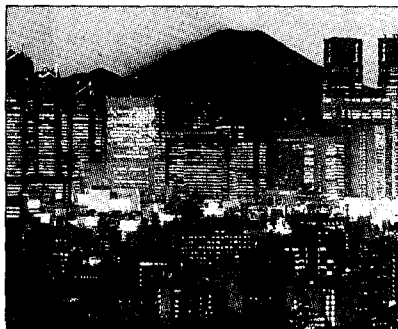
tion will help remove misguided expectations of the oxymoron — cheap excellence.

Of course, we can also give the Indian report card about the need for corporate Japanese to overcome its addiction to slow decisions. But this would be an unnecessary reaction; the accident has already handed such report cards on countless occasions.

Instead, the other important action that our ambassadors must take is to highlight the potential of Indian contribution to Japanese society. This should be made very much manifest in the Japanese mind — the potential of cultural contact.

On a less interactive plane we would do well to propagate Bodhgaya, Rajgir and Vaishali as important pilgrimage places of interest to Buddhists. We can emphasise the rich solutions that traditional Indian culture offers that would alleviate the high stress levels in contemporary Japanese society. Such offerings would include alternative medicines like Ayurvedic cures, the rich variety of Indian vegetarian cuisine and, of course, *yoga*.

Indo-Japanese interaction must go beyond simply improving political relations with Japan and dependence on economic aid. It must contribute to the prosperity — both economic, ecological and spiritual — of the people of both the countries.



An evening in Tokyo

THE HINDUSTAN TIMES

15 MAY 2001

India tried to buy cryogenic engines from Japan: ISRO

By Srinivas Laxman
The Times of India News Service

SRIHARIKOTA: India had initially started negotiations with Japan, France and the U.S. to procure cryogenic engines prior to approaching Russia, according to ISRO officials.

The first flight of the Geo-Synchronous Satellite Launch Vehicle (GSLV) slated for launch on March 28, has a Russian cryogenic engine.

According to space officials, Japan rejected India's request fearing that it would be used for military purposes. The deal with France almost materialised, but the Union finance ministry did not give the go-ahead because of the exorbitant price of the engine. With regards to the U.S., former ISRO chairperson U.R. Rao is quoted as saying that India had turned down the offer from the American firm, General Dynamics, as the deal cost Rs 600 crore. Eventually, India and Russia concluded an arrangement for the supply of seven engines which was valued at Rs 230 crore.

Space officials believe that the Americans tried to scuttle the Indo-Russian deal in 1992 because India had rejected the U.S. offer. But, the Americans claimed that they opposed the sale of these engines to India because it violated the provisions of the Missile Technology Control Regime. ISRO officials said if the Russians had buckled to U.S. pressure and failed to honour the deal, it would have resulted in ISRO being forced to replace the cryogenic engine with a non-cryogenic one. This in turn would have resulted in a lower payload capability of the GSLV.

The main advantage of using a cryogenic engine is that it can carry heavier satellites. These engines are efficient, small and light. Though the initial flights will be using the Russian engine, ISRO does not want to permanently depend on a foreign source, considering the uncertainties in the geo-political environment.

THE TIMES OF INDIA

25 MAR 2001

Austria focusses on mutual awareness

By V. Jayanth

CHENNAI, FEB. 19. For Indo-Austrian ties to achieve their potential, the immediate need is to enhance mutual awareness, the Austrian envoy to India, Dr. Herbert Traxl, said here today.

"Though we have come a long way in 20 years, there is so much more we can do together and I say this both as an Austrian and a European. That is the realisation that has come about in Europe these days," Dr. Traxl said in an interview.

He was a Deputy Chief of Mission in the Embassy in New Delhi from 1975 to 1980, and returned in 1998 as the Ambassador, to see for himself the world of difference in India. "We had just two joint ventures at that time, with the public sector units here. Today, we have about 60 joint ventures, mostly with the private sector," he explained.

Dr. Traxl said both Austria and India had implemented far-reaching reforms. Though late in joining the European Union, his country had caught up with the developments and integration. "We are the fourth largest in Eu-

ropian in terms of GDP per capita, though we are a medium-sized country with a market of just eight millions."

Transport sector

Austria had developed certain areas and centres of excellence in industry and technology, Siemens (Austria), though part of the mul-

tinational corporation, was in the forefront of metropolitan transport and communications. The company had worked on the metropolitan railway systems in Singapore, Hong Kong and Bangkok. Links had been established with the Indian Railways and there was a great potential for cooperation and collaboration, the Ambassador said.

Hydel power was another area of interest for Austria. Some companies were already working with the Central and State Government agencies here on refurbishing the aged hydro power stations. He said "Given the mismatch between cheaper and cleaner hydro-power and thermal power here, we see a great potential in working on future projects in this sector".

As part of his effort to boost bilateral ties on the cultural front, the Ambassador has arranged for the Vienna Chamber Orchestra in March. The 29-member chamber orchestra would perform in Chennai, Mumbai and Delhi, beginning March 19. Four ballet dancers would provide ball evenings in Mumbai and Delhi. This visit was being sponsored by both Austrian and Indian companies.

Dr. Traxl boasts of an eminent, personal Indian connection — he is married to Ms. Shovana Narayan, grand daughter of the country's first President, Dr. Rajendra Prasad. She is a world-renowned kathak dancer.

Tourist attraction

Another sector of mutual interest would be tourism. Austrian tourism was a major attraction and India could certainly develop into a major tourist destination, Dr. Traxl said, adding that Austria was keen on investing in this infrastructure. With the flights to Delhi settling down, Austrian Air-



Dr. Herbert Traxl

THE HINDU

20 FEB 2001

Japanese find hurdles to invest in India

STATESMAN NEWS SERVICE

NEW DELHI, Jan. 30. — On the conclusion of the two-day Japan-India Eminent Persons' Committee meeting, the Japanese delegation noted with dismay that a "variety of obstacles" made it difficult to convince investors to invest in India. During the meeting several areas of cooperation were also identified.

Addressing a Press conference here today, the chairman of the Japanese delegation, Mr Toyoo Gyohten, said the "barriers" to investment were explained to the Indian team during the meeting. The main obstacles which generally discouraged potential investors included government regulations, licensing procedure, bureaucracy and inadequate road infrastructure.

Although the environment for investment has improved a lot in India, the investors always tend to compare today's India

with that of the developed countries and convincing them was a difficult job, emphasised Mr Gyohten, adding that "lack of accurate knowledge about each other's country" was also a major hurdle.

The committee identified and came up with a "long list" of areas of cooperation including business, science and technology, bio-chemistry, information technology and exchange of human resources. Similar ideas also came up on the cultural side.

The nuclear tests and missile programmes of India did not come up for discussion during the meeting. Mr Gyohten said: "Such issues were not in the agenda of the meeting and in any case the Prime Ministers of both the countries did not ask us to discuss it also."

The committee was constituted during Japanese Prime Minister, Mr Yoshiro Mori's visit to India in August last year.

Japan blasts India on Agni test-firing, China cautious

Tokyo, January 18

JAPAN TODAY sharply criticised the test-firing of long-range Agni II missile by India, saying it may intensify nuclear arms and missile development race in the region while China and Australia were cautious in their reaction.

A day after the missile was test-fired successfully, the Japanese Government issued a statement saying it was "strongly concerned" about the launch of Agni II. Tokyo, a strong critic of India's 1998 nuclear

explosions, said the missile launch "may hamper the moves towards easing of tensions in South Asia and intensify nuclear arms and missile development race in the region." Japan, which bristles with its self-acknowledged missiles as sophisticated as those of the US and is itself engaged in development of theatre missile defence shield in collaboration with the US, said it was calling upon India to "refrain from further missile testing and hopes that Pakistan would exercise self-restraint."

In Beijing, the foreign ministry said China hoped to see peace and stability and was unwilling to see any

form of arms race in the region.

Chinese foreign ministry spokesman Zhu Bangzao said in Beijing that "China, together with

Tests will not hinder ties: Australia

Sydney, January 18

AUSTRALIAN FOREIGN Minister Alexander Downer said on Thursday that India's testing of the nuclear capable Agni-II intermediate range ballistic missile (IRBM) would not affect Canberra's decision to resume military ties with New Delhi.

Australian officials had announced last week that defence ties with India, snapped following New Delhi's nuclear tests of May 1998, would be restored soon with the posting of a military attaché in New Delhi. The attaché had been withdrawn following the nuclear blasts.

Downer, however, regretted that India and Pakistan were continuing with their missile development programmes, despite international pressure and said Australia would urge both countries to exercise restraint. "We don't think it requires a response from us beyond saying that we do regret what India has done," he said.

"We didn't expect the actual timing of (the test) but the fact is (India has) already done one of these tests of the Agni-II. So this is part of a general programme that India and Pakistan have been pursuing," Downer told reporters in Canberra, referring to the successful test-firing of the Agni-II off India's eastern coast Wednesday. This was the second test of the Agni-II, which has a range in excess of 2,000 km.

"It is unfortunate that (India and Pakistan) are continuing with the testing of these medium range missiles," Downer said. "But I am afraid it is part of the ongoing environment in South Asia and we just have to continue to lobby for India as well as Pakistan to exercise greater restraint," he said.

(IANS)

the international community, hopes to see peace and stability in the region. We are unwilling to see any form of arms race in the region." Asked to comment on the tests, Zhu said "we have taken note that India launched a ballistic missile capable of carrying nuclear

weapon."

He said the Chinese position on the nuclear question in South Asia was "consistent and clear", apparently referring to the UN resolution that calls on both India and Pakistan to renounce development of nuclear weapons. (PTI)

THE HINDUSTAN TIMES

19 JAN 2001



The President, Mr. K.R. Narayanan, and the Prime Minister, Mr. Atal Behari Vajpayee, welcoming the President of Mongolia, Mr. Natsagiin Bagabandi, and his wife at a ceremonial reception at Rashtrapati Bhavan in New Delhi on Wednesday. Also seen is Ms. Usha Narayanan (second from left). — Photo: Anu Pushkarna

India, Mongolia sign agreements

By Our Special Correspondent

NEW DELHI, JAN. 3. India and Mongolia today signed an extradition treaty and a defence agreement as part of an effort to institutionalise their relationship.

The agreements were signed in the presence of the Prime Minister, Mr. A.B. Vajpayee, and the visiting Mongolian President, Mr. Natsagiin Bagabandi. The two sides also signed agreements on investment protection and promotion, legal assistance and information technology.

Both leaders underscored the threat posed by international terrorism to national and regional security. In a joint statement, the two countries agreed that international terrorism had acquired

an additional menacing dimension because of its linkage to religious fundamentalism and extremism.

The statement condemned the States that aided, abetted and supported cross-border and international terrorism. Terrorism in any form — irrespective of political, philosophical, ideological, religious, ethnic, racial or any other consideration — could not be justified. The two sides agreed to work together to finalise a comprehensive convention on international terrorism. Mongolia also stated its support for India's candidature in an expanded U.N. Security Council.

Mr. Bagabandi appreciated India's efforts to normalise its ties with Pakistan based on the Shim-

la agreement and the Lahore declaration. He also expressed interest in India's advances in applied space technology and agriculture.

On legal relations

The treaty on legal assistance and legal relations recognises the importance of cooperation in civil and commercial matters and guarantees to the citizens of the two countries, free and unimpeded access to the courts and other authorities in each other's territories. The scope of legal assistance includes service and dispatch of documents or processes, transfer of documents, taking evidence, execution of requests for enforcement of judgments, decrees and arbitration awards.

THE HINDU

4 JAN 2001

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KARNATAKA / COOPERATION LIKELY IN IT, MINING

Trade pact with Mongolia on the anvil

By Our Special Correspondent

BANGALORE, JAN. 2. The Governments of Mongolia and India will be signing an MoU for technology transfer and trade in specific areas of bilateral interest, the Mongolian President, Mr. Natsagiin Bagabandi, said here today.

Addressing a meeting of the Confederation of Indian Industry (CII), Southern Region, he said the areas identified so far ranged from mining, mineral exploration and food processing to information technology and other knowledge-based industries. Joint ventures between Indian and Mongolian corporates could export their products to the Russian Federation and East Asia, he added.

During the past decade, Mongolia had become a democratic country with a multi-party parliamentary system and a liberal economy, Mr. Bagabandi said. Forex rules had been liberalised and the laws were being amended to allow free flow of foreign investments. The country offered many possibilities because of its large cattle wealth, minerals, oil deposits and other natural resources. Mongolia was also interested in tourism development and in technology relating to renewable energy, he added.

He said the taxation laws were being modified to allow more overseas



The Minister for Large and Medium Scale Industries, Mr. R.V. Deshpande (left), greeting the Mongolian President, Mr. Natsagiin Bagabandi, at a function in Bangalore on Tuesday. The CII President, Mr. Arun Bharat Ram (right), is seen. — Photo : T.L.Prabhakar

investment in key areas, and there would be no VAT on export-oriented goods. Indian expertise in computers, the Internet and networking would be useful to Mongolia with a vast geographical area and scattered population, Mr. Bagabandi added.

Agricultural production in that country, he said, had declined during the period of political and economic transition, and India's help in increasing productivity would be welcomed. For better communications and faster travel

between the two countries, there was a recent agreement between the Civil Aviation Ministries of the two governments, to explore direct flights, he pointed out.

The Minister for Large and Medium Scale Industries, Mr. R.V. Deshpande, said Bangalore, which was a centre of the emerging new economy and hitech industries, was the first stop in the Mongolian President's Indian visit.

Karnataka could collaborate with Mongolia in key sectors such as engineering, manufacturing, food processing, IT, biotechnology and mining. Bangalore had several R&D institutions of international repute, which could help in technology transfer.

The CII President, Mr. Arun Bharat Ram, who welcomed the President and the Mongolian delegation, said

the CII was planning to take a business delegation to that country this year.

He invited Mongolian businessmen to visit the Bi-annual International Engineering Fair to be held in February.

A wide range of leading-edge technologies had been developed in India with emphasis on IT and high technology. There were also other projects in Mongolia, funded by many countries, in which Indian industry would like to be involved, Mr. Bharat Ram said.