

HD-12 Summit right step: Canada ✓

By Sridhar Krishnaswami

OTTAWA, JULY 6. Canada has welcomed the decision of India and Pakistan to begin negotiations aimed at resolving long standing disputes in the region, including the Kashmir issue.

"Canada welcomes efforts by both parties to defuse tensions and to resolve bilateral disputes peacefully," said the Minister for Foreign Affairs, Mr. John Manley. "The decision of the Prime Minister, Mr. Atal Behari Vajpayee, and the Pakistan President, Gen. Pervez Musharraf, to meet, is an important step in the right direction. Canada urges both countries to move forward with this dialogue in a spirit of cooperation and goodwill."

The Secretary of State for the Asia Pacific, Dr. Rey Pagtakhan, said, "the recent detente between India and Pakistan is very encouraging. Canada welcomes the fact that both countries are willing to engage in a dialogue on difficult issues. We also commend both sides for continuing to show restraint along the Line of Control."

The formal statement by the Ministry of Foreign Affairs says that on Kashmir, Canada supports a peacefully negotiated solution, "that would take into account the interests of the Kashmiri people, improve human rights in the region and end all acts of terrorism."

Other senior officials are "cautiously hopeful" there will be a positive outcome to the coming Vajpayee-Musharraf summit in Agra next week. "We hope the summit leads to a whole new approach to bilateral dialogue," a Foreign Affairs Ministry official said.

In not wanting to minimise the existing difficulties between the two countries on outstanding issues, notably Kashmir, the officials say there is an absolute imperative for both India and Pakistan to come up with a "new" or "fresh" thinking, the argument being that the zero-sum approach of the past has gone nowhere and has been particularly destructive. "Reiterations of well known positions will not be of much use" is the official refrain here.

The Government of Mr. Jean Chretien has taken note of the restraint shown by India during Kargil and its immediate aftermath; has welcomed Gen. Musharraf's desire for a dialogue and praised Mr. Vajpayee for showing "real leadership" in taking the major initiative. "We are cautiously hopeful," an official said.

For India and Pakistan, in 2001, to believe that occupied parts of Kashmir can be re-taken by military force by one or the other is not "realistic" says an official. The deeply entrenched positions on the subject would have to be sorted out only by the two countries,

India - Canada. he adds. Officials here do not subscribe to the view that either Mr. Vajpayee or Gen. Musharraf were pressured by a third country — read the United States — to start a dialogue.

The feeling here is that while other nations may have been actively goading India and Pakistan to start talking, especially on Kashmir, this was clearly a bilateral issue that would have to be sorted out by New Delhi and Islamabad and with the involvement of the people of Kashmir. "How that's done is really not our business," an official said.

Recently, the Pakistani Foreign Minister, Mr. Abdul Sattar, was here before his trip to Washington and the Agra summit figured in the discussions, though not in any detailed fashion. Mr. Sattar is said to have been genuinely pleased with India's initiative and that Pakistan wanted a productive outcome to the talks.

If the Bush administration is closely following the coming summit in Agra, the Liberal Government of Mr. Chretien is not lagging far behind given Ottawa's active interest in forging closer ties with South Asia. An assessment here is that while it will be too much to expect dramatic breakthroughs especially in one sitting, the talks could change the atmospherics between the two countries.

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Canada-India ties poised to enter new phase

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By Sridhar Krishnaswami

OTTAWA, JULY 5. South Asia is undergoing an historic period of change and Canada is looking forward to being an active participant in the sweeping changes in that part of the world, says Mr. John Manley, Minister of Foreign Affairs, in introducing a comprehensive booklet put out by his Department "Canada and South Asia: Partners for the New Century".

"Our strong historical ties with the region coupled with our position as a world leader in telecommunications, transportation, power, natural resources and education distinguish Canada as both a recognised and a logical partner to meet many of South Asia's infrastructure needs," the Foreign Minister says.

While Ottawa seeks to push a broad-based policy with every country in the region, there is the unmistakable impression that a prime focus is going to be in the realm of economics — trade, investments and development. "We need the region to succeed. Canada's stake in South Asia is only going to grow," remarks a senior official during a conversation. And this "growing stake" in spite of the recognition of some of the intractable political problems of the sub-continent.

Ottawa's main focus in South Asia would be on India. In fact, getting over the hangups of the last three years, Ottawa and New Delhi are poised to enter a new dimension of the bilateral relations, politically, economically and in terms of Government-to-Government interactions. The formal lifting of sanctions by Canada against India in March has given the momentum to bilateral relations.

Canadian Minister coming

In the next three months, the Canadian Minister of International Trade, Mr. Pierre Pettigrew, is to visit India with a trade mission consisting of at least 100 Canadian companies or even more.

During the six-day visit, he would go to New Delhi, Chennai and Mumbai. "The timing is excellent and there is a lot of interest" in the visit, says an official of the Ministry of Foreign Affairs.

Mr. Pettigrew's agenda in India is said to be two fold — policy and trade. The fact that he is visiting India prior to the next Ministerial of the World Trade Organisation in Doha has significance even if there are differences between New Delhi and Ottawa on a number of matters, including the need for a New Round of Multilateral Trade Talks. The meeting with high-level officials and leaders by

Mr. Pettigrew aside, Canadian businesses will be interested in actively looking at and sourcing Indian markets, it is said.

The Canadian Minister's one-day visit to Chennai, now slated for October 10, has importance as well. On the one hand it is seen as an opportunity to see first hand what Tamil Nadu is all about and in its potential. And this in some ways is expected to go the distance in convincing the necessary authorities in Ottawa for the establishment of a full-fledged Canadian Consulate in Chennai, an idea that has been on the cards for quite sometime. How all this would materialise will depend to a large extent on the response of Tamil Nadu as well.

More immediately Ottawa is focussed on the bilateral meeting Mr. Manley would have with the Minister for External Affairs and Defence, Mr. Jaswant Singh, in Hanoi on the sidelines of the ASEAN Regional Forum gathering. Officials here say that Mr. Manley and Mr. Singh have had a "very cordial" exchange of letters and the hope is that this meeting in Vietnam will lead to an exchange of visits of the Foreign Ministers. Mr. Manley is expected to be in India by January of next year and Mr. Singh perhaps even earlier in Canada.

Ministering from the wings

Out of office and away from the arc lights, Inder Kumar Gujral continues to influence India's external affairs. Last week, the unexpected decision of the prime minister, Atal Bihari Vajpayee, to do business with Pakistan at the highest level, and his earlier bus journey to Lahore, may have been fatal for Gujral's legacy, but the short-time leader of the now-dead United Front continues to have a following in strategic circles abroad.

The latest comes from Canada. Ottawa's decision to end sanctions on India — except on defence and nuclear cooperation — for its 1998 nuclear tests and re-engage India has a lot to do with Gujral, although virtually all of it has been away from the public gaze. Canada was one of the countries which believed that the broad range of international sanctions imposed on New Delhi after Pokhran II, the United Nations security council resolution 1172 which demanded sweeping steps by India to end its nuclear programme and international pressure would, at best, force a rethink on the Bharatiya Janata Party-led government's policy on non-proliferation.

At worst, Canada believed the BJP and its allies would be out of office not long after Pokhran II, taking New Delhi back to its long years of nuclear ambivalence. But the deepest and broadest phase of Indo-US engagement in history through the protracted talks between the external affairs minister, Jaswant Singh, and the United States deputy secretary of state, Strobe Talbott, changed all that. Canada, which played a major role in shaping the punitive security council resolution, was dismayed that the US was not alone in overlooking the nuclear tests and seeking a *modus vivendi* with India. France was doing for India what no government in Paris had done in half a century of independence. The hiccups in ties between Moscow and New Delhi after the collapse of the Soviet Union were no longer hampering this bilateral relationship.

Even the UK, which was vocal in its criticism of the Vajpayee government, had quickly restored normal relations. President K.R. Narayanan had visited Germany and Pokhran II was no longer an impediment to normal links between Berlin and New Delhi. But Canada had a peculiar difficulty which these other countries did not have. Non-proliferation is a major issue in Canada and something that touches a popular chord.

Therefore, shortly after the nuclear tests, at the London meeting of the Group of Eight, rich nations set up a task force to make India comply with non-proliferation in which Canada's prime minister, Jean Chretien, "led the charge against India". His foreign minister, Lloyd Axworthy, continued to follow a policy of keeping India at arms length although, looking at Canada from the outside, the policy made little sense. It was divorced from realpolitik which is the rationale for all diplomacy. And yet, all opinion polls in Canada on foreign policy showed that Axworthy's policies had popular support.

The foreign minister, who is no longer in Chretien's government, then thought up an ingenious scheme to cor-

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K.P. NAYAR

rect the aberrations in his India policy. In any case, he had to do something drastic about India: Ottawa could not carry on the policy of not dealing with New Delhi while the rest of the world was doing so on India's terms. So, Ottawa in-

in policy that Canada is implementing now. Gujral told Chan in no uncertain terms that there was an absolute national consensus in India against signing the nuclear non-proliferation treaty and that opposition to the Pokhran tests was,



vited Gujral to visit Canada as a "distinguished speaker" under the aegis of the Shastri Indo-Canadian Institute, a joint enterprise which promotes mutual understanding and awareness of India and Canada among each other's peoples. It is a reflection of how wrong Axworthy's grasp of India was that he mistakenly hoped Gujral would travel to Canada on this invitation and condemn the BJP-led government's nuclear policy.

But for him, it was a risk worth taking. If a former Indian prime minister, who had extended the hand of friendship to Pakistan and offered to change India's image of the "big brother" in south Asia, could be made to publicly distance himself from the nuclearization of south Asia, it would add moral stature to Canada's policy of not dealing with proliferationists, come what may.

Axworthy could even tell some of Canada's allies, who had compromised on non-proliferation for the sake of expediency, that Ottawa stood for principles. But to Axworthy's disappointment, Gujral could not make the trip for a variety of personal and political reasons. Raymond Chan, then secretary of state for Asia Pacific in Chretien's government, was then asked to call on Gujral in New Delhi while on a trip to Asia. Chan, who is the equivalent in India of a minister of state, discussed the nuclear issue at length with Gujral.

What Chan — who was defeated in elections last November — reported back in Ottawa was a key to the change

Canada has a large arms control constituency, and no foreign minister can ignore its demands on the political leadership

if at all, negligible. He also told Chan that none of the opposition parties in India was opposed to nuclear tests. What they resented was any attempt by the BJP to claim credit for a nuclear programme which every government — including Gujral's — had encouraged.

Once Chan reported that there was very little chance of any Indian government — whatever its political colour — rolling back the nuclear programme, Axworthy ordered a review of policy on India. In any case, Canadian industry was clamouring for a change in policy. Businessmen realized that opportunities were slipping through their fingers because of Ottawa's hands-off policy towards India even as their counterparts in North America, Europe and the Far East were profiting from them.

As these businessmen saw it, Canada had prepared itself for a major economic partnership with India in the mid-Nineties with a string of bilateral visits, including one by its prime minister and the governor-general. These visits, combined with intense interaction at the

level of individual businessmen and businessmen's organizations, had created an awareness of the economic potential of Indo-Canadian engagement. But with the policy of not having any contacts with a nuclear India, all these preparations for economic cooperation lay waste. Trade between the two countries, which was just about 200 million US dollars 10 years ago, had grown to no more than one billion US dollars by last year. This represented just 0.5 per cent of Canada's total trade. Even this tardy pace of growth had slowed down after the Pokhran tests and the balance of trade was 2:1 in India's favour.

One politician who realized the need to pull Indo-Canadian relations up by its bootstraps was John Manley, who became foreign minister in Chretien's government at the end of last year. Manley turned out to be a far more pragmatic foreign minister than Axworthy, who was preachy, dogmatic and uncompromising. Given the closeness between the US and Canada, it is difficult to imagine anyone in the Canadian government doing damage to US-Canadian ties: but Axworthy had managed to do some of that. Manley set about repairing the damage. The return to normalcy in Indo-Canadian relations is thus also part of a larger effort by the new foreign minister to undo some of the things done by his predecessor.

Ottawa does not share President George Bush's enthusiasm for the national missile defence. But Manley says it would be wrong to hold Canada's multi-faceted relations with the US hostage to the NMD. By the same yardstick, he has argued that it would be counterproductive to make non-proliferation the single issue in Indo-Canadian relations or to link the development of bilateral relations with New Delhi solely to progress on the nuclear dispute.

So, Manley has done what all successful diplomats do. Make compromises, do the best deal and tout it as a victory for one's own point of view. In a statement announcing the withdrawal of the sanctions, he stressed that "Canada's deep concern about the dangerous trend towards nuclear proliferation in South Asia remains undiminished and its policy unchanged". Canada has a large arms control constituency and no foreign minister can ignore the demands made by this constituency on the political leadership. So Manley's statement continued: "Canada continues to call on India to renounce its nuclear weapons programme, to sign and ratify the comprehensive test ban treaty and join the NPT as a non-nuclear weapons state."

Next month, India will send one of its most senior diplomats, R.S. Kalha, the secretary in South Block dealing with Canada, to fine-tune the relationship which is emerging from a three-year cloud. It is a relationship which has tremendous potential, enhanced by a large and vibrant Indo-Canadian community. But this potential has also missed being optimised so many times that those with a sense of history hesitate to be overly optimistic. But what is beyond doubt is that now, once again, New Delhi and Ottawa have a chance to nurture their relations to full growth.

Canada to look beyond sanctions

By Our Special Correspondent

NEW DELHI, MAY 19. Setting aside the sanctions invoked in the wake of the Pokhran nuclear tests, Canada is now gearing up to do business with India, with focus on development projects.

Following the green signal from the Canadian Government, CIDA is reactivating its Industrial Cooperation Programme from which India had benefited earlier with flow of funds and successful ventures.

According to the visiting South Asia Project Manager, Industrial Cooperation Programme, CIDA, Mr. Randy Trenholm, no decision has so far been taken in the case of Pakistan although sanctions were invoked against that country too following the Chagai nuclear tests.

However, indications are that Canada would be taking a decision to re-engage with Pakistan in due course.

Mr. Trenholm told mediapersons that there was pressure on the Canadian Government from the business community for re-engagement in view of the opportunities available here in the wake of liberalisation and globalisation.

CIDA not only helps with funds but also clears development projects to be undertaken by Canadian companies.

Mr. Trenholm, here on an exploratory mission, said his country was looking at power projects, hydel as well as thermal, energy conservation and transmission, manufacturing sector, infrastructural development, highways, services for planning and management of infrastructure development projects and large

technology transfers. Some firms were interested in housing sector projects.

Canadian companies with expertise in handling power projects were willing to take a look at both small and big power projects ranging from 5 MWs to 200 MWs capacity.

The Canadian companies have worked on some projects in India in the past too.

He said that other areas of interest for Canada in joint ventures could be oil-field equipment, material movement from oil-fields, e-commerce training area and coal mining operations. Projects for installation of water and sewage systems are also being eyed.

One particular project Canada is keen on is the cleaning up of Bhopal. The project for which CIDA proposes commissioning a study is tackling the problem of soil contamination which has nothing to do with the effects of Union Carbide gas tragedy.

The study would be done on a cost-sharing basis for Canadian firms with CIDA bearing 20 per cent of the cost.

Another project being taken up by Canada is a rehabilitation project for the earthquake-hit of Gujarat.

An assistance of 10 million Canadian dollars was committed for the purpose following the quake.

Most of the projects, Mr. Trenholm said, would be taken up as joint ventures.

Sixty-odd projects involving 12 million Canadian dollars were either at the planning or operational stage. The ongoing projects under execution were not affected by the sanctions, he added.

THE HINDU

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Musharraf invite breaks Canada nuke ice

FROM K.P. NAVAR

Ottawa, May 28: One of the last hold-outs fiercely opposed to the Pokhran nuclear tests in 1998, is re-engaging India.

It has lifted all sanctions on India except the ones on military equipment, and in a dramatic turnaround, Canada's recently appointed foreign minister John Manley will visit New Delhi soon.

There is particular appreciation here, in the seat of the Canadian federal government, of Prime Minister Atal Bihari Vajpayee's invitation last week to Pervez Musharraf, Pakistan's

chief executive, to visit India. Cautiously, but optimistically, hopes of a revival of the "Lahore spirit" of 1998 are being expressed in Ottawa, which continues to be acutely concerned about nuclear and missile proliferation in South Asia.

At the same time, Canada's sanctions against Pakistan are being treated differently. Ottawa is deeply upset about the military rule in Islamabad and the sanctions against Musharraf's junta are, therefore, being handled collectively through the Commonwealth Ministerial Action Group on Pakistan.

Manley said in a statement that Canada's relations with India and Pakistan "are pursued on their respective merits".

Canada had recalled its high commissioner in New Delhi after the nuclear tests and called off all high-level visits. Indian ministers and officials were even refused visas for multilateral meetings held in this country.

Even the few, like finance minister Yashwant Sinha, who was in Canada for a Commonwealth conference, were denied bilateral meetings in Ottawa.

All that is in now in the past as Manley prepares to open Canada's arms once again to India. In

an interview to an Ottawa newspaper signalling the shift, Manley described India along with the Group of Eight (G-8) rich nations, Mexico and China as his country's key partners for the future.

"Canada will continue to build on the strong historical relationship it enjoys with India," Manley said in a statement ending the sanctions and announcing the full re-engagement with New Delhi.

He said: "Canada is encouraged by the Indian government's unilateral moratorium on further nuclear testing and its efforts to forge a domestic

consensus in favour of signing the Comprehensive Test Ban Treaty (CTBT). India has also shown restraint along the Line of Control (LoC) dividing the disputed territory of Kashmir."

India has responded quickly and positively to Ottawa's declaration to re-engage New Delhi. Suresh Prabhu, the power minister, will be here in about 10 days time.

The significance of his visit lies in the fact that despite the problems which have slowed down Indo-Canadian ties, Canada accounts for 10 per cent of India's total hydro-electric power capaci-

ty. This will be followed by a visit by commerce minister Murali Manohar Murthy or his deputy, Omair Abdullah, to work out a trade policy framework between the two countries.

If all goes well, Vajpayee and his Canadian counterpart, Jean Chretien, could meet on the sidelines of the Commonwealth heads of state meeting in Australia in October.

This would be the first meeting between prime ministers of the two countries since Chretien's high-profile visit to India five years ago, which had raised hopes, dashed by the cooling off of relations caused by Pokhran II.

THE TELEGRAPH

29 MAY 2001

Canada lifts sanctions on India

By Sridhar Krishnaswami

WASHINGTON, MARCH 21. In a move that signals a fresh start to bilateral relations, Canada has announced that it is lifting diplomatic and economic sanctions against India. The formal announcement was made to this effect in Ottawa on Tuesday.

"While we will continue to call upon India to renounce its nuclear weapons programme, we have concluded that to pursue an effective dialogue we need to engage India in all sectors of interest and at all levels. India is a vigorous democracy with one sixth of humanity and an increasingly globally-integrated economy", the Foreign Minister, Mr. John Manley, said in an address to the Royal Institute of International Affairs in London. Mr. Manley was attending the Commonwealth meeting.

In the lifting of the nearly three-year freeze, Canada has announced that it would resume all its International Development Agency programmes in India including industrial cooperation and provide support to culture and sports, the Foreign Ministry has said in a statement.

Canada, says the press release from Ottawa, will continue to build on the strong historical rela-

tionship it enjoys with India with both countries working together in a number of areas including in the Commonwealth, the United Nations, the World Trade Organisation and peace-keeping.

Making references to the large and vibrant Indo-Canadian community that has contributed to the cultural fabric and serving as a catalyst for bilateral trade, the Department of Foreign Affairs and International Trade further noted that, "Canada is encouraged by India's economic reform efforts and the results that it has achieved. The government of Canada will continue to seek new commercial opportunities in India's evolving business environment, particularly in the information technology sector".

In announcing the lifting of restrictions, Mr. Manley has expressed his continuing concern at the dangerous trend toward nuclear proliferation in South Asia and called on India to sign and ratify the Comprehensive Test Ban Treaty and to join the Non Proliferation Treaty as a non-nuclear weapons state.

That said Mr. Manley noted that Canada was encouraged by New Delhi's unilateral moratorium on further testing and in the efforts to forge a domestic consensus for signing the CTBT.

"India has also shown restraint along the line of control (LOC) dividing the disputed territory of Kashmir and extended its unilateral ceasefire on shelling across the LOC", Mr. Manley has said.

Coming from a trade background, Mr. Manley has taken a practical approach to the problem with India unlike his predecessor, Mr. Lloyd Axworthy, who was said to have seen the nuclear tests as India going back on a commitment and took them personally which explained Ottawa's stance in the last two years or more.

But there has been a perceptible shift in Canada's position since the elections of last November that resulted in a Cabinet reshuffle which brought the more pragmatic and realistic Mr. Manley to the Department of Foreign Affairs and International Trade. Mr. Manley believes that for depth in political relations among nations, the economic aspect cannot be ignored.

In fact in an interview to the *Ottawa Citizen* last December, Mr. Manley clearly said that Canadian sanctions against India were getting nowhere; and that Canada was being left standing alone as others had started the process of re-engagement with India. "I think it's time we re-

engage them," Mr. Manley said at the time reflecting his interest-based approach.

2,000 arrested in Pak. ahead of rally

ISLAMABAD, MARCH 21. The Pakistan police detained nearly 2,000 politicians and supporters of Opposition parties ahead of a rally on March 23 to demand restoration of democracy.

"Around 2,000 people have been arrested all over Punjab," Qasim Zia, provincial chief of the 18-party alliance for the Restoration of Democracy (ARD), spearheading the movement, said here today. The ARD is organising the rally in Lahore on Friday.

Mr. Zia, head of the Punjab chapter of the Pakistan People's Party (PPP), said police arrested former MPs, ex-ministers and almost all PPP zonal chiefs.

Condemning the arrests, the ARD president, Nawabzada Nasarullah Khan, said, "The massive crackdown indicates that the Government has become nervous and lost its sense. We will go to Mochi gate at Lahore removing all hurdles and no one will be able to stop us from holding the meeting." — PTI

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CANADA'S GESTURE TO INDIA 2A B

CANADA'S CORRECTIVE DIPLOMACY of lifting the India-specific 'sanctions', which were imposed after New Delhi conducted nuclear arms tests in 1998, must surely help tone up the bilateral ties. The reasons cited by Ottawa certainly do not indicate any semblance of *quid pro quo*. Canada does not also seem to have perceived compelling evidence of a change in India's nuclear security agenda. Moreover, there is nothing new about India's status as "a vigorous democracy" or as the home to "one sixth of humanity". Nor does India's "increasingly globally-integrated economy" signify a sensational accretion to the positive attributes of this country. Yet, if Canada has now outlined these Indian characteristics in justification of its considered decision to annul the 'sanctions', the reason has much to do with Ottawa's own sense of urgency regarding its national interest and economic priorities. The central theme of Canada's reasoning is that an "effective dialogue" with India could be pursued only if New Delhi could be engaged "in all sectors of interest" to Ottawa and at "all levels". Elaborate indeed is Canada's justification for a climbdown from the 'moral' high ground it took in the wake of the Pokhran detonations of 1998. Ottawa was not alone, of course, in denouncing India then. Canada's distinctive macro-spectrum image as a Third World-friendly country and its Commonwealth-related links with India did not really prevent Ottawa from viewing the Pokhran tests without much understanding of New Delhi's external security concerns. Seen in this perspective, Ottawa's latest move may have been intended as a response to India's apparently effective strategy of engaging the major powers in a mode of diplomatic attrition over its nuclear defence policy. The recent flurry of a significant number of rounds of talks between India and the U.S., held on nuclear security matters in the specific context of the 1998 Pokhran tests, may have also influenced Ottawa's current thinking. However, Canada's friendly gesture does

not call for any euphoric triumphalism on the part of the Vajpayee administration.

Several factors seem to dictate the need for a balanced view from New Delhi. Canada is not the first among the friends and allies of the U.S. to have recognised the long-term futility of subjecting India to an economic embargo. Regardless of the political symbolism of such 'sanctions', countries such as Australia and Japan began last year to address the issue realistically in the context of their respective business interests and strategic calculations. Both, like Canada now, saw the need to enhance ties with the world's most populous democracy. India's military restraint at the height of the Kargil crisis of 1999 came in for much appreciation too. The argument merely mirrored the compulsive semantics of the current phase of post-Cold War uncertainties on the global scene. Yet, unlike Australia and Japan, Canada had historically served as a possible model for the early stages of India's nuclear energy programme. As a key member of the G-8, a conclave of seven industrialised nations plus Russia, Canada now wants to de-freeze its India-specific economic restrictions by blazing a trail of strategic rhetoric too.

Canada, it is said, "will continue to call upon India to renounce its nuclear weapons programme". Ottawa continues to urge New Delhi to sign and ratify the Comprehensive Test Ban Treaty (CTBT) as also accede to the Non-Proliferation Treaty (NPT) as a power without an atomic arsenal. However, the operative part of Ottawa's abrogation of the 'sanctions' is indicative of its desire not to confront India over these political appeals beyond the point of reasonableness in bilateral exchanges. The reference to the NPT, an old benchmark of discriminatory international law, is somewhat incongruous in the present context without of course being terribly impolite. Yet, it seems logical that a decision to scrap 'sanctions' is not a coded signal for undue pressure on India in regard to the CTBT or other strategic issues.

Canada seeks to double trade with India

By Our Special Correspondent

Under Canada **NEW DELHI, DEC. 17.** Canada has decided to tap the huge trading potential with India and double bilateral trade by 2003. This follows identification of India as a priority country for trade and investment by the Canadian Government.

This was disclosed by the Canadian High Commissioner, Mr. Peter Sutherland, while addressing a meeting organised by the Associated Chambers of Commerce and Industry (Assocham).

He said that Canada had decided to re-engage with India both politically and economically. It would thus be sending as many as six high-level business delegations in 2002 led by Ministers of the Federal Cabinet. Describing the target of doubling the trade turnover as "ambitious but realistic", he expressed confidence of achieving a major breakthrough in trading relations as both Canada and India offered a competitive business environment and a huge market.

Responding to the chamber's concerns, Mr. Sutherland said there has been a total transformation of the way in which the Canadian Government and business were looking at this part of the world. He identified several areas of bilateral trading interest including energy, environmental technology, tele-

18/12 communications, transport, mining, low cost construction, banking, insurance, entertainment and the ICT (information, communication, technology) sector. The Assocham president, Mr. Raghu Mody, said the time was ripe for the two countries to actively engage in reviewing the Indian imports basket and identify a better strategy to leverage bilateral relations. He said Canada had shown interest in meeting South Asia's infrastructure requirements and Canadian companies were looking forward to deepening collaboration with the private sector in areas such as research and development as well as the information technology sector.

Oil price falls

LONDON, DEC. 17. The price of oil fell here today as the OPEC called a special meeting next week to discuss delaying an output cut.

A barrel of Brent North Sea reference crude for February delivery fell as low as \$18.65 a barrel, down 50 cents on Friday's close, before steadying somewhat. The market has see-sawed in recent weeks as it anticipates a broad deal between the Organisation of Petroleum Exporting Countries (OPEC) and its rivals to restrict global supply in line with falling demand. — AFP

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