

Polaris may drag Jakarta bank to court

TIMES NEWS NETWORK

Chennai: Back in India on Christmas day, the beleaguered chairman and CEO of Polaris Software Lab Ltd. Arun Jain, said the company board would be meeting shortly to chart its next course of action following the firm's dispute with Bank Artha Graha. The row had led to Mr Jain's arrest in Jakarta.

Polaris Software Lab Ltd is among the top five IT companies in

India. The company operates in the banking, financial services and insurance segment and employs about 4,000 employees. Its revenues are estimated at Rs 600 crore.

Mr Jain and his colleague Rajiv Malhotra were arrested in the Indonesian capital on December 13 while on a visit to that country to settle a matter regarding an alleged commercial breach of contract.

Speaking at a press conference here at about midnight on December 25, Mr Jain said the board was also likely to discuss filing defamation proceedings against the Indonesian bank besides initiating arbitration proceedings in Singapore.

Dubbing his 11-day incarceration an "Indonesian safari", Mr Jain recollected the hostile situation in the board room of Bank Artha Graha. It was so frightening, he noted, that he had to call his largest client, CitiBank, in London to seek security for himself and

Mr Malhotra. CitiBank, through its Hong Kong office, then arranged private security for them in Jakarta.

"For a moment, I thought that the detention centre was safer than the

board room of Bank Artha Graha," Mr Jain said. He added that the case was "still on" and that he would visit Jakarta as and when required for its completion.

The bank had served a notice of termination on Polaris on November 27, 2002. Polaris responded on December 3, stating that the grounds for termination were incorrect and offered to resolve the issue through discussion. Mr Jain said that he had offered to pay the bank \$6.62,000 — which Polaris had received so far — but the idea was shot down. "They asked us to pay \$10 million, which we refused, and therefore we were arrested," Mr Jain added.



Arun Jain, chairman of Polaris Software, holds up his child on his return to Chennai on Tuesday night.

2 5 DEC 2002

THE TIMES OF INDIA

Polaris chief returns

By Our Staff Reporter

CHENNAI, DEC. 24. Arun Jain, Chairman and Managing Director and CEO, Polaris Software, and the senior vice-president, Rajiv Malhotra, returned to India after 12 days of harrowing experience in Jakarta.

The Indonesian authorities released Mr. Jain and Mr. Malhotra on Friday morning but police withheld their passports. Their passports were returned on Tuesday morning and they landed here later in the night.

The officials of Polaris Software said the commercial dispute with Indonesia's Artha Graha Bank would be settled through proper arbitration and legal proceedings.

On arrival, Mr. Jain addressed mediapersons and thanked the Government of India for its diplomatic efforts to secure their release.

Diplomatic tussle

P. S. Suryanarayana reported from Singapore: The ordeal of the two top executives came to an end earlier in the day as the Indonesian police returned their impounded passports. Soon after receiving the passports, the two left Jakarta for home after enduring a drama that transformed their commercial dispute with the Artha Graha Bank into a tense personal ordeal and a virtual diplomatic tussle of nerves between New Delhi and Jakarta. In the end, even as the Indonesian authorities released the passports unconditionally, the real game plan of police and the complainants in Jakarta remained far from clear.

Throughout the crisis, which involved the



HOME AT LAST: Polaris executive, Arun Jain, coming out of the Chennai airport on Tuesday night. — Photo: S.R. Raghunathan

prestige of India's software industry and also Jakarta's credentials for upholding the rules of international commercial transactions, the Indonesian authorities revealed little about their compulsions or calculations.

Amar Sinha, India's Charge d'Affaires in Jakarta, said the understanding behind today's positive development was that the Indian firm would remain ready to cooperate with the Indonesian authorities as regards any further investigations by them.

THE HINDU

25 DEC 2002

Polaris executives released

2/12
By P.S. Suryanarayana xD 1

SINGAPORE, DEC. 20. Responding to intense diplomatic pressure from India, the Indonesian police today freed the two detained executives of the Chennai-based Polaris Software Labs on the understanding that they would fully cooperate with the security officials and others in Jakarta as regards the "investigations" of the complaints that led to the arrests about a week ago.

Arun Jain and Rajiv Malhotra, corporate executives of India's prestigious software industry, were set at liberty at 9.30 a.m. Jakarta time, and they were not asked to sign any binding document in exchange for freedom.

The apparent basis of the release itself was the

"assurance" that the Indonesian officials had received from the Indian Embassy in Jakarta that the Polaris executives would be cooperative in respect of any investigations that the local authorities might wish to conduct. This message was categorically conveyed by India's Charge d'Affaires, Amar Sinha, and the point made was that there was, therefore, no need to keep the executives in detention.

When contacted shortly after the two were freed, Mr. Sinha said they were in good spirits. Top Indonesian officials were not immediately available for comment, but they appreciated the distinction which India repeatedly drew between a commercial dispute that could be resolved through negotiations or arbitration and criminal offences.

2 1 DEC 2002

THE HINDU

It's technical, says Kuala Lumpur

MANOJ MITTA

15/12 92 - Sunday

GIVEN India's rather poor record of securing extradition of fugitives, it takes little to blame the CBI for its failure to bring Bofors accused Quattrocchi to justice. But a closer scrutiny suggests that the CBI is justified in complaining that it did not get a fair hearing in Malaysia and that Quattrocchi was let off on a sheer technicality.

An extradition proceeding involves disparate legal systems of two different countries trying to make sense of each other. But the extent to which the country harbouring the fugitive accommodates the request of the country seeking extradition depends more on politics than on law.

If Malaysia had the political will to hand over Quattrocchi to India, it could have long deported him merely on the basis of an executive decision. India had to take recourse to the cumbersome legal process of extradition basically because Malaysia was unwilling to oblige it.

This unwillingness is evident even in the manner in which the Malaysian judiciary handled the CBI's extradition plea. Take, for instance, the Malaysian high court's refusal to let a Malaysian lawyer engaged by the CBI, Cyrus Das, argue the case. This despite an express provision in the Malaysian extradition law that the country seeking extradition is entitled to be represented by a lawyer in the court.

Having denied the CBI a proper opportunity to explain the nature of the proceedings pending against Quattrocchi in India, the Malaysian high court came up with an absurd procedural ground for rejecting the plea. In utter disregard of the CrPC followed in India, the Malaysian court held that the Quattrocchi could not be extradited since Indian courts have framed no charges against him. This flies in the face of the fact that the stage of framing charges would have come only after Quattrocchi was extradited to India and produced in the court. Only last month, the trial judge in Delhi, Prem Kumar, framed charges against other accused in the Bofors case, the Hinduja brothers, because they had appeared in the court and, as per bail conditions, could undergo trial.

The only way Kumar could have framed charges against Quattrocchi in his absence was if the CBI had exercised the option of proceeding with the trial by getting him declared as a proclaimed offender. And if the framing of charges by the court was really a precondition for extradition, the Malaysian Attorney General could well have pointed out that shortcoming right at the beginning.

The extradition proceedings were launched merely on the basis of the chargesheet the CBI filed in the Delhi court in 1999. Kuala Lumpur accepted that the Delhi court would frame charges only after Quattrocchi was produced before it. If the Malaysian high court now holds that Quattrocchi cannot be extradited because the Delhi court has not framed any charges against him, it smacks of a lame excuse given to cover up the lack of political will in Malaysia. Thankfully, not all extradition cases are influenced by politics. The English judiciary, for instance, refused to extradite Bollywood music director Nadeem not for any extraneous reasons but on substantive grounds of evidence. If only the Malaysian judiciary had been as faithful to the rule of law.

INDIAN EXPRESS

15 DEC 2002

Malaysia vetoes bid for Ottavio

14/12 10.7 India - SE Asia re.
OUR BUREAU
AND AGENCIES

Dec. 13: The Bofors case bled from another hit in quick succession with a Malaysian high court rejecting India's request to extradite Italian businessman Ottavio Quattrocchi.

The refusal to hand over Quattrocchi marks a humiliating defeat for the Union government, which has failed to send anyone to jail in the scandal that has dogged the political landscape for well over a decade.

"The offences alleged are open to doubt," the Malaysian court said, setting Quattrocchi free after dealing the biggest blow yet to two years of extradition proceedings.

The CBI said it was "distressed" by the high court verdict and had asked Malaysian prosecutors, who were arguing New Delhi's case, to appeal against the ruling in Malaysia's highest court.

Quattrocchi, friend of assassinated former Indian Prime Minister Rajiv Gandhi and resident in Malaysia since the early 1990s, had been accused of receiving \$7 million in illegal payments as a middle-man in the purchase of artillery from Swedish arms maker Bofors AB in 1986.

"I've never done anything wrong. Now, of course I feel more relieved," Quattrocchi told reporters. Quattrocchi, 64, said he would be visiting an ailing brother-in-law in China and his children in Italy before returning to Malaysia. "That is the plan," he said. "I love this place."

CBI director P.C. Sharma said the Malaysian courts had not given India a "complete hearing" and New Delhi would seek to stop Quattrocchi from being allowed to leave Malaysia until a higher court heard the appeal. "We feel this is some kind of a summary decision taken. The full facts have not been gone into... a complete hearing was not given," Sharma said.

The Bofors trial in the Supr-

eme Court has also been stalled last week as an appeal regarding charges against the Hinduja brothers, another group of accused, is pending before a bench.

The latest blow to the CBI came on an appeal it had filed against a Kuala Lumpur sessions court order dismissing charges against Quattrocchi last week.

Judge Augustine Paul of the Kuala Lumpur High Court said the charges against Quattrocchi should have been laid before the sessions court when it was hearing the extradition petition.

The lower court had thrown out the case on the ground that the descriptions of the offences in the requisition papers were "insufficient, vague and ambiguous". Upholding the lower court ruling, Paul said: "It is my view that the failure to supply the (sessions) court and the respondent with the charges is fatal. Therefore, I uphold the sessions court verdict and discharge this application."

"The offences alleged are open to doubt," added the judge. "It will not serve its purpose if a party is left guessing... from pages and pages of documents that have been supplied."

Malaysian deputy public prosecutor Kamarul Hisham Kamaruddin, who argued India's case, said there was no restraint on Quattrocchi. "He's a free man," he said. "We have no court order to say he should be held."

THE TELEGRAPH

14 DEC 2002

Quattrocchi case: special counsel for India disallowed

By P. S. Suryanarayana

KUALA LUMPUR, DEC. 10. The Malaysian High Court today declined to permit the appearance of a special counsel on behalf of India as regards a "review" petition against a lower court's order that ruled out the extradition of Ottavio Quattrocchi to New Delhi in connection with the Bofors payoff investigations and trial. With that, the hearings moved to a more substantive phase of

arguments about the sustainability of India's extradition-plea on the basis of a non-bailable arrest warrant that a Special Judge in New Delhi had authorised.

"Extremely disappointed" over this development, India's Central Bureau of Investigation and the Malaysian Government, which has been pleading New Delhi's case in the absence of a bilateral extradition treaty, tonight weighed the option of moving the Court of Appeal here against the High Court's ruling on the special counsel issue. Cyrus Das, who was given a "fiat" by the Malaysian Attorney-General to appear before the High Court here on behalf of India, said after the completion of the day's legal proceedings that the same issue might still

be raised tomorrow before this judicial forum itself under Malaysia's Criminal Procedure Code rather than the Extradition Act that was invoked today.

Mr. Das justified the need for an exclusive counsel on the ground that the High Court here was "now going quite deeply" into the Bofors case-related proceedings that had taken place in India over the past decade or so. It was essential that India be not placed at a "disadvantage" before the High Court here. A visiting CBI team, comprising the Deputy Inspector-General, O.P. Galhotra, has been assisting the prosecution on the sidelines of the court.

As the commencement of today's hearings, Malaysia's Deputy Public Prosecutor, Kamrulhisham Kamaruddin, informed Justice Augustine Paul that a "written authorisation" had been obtained from this country's Attorney-General for a specialist "counsel of choice" on behalf of India in respect of the Quattrocchi extradition case. After hearing brief arguments from both sides, the Judge ruled that he was "unable to accept the fiat". Characterising it as a "wrong" initiative, Justice Paul said the Malaysian Extradition Act had only provided for a counsel "in the employment of a foreign

country" in specified circumstances. The Judge underlined that he was "bound by law" to rule on these lines, although it might be a different proposition if Malaysia's Attorney-General were to invoke this country's Criminal Procedure Code and issue a similar enabling "fiat" of use to India.

Later, initiating arguments on the substantive issues, Mr. Quattrocchi's counsel, Muhammad Shafie Abdullah, said the Indian warrant of arrest concerning his client was "defective". As such, it "bears relevance" to the question "whether he (Mr. Quattrocchi) is at all an accused person". Arguing that India's Special Judge who had dealt with the Bofors case during the relevant period had resorted to "a purposeful exclusion" of Mr. Quattrocchi, while taking "cognisance" of the alleged offences by several others as regards the suspected payoff transactions, Mr. Shafie said the differential treatment of his client was "not (the result of) an oversight" by the Indian authorities. With India's non-bailable warrant against Mr. Quattrocchi, an Italian national, being based on "prima facie evidence" and "not cognisance" of an offence, the move itself amounted to no

more than a strategy to "compel his appearance" before the Indian investigative authorities "in relation to his purported undertaking", counsel submitted.

Citing Pinochet's extradition-case counsel as also the Charon versus the USA case, in which the arrest warrant defined the charge succinctly, Mr. Shafie said "we do not find a semblance or a shadow of charge" in Mr. Quattrocchi's case. Outlining the "very disturbing" aspects of the Bofors case, Mr. Shafie contended that a possible civil breach of contract was turned "upside down" into alleged criminal matters involving several persons, including Mr. Quattrocchi.

Delving into the details of the Bofors case and interpreting it, Mr. Shafie took the line that the "alter ego" of the Indian Government, consisting of the Prime Minister as also the Defence Secretary and others during a specified period, was being accused of "cheating" the Government itself. Speaking to reporters after the day's hearings, Mr. Shafie asked "how could the Indian Government cheat itself" as laid out in the Bofors case. He said the charge against Mr. Quattrocchi would "explode in the face" of the Indian authorities.

THE HINDU

11 DEC 2002

'India-ASEAN dialogue beneficial'

By Amit Baruah

NEW DELHI, AUG. 7. A deepening of the dialogue between India and the Association of South-East Asian Nations (ASEAN) will have a "positive impact" on the environment for political and economic cooperation in the Asia-Pacific region.

Stressing this point in the Fourteenth India-ASEAN Eminent Persons Lecture, the former Indonesian Foreign Minister, Ali Alatas, said here today that all nations in the Asia-Pacific would benefit from such an eventuality. "That will be good for India and the ASEAN, for the region and for a world caught up in rapid and fundamental change."

The Deputy Chairman of the Planning Commission, K.C. Pant, presided over the lecture. The former Prime Minister, I.K. Gujral, was also present.

India, Dr. Alatas said, had an important role in the political, economic and social development of the ASEAN. "There are, of course, reciprocal benefits if India plays that role to the full extent, not the least of which are the profits of trade and returns on investments".

Dr. Alatas, who was Indonesia's Foreign Minister from 1988 to 1999, said there were several opportunities and entry points for cooperation between India and the ASEAN on countering terrorism.

Stating that the ASEAN had begun to

move on the issue of terrorism after the September 11 attacks on the U.S., Dr. Alatas said that its earlier move had been slow and tentative even with regard to the issue of piracy in the Malacca Straits.

Referring to the anti-terrorist declaration issued in 2001 and a subsequent work plan issued by the ASEAN, he said there were a number of activities that India could take up with the ASEAN. The most obvious was exchange of information that may help each side in its own efforts to combat terrorism and other forms of transnational crime. "We must not forget, however, that terrorism cannot be overcome in the long term if its root causes are not effectively addressed. And there is no doubt and no denying that abject poverty and glaring inequality have a great deal to do with the sense of injustice and alienation, the anger and the irrational hatred that leads to acts of terrorism," he said.

In recent years, he said, the most severe blow to the security and political stability of South-East Asia was neither a war nor a terrorist attack but a financial and economic debacle.

"And this brings me to the main point of my discussion: in a world that is globalised and multipolar, where a welter of non-governmental actors are active, where persistent socio-political issues must always be taken into consideration, where notions of security are constantly evolving, and inter-

national terrorism threatens every nation's security — there is much that India and the ASEAN can do together and for each other," he said.

In the economic field, he said, India could be connected with the ASEAN Free Trade Area (AFTA) through trade facilitation arrangements. "Trade between India and the ASEAN has plenty of room for expansion... indeed, the ASEAN countries can serve as forward posts for India's trade and investment initiatives towards North-East Asia and the South-West Pacific..."

Dr. Alatas also drew attention to the genuine concern of developing countries at the implications of "humanitarian intervention" practised by some in the developed world.

He said there could be no denying the fact that if humanitarian intervention or protection was to be accepted as a new norm in international relations it should always be based on the principles of universal applicability or non-discrimination. "It must be justly and consistently applied, irrespective of which country or group of countries would be affected."

He said these issues needed a thorough debate in the U.N. General Assembly and the Security Council to "arrive at a global consensus on the criteria and principles, the mandates and guidelines as well as the specific conditions under which such humanitarian intervention could take place".

8 AUG 2002

THE HINDU

No progress in pact with Malaysia

Aloke Tikku in New Delhi

Dec. 5. — The exercise to sign an extradition treaty with Malaysia is nowhere close to an end, with New Delhi as well as Kuala Lumpur adamant over their stand on the date from which the treaty would come into effect.

New Delhi wants to seal the extradition treaty if it has the proviso that it would be effective from retrospective effect, a demand that the Malaysian government is unwilling to concede. Malaysia wants the treaty to come into effect on the date the two countries put their signatures, an official said.

Malaysia has all along looked at the Indian interest in signing the treaty with suspicion, convinced as it was that New Delhi's enthusiasm to sign the

treaty had more to do with its short-term interest of securing the extradition of the Italian businessman, Mr Ottavio Quattrocchi, than long-term cooperation in dealing with criminals who cross borders.

Officials said they could hardly blame Kuala Lumpur for thinking the way they do — getting Mr Quattrocchi to stand trial in the Bofors case did inspire them to initiate the negotiations — but asserted that the treaty had taken too long to be finalised to be of any use to lawyers pushing Mr Quattrocchi's extradition in Malaysian courts.

"I really do not know why India is insisting on the retrospective clause. Or for that matter the Malaysian government, but it appears that both of them are taking the stand to send the message to their people that they are not hending backwards," a law

enforcement officer said.

"Quattrocchi's extradition case has reached a stage where it really does not matter," he said. It is being pointed out that even when the sessions court in Malaysia rejected the Indian request, it was not because of a fault with the Malaysian home minister accepting New Delhi's request two years ago but the Sections under which his extradition was sought.

The extradition treaty is only an enabling provision, he said, adding that had the treaty been in place before India sought Mr Quattrocchi's extradition, it would have been obligatory for Kuala Lumpur to accede to the request. Now that the case is before the High Court there, it does not make a difference if the treaty is with retrospective effect or not".

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19/11

India and ASEAN

By Shankari Sundararaman

OVER THE last 50 years India's foreign policy with the ASEAN region has gone through three distinct phases — the first was the pre-Independence period when the two regions were linked together through the de-colonisation process unique to the region. Two events are considered a watershed in this period — the Asian Relations Conference of March 1947 and the 1955 Bandung Conference of Afro-Asian Nations, both of which addressed the significance of the newly emerging countries in the third world within the wider canvas of international relations and the roles that they could play.

The second phase encompasses a period from the early 1960s till about the early 1990s. The international scenario was dominated by the Cold War and it is within this background that the ASEAN was formed in 1967. Several factors can be attributed to the distance between India and ASEAN during these years. First, the ASEAN was seen as an extension of the Southeast Asia Treaty Organisation (SEATO). The fact that the ASEAN had emerged as an anti-communist grouping at the height of the Vietnam war had given this impression. As the conflict moved to Cambodia, the ASEAN rallied its position in support of the view that Thailand had emerged as a frontline state after the Vietnamese intervention in Cambodia. While the ASEAN threw its weight behind the Coalition Government of Democratic Kampuchea (CGDK), India's backing and recognition to the Heng Samrin Government did not help bridge the growing gap between the two sides. For the ASEAN itself, this was a crucial period where issues of internal and external concern brought its member-states together — considerations of security at the national and regional levels were critical concerns. As a result the states sought to retain continuity and legitimacy of the political leadership, which thereby ensured domestic stability and economic development. Despite the fact that the proposed objective of forming this grouping was economic and cultural, there is no

doubt the ASEAN from its inception had a framework for political and security issues that could address regional conflicts in Southeast Asia.

In the early 1990s, a policy shift occurred in India with regard to its relations with the ASEAN region that is marked by two significant events — first, the end of the Cold war and the resolution of the Cambodian conflict. Second, India's own foreign policy

The ASEAN looks at India's security needs more as a factor emanating from the compulsions of the geopolitical position that India holds, rather than being a derivative of any hegemonic designs on India's part.

shift was evident when it announced its 'Look East Policy' in 1991. There have been certain key achievements with the policy, critical to any assessment of ties between India and the ASEAN. First, India has moved from being a Sectoral Dialogue partner in 1992 to becoming a Full Dialogue partner of the ASEAN in 1995. Second, within the framework of the two processes, the Council for Security Cooperation in the Asia-Pacific (CSCAP) and the ASEAN Regional Forum (ARF), both steered by the ASEAN members, India's position has allowed it to have a key role in the multilateral processes on security that are critical to the Asia-Pacific region and has consequently ensured that its security considerations are recognised by these multilateral groupings.

Third, the most recent agreement to host annual India-ASEAN summits is a very significant step as it leads to the institutionalisation of the (ASEAN plus one) as a formal structure of the ASEAN's annual processes. Past assessments of the ASEAN reflect the fact that the process of institutionalisation is a significant step in the development of its ties with its summit partners. Moreover, at a time when the ASEAN is seeking to enhance its linkages with the key players in East Asia, viz China, Japan and South Korea which are linked to the ASEAN

through the (ASEAN plus three), its decision to invest in the (ASEAN plus one) initiative reflects the growing importance of India in the region — both in terms of its economic interests as well as the fact that it would be a significant player with regard to the regional security considerations. Many analysts feel India should have been a part of the (ASEAN plus three) initiative which perhaps could have

been structured into an (ASEAN plus four) process. However, when one considers the initial agenda of the (ASEAN plus three), it would be vital to remember that the structure had emerged after the 1997 financial crisis and was primarily meant to address issues of macroeconomic risk management. Moreover, it also addressed issues with regard to social and cultural aspects which emerged from the constant refrain between the West and the East Asian states over the debate relating to human rights and the Asian way.

Fourth, as far as the economic ties between the two are concerned there has been significant progress. The latest initiative by India to propose an India-ASEAN Free Trade Area within the next decade is a concrete step towards furthering the economic ties. However, certain issues need to be addressed. One of the most crucial steps would be to equalise the tariff rates between India and the ASEAN. Another important factor is that India has offered to lower its tariff considerations for the newer members of the ASEAN. India's offer of a \$10-million assistance to Cambodia and Laos will be seen as a promising step. There is an overwhelming need to integrate the four new members of the ASEAN — Vietnam, Myanmar, Laos and Cambodia — on a par with the original six member-nations and

these steps will contribute towards that goal. India's efforts and cooperation is also being sought by the ASEAN on the entry of Laos, Cambodia and Vietnam into the WTO.

Fifth, while trade will be a significant aspect and India will find itself being driven into broader economic ties within the framework of the WTO and the global economic trends, security aspects and the significance of the balance of power will continue to dominate the region. The recent summit has highlighted the need for a combined effort to address the issue of terrorism and the ASEAN has suggested finding a framework for this within the ARF. Another significant aspect is that with the latest confessions from North Korea on its clandestine nuclear weapons programme, the security scenario within East Asia is likely to be of prime consideration. The perceptions of the ASEAN states vis-a-vis China will be balanced by the ASEAN 'looking west' towards India as a significant player in maintaining regional balance. While China has greater economic integration with the region, there still remains apprehension over the strategic role it will play in the future. One clear example of this is the recent agreement on the Spratley Island issue where Beijing has said any settlement should be without prejudice to its interests. Therefore, it will be critical for India to look at how China evolves within the ASEAN psyche. In the past, the capabilities of India's blue water navy and the Indian nuclear tests had created some apprehensions. But India's willingness to accede to the Treaty of Amity and Cooperation in Southeast Asia and its endorsement of the Southeast Asia Nuclear Weapons Free Zone (SEANWFZ), has gone a long way in assuring the region of India's intent. The ASEAN looks at India's security needs more as a factor emanating from the compulsions of the geopolitical position that India holds, rather than being a derivative of any hegemonic designs on India's part.

(The writer is Research Officer, Institute for Defence Studies and Analysis, New Delhi.)

PM's tour boosts Indo-Asean ties

Statesman News Service

NEW DELHI, Nov. 8. — The Prime Minister returned to the capital after a five-day tour of Cambodia, Laos and Thailand, after attending the first ever India-Asean (Association of South East Asian Nations) summit.

The summit provided an impetus to the rapidly developing ties between India and the half-a-billion people-strong Asean bloc, and is, in a sense, a culmination of the government's 'look east' policy.

Joint action to boost each others' economies and joint efforts to root out terrorist threats from the region marked the cornerstones of the summit.

Additionally, in a major move towards boosting bilateral economic cooperation with individual Asean countries, India and Thailand agreed to create "very soon" a Free Trade Area (FTA) and decided to establish within two years a road link between the two countries through Myanmar, a recent entrant to Asean.

"We have agreed that the Indo-Thai Joint Working Group would meet in Delhi on 13 and 14 November to identify sectors of cooperation for the FTA so that a beginning

could be made," Mr Atal Behari Vajpayee said, shortly after a successful meeting with the Thai Prime Minister, Mr Thaksin Shinawatra.

Asked how long would it take to set up the FTA, Mr Vajpayee, assisted by the external affairs minister, Mr Yashwant Sinha, said: "Very soon. We are advancing well in the joint studies on the FTA."

Achievements

■ Joint action between India and Asean bloc to boost each others' economies and root out terrorism from the region

■ India and Thailand agree to create "very soon" a Free Trade Area and talks were on to link the two countries by road

■ A trilateral Joint working Group involving India, Thailand and Myanmar to meet at the end of this month

within two years.

He called his tour to Cambodia and Laos "politically important and personally rewarding", and said the first-ever India-Asean Summit in Phnom Penh marked a "watershed in our efforts at closer integration with our eastern neighbourhood."

Another report on page 8

India, Laos to cooperate
in fight against terrorism

VIENTIANE (LAOS), NOV. 7. Concerned over the growing threats posed by international terrorism, India and Laos today agreed to cooperate "closely" in the fight against the menace, stressing that all countries in the United Nations must implement the obligations of its resolution passed after the terrorist attack on the United States last year.

"Both sides agreed that there can be no justification for terrorism on any ground — political, ideological, religious or any other," a joint statement issued after the wide-ranging talks between the visiting Prime Minister, Atal Behari Vajpayee, and his Laotian counterpart, Bounnhang Vorachit, this afternoon.

Mr. Vajpayee, who arrived here on Wednesday on a two-day visit to Laos, a member of the 10-nation Association of South East Asian Nations, joined Mr. Vorachit in condemning "all forms of sponsorship and support to international terrorism, including the recent terrorist attack in Bali, Indonesia, and in Moscow."

Briefing reports here on Mr.

Vajpayee's talks with the Laotian President, Khamtay Siphandone, Mr. Vorachit and other leaders, the Secretary in the External Affairs Ministry, R.M. Abhyankar, said India had agreed to provide training to the Laotian Air Force pilots and also cooperate in other defence areas. Laos has a fleet of Russian-made combat aircraft like MiG-21 planes and India was in a position to provide technical assistance, officials said.

In a move to promote Indian textiles and paintings in gar-

ment-exporting Laos, Mr. Vajpayee inaugurated the first such exhibition of Bihar's Madhubani paintings here, ahead of the setting up of an India-sponsored museum of traditional textiles from six South East Asian countries in Cambodia.

Organised by the Indian Council of Cultural Relations (ICCR), the exhibition has paintings created by anonymous men and women from Mithila in Bihar where they have practiced the art for hundreds of years.

The External Affairs Minister, Yashwant Sinha, who is accompanying the Prime Minister, said though Madhubani paintings were done in paper in their original form, artists had used walls and floors in their mud houses in villages as their canvas. These paintings represented the joy of living, images of divine power and fertility and a portrayal of modes to counter the evil as per the Madhubani traditions.

Mr. Vajpayee visited the Buddhist temple of Sisakit where more than 450 large and over 10,000 small Buddha statues belonging to the 5th and 6th centuries have been preserved. He also laid a wreath at the Monument of Unknown Soldiers. The ICCR chief, Suryakanti Tripathi, who is here, said the Museum of Traditional Asian Textiles, which would be established in Angkor Vat city of Seam Reap in Cambodia, would be part of the efforts to promote the Ganga-Mekong cooperation.

Mr. Vajpayee will be flying to Bangkok tomorrow for a brief working lunch with his Thai counterpart, Thaksin Shinawatra. — PTI

A surprise for Sinha

VIENTIANE (LAOS), NOV. 7. It was a surprise birthday bash for the External Affairs Minister, Yashwant Sinha, at a banquet hosted in honour of the Prime Minister, Atal Behari Vajpayee, here last night, with a big cake being cut amid wishes of a "happy birthday".

Apparently, Mr. Sinha had not expected such a celebration at the banquet hosted by the Laotian Premier, Bounnhang Vorachit. The Laotian Deputy Premier, Somsavat Lengsavad, organised the birthday celebration when he learnt that Mr. Sinha had turned 65. Mr. Sinha offered the first piece of the cake he cut to Mr. Vajpayee.

The two-hour-long banquet continued with Mr. Sinha joining the traditional dance by a Laotian women's troupe. The occasion was a departure from the formal banquets with no speeches. Mr. Lengsavad, known to be a good singer, sang a Laotian song.

The menu too had an Indian touch with tandoori prawns and mutton curry forming part of the spread. — PTI

8 NOV 2002

THE HINDU

FRIDAY, NOVEMBER 8, 2002

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A TRADE PACT WITH ASEAN

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THE PRIME MINISTER, Atal Behari Vajpayee's offer of a free trade pact between India and the ten-member Association of South East Asian Nations (ASEAN) at the Phnom Penh ASEAN-India summit marks the beginning of a new approach in the country's economic relations with the rest of the world. If ASEAN does reciprocate positively, it will still be some years before the idea bears fruit. Yet it is a milestone since this is the first free trade pact India is exploring outside South Asia. Geography and the drift in the South Asian Association for Regional Cooperation have until now made India less than enthusiastic about regional groupings. But a failure to join a regional grouping outside South Asia would have placed Indian exporters in an increasingly disadvantageous position. The danger is real as more and more regional groups get formed every year and as new bilateral free trade pacts are finalised every month. It is clear that regionalism is now as strong a force as multilateralism. A trade pact with ASEAN is the best beginning since India has traditionally enjoyed many economic links with the region even if they have not grown to yield large volumes.

The economic fortunes of ASEAN which took a beating during the economic crisis of 1997-98 have begun to look up, even if the region is yet to recoup the dynamism of the 1980s and early 1990s. It is therefore no longer short of suitors. China has actively sought and obtained ASEAN's agreement on a free trade area. A framework trade agreement drawn up in Phnom Penh clears the way for a market of 1.7 billion. Not to be outmanoeuvred by China, Japan (which has made major investments in ASEAN) too has agreed to work towards a free trade pact with ASEAN, though this will come about much later than the ASEAN-China trade pact. India then is third in the line of ASEAN's suitors. It is, however, also in ASEAN's interests to seek closer relations to the west with India as a counterweight to China, since unease about the growing economic clout of the neighbour to the north is strong in the ASEAN nations. But the volume of China's

trade with ASEAN is more than four times the size of India-ASEAN trade. Besides, there are also major differences in the tariff rates between India and the major ASEAN economies. Since India's customs duties are on the average at least twice and in many cases thrice as high as in ASEAN, it will be necessary to first establish a rough equalisation of tariffs before a free trade pact can even appear on the horizon. The export sectors of the major ASEAN economies (Singapore, Malaysia, Thailand and even Indonesia) are a couple of notches above that of India, so any free trade pact has to be drawn up carefully so that in the search for integration the domestic producers do not end up as losers. India has also tried to sweeten its offer by promising tariff concessions to the weaker members of ASEAN — Cambodia, Laos, Myanmar and Vietnam.

India's new enthusiasm to forge a free trade pact with ASEAN stands in stark contrast with its attitude towards SAARC and even towards bilateral relations with its neighbours in South Asia. That a free trade area in South Asia remains a non-starter is not entirely the fault of Pakistan; India too has been lukewarm about making the larger concessions that will be necessary to make a South Asian grouping a reality. The free trade agreement with Sri Lanka has been held hostage by regional producers of textiles and agricultural commodities. Similar interests have slowed the freeing of trade relations with Bangladesh. There have been other regional initiatives in the Asian region which have not yet sprouted branches. BIMSTEC, the grouping of countries around the Bay of Bengal, and the much larger Indian Ocean Rim Initiative both offer India an opportunity to develop closer economic links in the regions. But both regional associations have suffered for a want of interest from most of its members. As India pursues the idea of a free trade zone with ASEAN it may help if it simultaneously energises the other regional initiatives so that the Indian economy develops a multi-layered set of networks in the larger Asian and Indian Ocean region.

8 NOV 2002

THE HINDU

India's security concerns will be raised in the ARF

By Rajat Pandit
TIMES NEWS NETWORK

Vientiane (Laos): Apart from pursuing a free trade area agreement with south-east Asian nations, India will now also increasingly utilise the Asean Regional Forum (ARF) to effectively project its politico-strategic views and interests in the entire Asia-Pacific region.

It was in 1996 that India joined the ARF, which was established as a regional security dialogue platform around Asean in the post-Cold War world. However, thanks to its preoccupations with the international repercussions of the 1998 Pokhran-II nuclear tests and the 1999 Kargil conflict, among other issues, New Delhi has not been able to participate effectively in this important forum.

"We, unfortunately, have ignored Asean and its strategic and economic potential in the past. China has stolen a march over us. Now, we are trying to address this imbalance. In addition to economic linkages, Asean and India share a common interest in peace and security in our extended neighbourhood," said a senior Indian official accompanying Prime Minister Atal Bihari Vajpayee during his ongoing five-day visit to Cambodia, Laos and Thailand.

With increasing engagement, India hopes the Asean nations will gain an even

better understanding of Indian security concerns and the increasing threat of terrorism, which poses a danger to many of the countries in the region. "The importance of Asean for us cannot be overstated. It's a mutually-reinforcing, growing relationship," said an official. Another area in which India is taking a lot of interest now is the "Initiatives for Asean integration" to help the four new Asean members — Cambodia, Laos, Myanmar and Vietnam which are less developed than the other members. Towards this end, Vajpayee in his meetings with Cambodian PM Hun Sen and Laotian PM Bounnyang Vorachith on Wednesday extended \$10 million credit lines to the two countries on "very soft terms" in what was called "significant gestures to deepen economic linkages".

Besides a trade agreement with Cambodia, the present Asean chairman, India agreed to take on the \$5 million restoration work on the Tam Prohm temple complex. "The Archaeological Survey of India has already completed a survey of the complex on what needs to be done," said R M Abhyankar, secretary in the ministry of external affairs. Over the last several years, the ASI has carried out an extensive restoration and preservation project, funded to the tune of \$4 million by India, on the world-famous Angkor Wat temple complex.

8 NOV 2002

THE TIMES OF INDIA

\$10m credit line for Cambodia, Laos

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p. 13

VIENTIANE (LAOS), NOV. 6. In a clear commitment to help lesser-developed ASEAN countries, India today announced a \$10 million Line of Credit each for Cambodia and Laos on exceptionally preferential terms and signed a host of other agreements to boost trade and defence cooperation with the two South-East Asian countries.

The accords on the Lines of Credit were signed after the Prime Minister, Atal Behari Vajpayee, held wide-ranging talks with his Cambodian and Laotian counterparts, Hun Sen and Bounnhang Vorachit, in Phnom Penh and Vientiane during the course of a day-long hectic schedule in the two countries. "Both the credit lines are on exceptionally preferential terms with low interest. These have been done keeping in view India's commitment to help both Cambodia and Laos to boost their economies," the Secretary in the External Affairs Ministry, R.M. Abhyankar, told presspersons.

Mr. Vajpayee reached here this afternoon on a two-day visit from Phnom Penh after attending a meeting of the first India-ASEAN Summit in the Cambodian capital. This is the first visit by an Indian Prime Minister to Laos in over 45 years. Jawaharlal Nehru had visited the South-East country in 1954.

Besides the credit lines, the repayment of which is spread over 25 years with a grace period of five years, agreements were signed with Cambodia in Phnom Penh for enhancing trade, carrying out restoration of the 1,000-year-old Ta Prohm temple in the world-famous Angkor Vat complex and extending cooperation in technical education. Mr. Abhyankar said the loans would help boost Indian investments in the two coun-

tries to bring them on a par economically with other members of 10-member ASEAN, which has declared its intention of working towards establishing a free trade area with India.

Four agreements were also signed between India and Laos. The countries would cooperate in combating trafficking of drugs and psychotropic substances, have cooperation in the defence sector and waive visas for those holding diplomatic and official passports. On the defence front, India kept its commitment by handing over parachutes and agreed to supply computers and broaden the personnel training arrangement. A consignment of jeeps and trucks for the Laotian armed forces, which would be manufactured by the Tata group, would be delivered soon. The agreements on the credit lines take care of the requirements specified under the WTO.

According to the accord on the Ta Prohm temple, situated in the Cambodian city of Seam Reap, India would provide Rs. 25 crores to restore the 11th century temple, which was initially dedicated to Lord Brahma and is now a Buddhist place of worship. The "difficult" restoration work would take about a decade and be carried out by the Archaeological Survey of India. India had successfully restored the Angkor Vat temple after undertaking a similar exercise in 1987.

During the talks with the Laotian Premier, Mr. Vajpayee agreed to extend cooperation in setting-up a speciality hospital and in upgrading facilities at the Vientiane airport.

Mr. Abhyankar said Mr. Vajpayee's appreciation of Laos' cash gift of \$50,000 during last year's earthquake in Gujarat struck a "receptive chord" during talks with his counterpart here. — PFI

7 NOV 2002

INDIA

Atal temple diplomacy to court Asean pygmy

SAUMITRA DASGUPTA

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Phnom Penh/Vientiane, Nov. 6: India today went into overdrive by assiduously courting Cambodia and Laos — two tiny nations in Indo-China — that have emerged as key players within the Asean who could push Delhi's agenda to create a free trade area with the regional trade grouping within a 10-year time-frame.

A day after the Asean-India summit-level talks, Prime Minister Atal Bihari Vajpayee met the Prime Ministers of the two nations — Hun Sen of Cambodia and Bounnyang Vorachit of Laos — where eight agreements in all were signed.

Cambodia and Laos — the smallest and latest members of the Asean — are two of the most ardent supporters of India, which has unwittingly been pushed into a race with China to seek Asean's hand.

On Tuesday, China signed an agreement with Asean to create the world's largest free trade zone comprising 1.7 billion consumers and a combined economy of \$2 trillion. On the very next day, Vajpayee proposed to create a free trade area with Asean and received strong approbation from the Asean members.

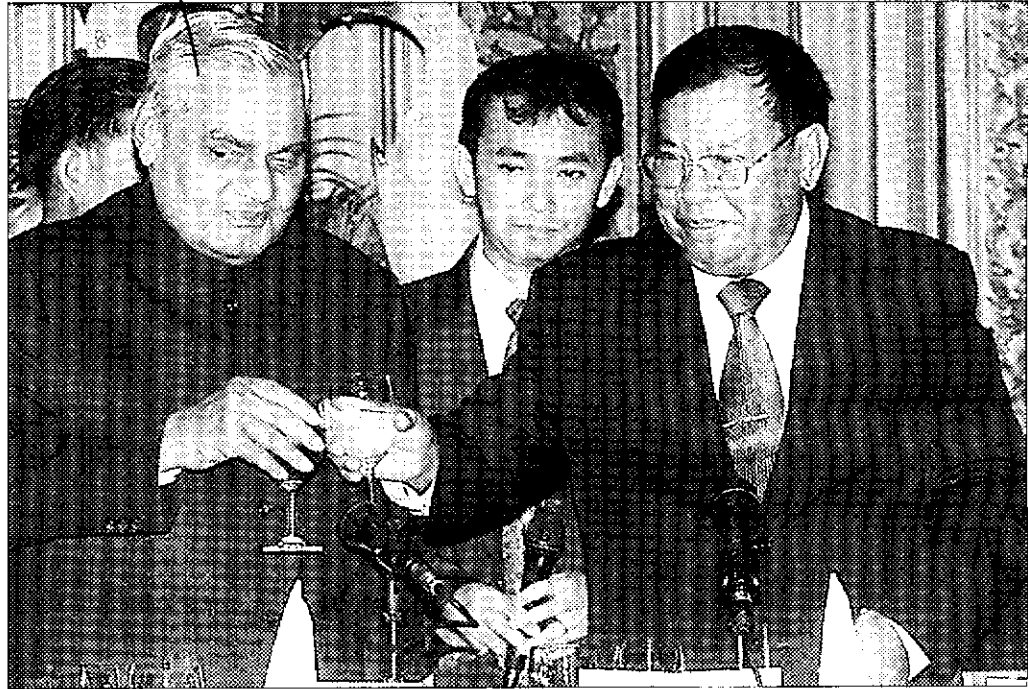
Cambodia is the current chairman of Asean and Laos will host the summit-level talks between Asean and India in 2004; in the interregnum, Indonesia will host the summit talks next October in Bali.

The eight deals are in the nature of blandishments with common-cause partners and probably do not involve much by way of stumping up cash. But they have the virtue of underscoring the close ties that exist with the two countries and date back over several centuries.

The overarching centuries-old relationship was best affirmed by India's decision to help renovate another temple complex in Cambodia — Ta Prohm — which comes on top of the 17-year-old rebuilding of the Angkor Wat.

This was one of four agreements that was signed today in the presence of Vajpayee and Hun Sen.

The agreement was signed between the Archaeological Survey of India (ASI) and Apsara, the Cambodian entity that over-



Prime Minister AB Vajpayee raises a toast to his Cambodian counterpart Bounnyang Vorachit in Laos on Wednesday. (PTI)

sees archaeological sites in the country.

India has earmarked an investment of Rs 25 crore that will be spread over a period of eight to nine years.

The ASI has already conducted a basic survey of the Buddhist temple complex at Ta Prohm, which reveals that this task will be a lot more difficult than the restoration of the Angkor Wat temple because it's been overrun by a tropical rain forest.

The 12th century Angkor Wat temple — built over a period of 37 years during the regime of Cambodian king Suryavarman II — was rebuilt over a period of close to 17 years and today generates tourist revenues of roughly Rs 70 crore a year, which is more than the revenues generated from all temple complexes in India taken together.

Apsara will also provide the land for a textile museum as part of the deal.

India has also extended the Most Favoured Nation (MFN) status to Cambodia, which creates a broad framework for the extension of preferential tariffs in an attempt to promote two-way trade. A soft credit line of \$10 million will be extended to Cambodia with a payback period of 25 years, including a grace period of 5 years.

Under the terms of the fourth agreement, the Indian Institute of Technology, Mumbai, will provide help to build a technology institute in Cambodia in order to build human resources in this part of the world.

The Kirloskars, who have been active in this part of the region, also gifted 10 pumps to the Cambodian government to deal with waterlogging problems that beset the country because of the severity of the monsoon rains this year.

The Cambodian Prime Minister sought India's help to attain membership of the World Trade Organisation (WTO). India agreed to provide its expertise in dealing with WTO-related issues to guide the nation through the process.

Hun Sen suggested that India could help Cambodia build a railway network within the country that will eventually form part of a direct rail link between Singapore and Kuoming in southern China.

India has agreed to consider the proposal: there is a possibility that India and Malaysia will jointly develop the rail link in Cambodia. A team from the Indian Railways will visit the region to study the various aspects relating to this proposal.

At present, there are no rail

connections among Vietnam, Laos, and Cambodia. A single line connects Malaysia with Thailand and Singapore, and southern China with Vietnam. In the eastern direction, the railroads in Myanmar stop several hundred kilometres away from its borders with Bangladesh and India.

The Asean has been talking about building the vital Singapore-Kuoming rail route that will connect South East Asia to China through the Indo-China region. The proposed route: Singapore-Kuala Lumpur-Bangkok-Three Pagodas Pass-Ye-Yangon-Lashio-Ruili-Kunming.

With China and the Asean yesterday agreeing to create a free trade area by 2008, the rail link could be a vital cog in promoting two-way trade in the region.

After a gruelling two-day schedule in Phnom Penh, Vajpayee and his entourage flew into Vientiane, the capital of Laos, where he held talks with Vorachit.

Another set of four agreements was signed here which included the provision of a soft credit line of \$10 million on long repayment terms. The loan will be used to build a power transmission link in Laos to evacuate the excess hydel power to power-starved Cambodia.

Less Developed Members To Get Bigger Tariff Cut

India, Asean to fight terrorism; create FTA

Sujit Chatterjee
PHNOM PENH 5 NOVEMBER

HERALDING a new era in their relationship, India and Asean countries on Tuesday decided to develop "concerted programmes" of cooperation in combating terrorism and agreed to work for creating a Free Trade Area (FTA), as per a suggestion made by Prime Minister Atal Behari Vajpayee to eliminate trade barriers.

Addressing the first ever summit of India and the 10-member Asean, Mr Vajpayee also announced greater tariff concessions to its lesser developed members — Myanmar, Cambodia, Laos and Vietnam. Setting the tone for the summit, Mr Vajpayee told the leaders of Singapore, Malaysia, Indonesia, the Philippines, Myanmar, Cambodia, Laos, Vietnam, Brunei and Thailand on the need to establish the FTA with India in the next ten years.

A joint statement issued after the summit said: "The leaders agreed on the importance of enhancing their close economic cooperation and to work towards India-Asean linkages." The Indo-Asean move towards working on an FTA comes a day after China and the grouping decided to establish such a mechanism in the next 10 years to gradually eliminate barriers between the member states and Beijing.

Although "no in-depth" discussion on terrorism took place at the summit, the statement said, India and Asean leaders agreed on developing "concrete programmes of cooperation" on terrorism, inter-linkages among trans-national crimes, trafficking of illegal drugs, sea piracy, trafficking in children and women, arms smuggling, money laundering and economic and cyber crimes.

Mr Vajpayee underlined the need for exchange of intelligence among the Asean members to combat terrorism. External affairs minister Yashwant Sinha told reporters after the summit that the Prime Minister's suggestion on the issue of terrorism had been "responded to by many of the states."

The statement said India and the Asean countries resolved to intensify cooperation at the grouping's security body, the Asean Regional Forum (ARF) including combating terrorism "comprehensively to make the region a safer place for all, and agreed that confidence building measures should be further deepened as a foundation to the ARF process in its future steps forward."

Mr Vajpayee told the summit that an Indo-Asean Task Force set up in Brunei in September last to en-



HANDS IN GLOVE

Aawara adds desi flavour to dinner

Phnom Penh
5 NOVEMBER

GIVING an Indian touch to a banquet hosted for Prime Minister Atal Behari Vajpayee and leaders attending the first-ever Indo-Asean summit here, music from Raj Kapoor's film *Aawara* was played before the august audience. In a rare gesture, Cambodian king Norodom Sihanouk and queen Monineath sang songs in English, French, Malay and Filipino languages. "The banquet was really different. There was bonhomie and it was not the usual formal affair. The king and the queen sang eight songs in English, French, Malay and Filipino languages," Indian officials said on Tuesday.

Japanese premier Junichiro Koizumi and Indonesian President Megawati Sukarnoputri were seated by the side of Mr Vajpayee. —PTI

hance trade linkages with India should explore the possibility of creating the FTA and should submit its report to the next Asean Summit in Bali, Indonesia in October next year.

Asean appreciated India's recognition of and its willingness to accede to the Treaty Of Amity and Cooperation in South East Asia as also its decision to welcome the entry into force of the South East Asia Nuclear Weapon-Free Zone Treaty. The statement voiced "deep gratification" over the course the India-Asean cooperation had taken so far, particularly in science and technology. —PTI

6 NOV 2002

THE STATESMAN

CHINA STEALS A MARCH AT ASEAN

PM plea for free trade

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Press Trust of India

PHNOM PENH, Nov. 5. — In a major initiative to boost trade and economic ties with Southeast Asian countries, Prime Minister today asked Asean to establish a Free Trade Area (FTA) with India in the next 10 years and announced greater tariff concessions to its lesser developed members, Myanmar, Cambodia, Laos and Vietnam.

Mr Atal Behari Vajpayee told the first India-Asean Summit here that a Task Force set up in Brunei in September last to enhance trade linkages with India should explore the possibility of creating FTA and submit its report to the next Asean Summit in Bali, Indonesia, next October.

It was also decided that India's Summit meeting with 10-member Asean, with a \$1 trillion yearly turnover, would be an annual affair, external affairs minister Mr Yashwant Sinha told reporters after the hour-long summit-level talks between Mr Vajpayee and leaders of Singapore, Malaysia, Indonesia, The Philippines, Myanmar, Cambodia, Laos, Vietnam, Brunei and Thailand.

In his opening remarks, Mr Vajpayee, sought to exchange Intelligence with Asean members to combat terrorism, which Mr Sinha said was "responded to by many of the states".

Replying to questions, the minister said: "the issue of terrorism was not discussed in depth at the Summit".

Mr Sinha said "there was support for the Prime Minister's statement of FTA so that it can come up within the suggested target of 10 years." The India-Asean Task Force is co-chaired by India and Malaysia.

Asked if Mr Vajpayee made the FTA offer in the backdrop of China's decision and the grouping to set up such a mechanism in the next 10 years, he shot back saying the initiative taken by India had nothing to do with yesterday's decision to eliminate tariff barriers between Beijing and Asean members.

"We aren't in competition with any Asean country and we are conducting our business with the grouping autonomously. It is not that every action must have a reaction," he said, adding Asean members were convinced that they must maintain equal and strong interaction with India.

Terming the Summit as "exceptionally warm and cordial", Mr Sinha said Mr Vajpayee declared India would help the four new Asean members and would provide preferential and greater trade concessions to them than the other six more developed countries in the grouping.

Sino-Asean deal on largest FTA

China Daily/ANN

PHNOM PENH, Nov. 5. — China and the Asean have signed the Framework Agreement on China-Asean Comprehensive Economic Co-operation to launch the process to establish the world's largest free trade area by 2010.

The agreement was signed yesterday by the Chinese Premier Mr Zhu Rongji and leaders of Asean countries at the sixth China-Asean summit. Analysts said the pact is a milestone for China-Asean relations.

"Accelerated efforts towards the FTA serve our common interests; for the earlier the FTA is in place the sooner the two sides can benefit from it," Mr Rongji said, adding it will also contribute to faster progress of East Asian co-operation as a whole. Mr Rongji said China was ready to make joint efforts with all Asean countries to move forward economic agreements through the establishment of the FTA.

5 NOV 2002

THE STATESMAN

SUMMIT TO BECOME AN ANNUAL EVENT

PM for ASEAN-India free trade area

By P. S. Suryanarayana

PHNOM PENH, NOV. 5. The first summit between India and the Association of South East Asian Nations today registered a perfect take-off, even as the Prime Minister of Singapore, Goh Chok Tong, a long-time advocate of intensive links between New Delhi and the regional organisation, described the event as the acquisition of full-fledged capabilities by the jumbo-aircraft called ASEAN.

The ASEAN joined India in issuing a highly upbeat statement on this new dialogue process. The strategic vision of this new linkage at the highest level would be translated into a reality through "concrete programmes of cooperation" that would "comprehensively" combat "non-traditional security threats", inclusive of terrorism, within the framework of the existing ASEAN Regional Forum.

Informed sources told *The Hindu* that the anti-terror cooperation, in the present context of the "threat" to South East Asia from the Jemaah Islamiyah, might be channelled, at this stage, along bilateral lines between India and the countries concerned.

The ASEAN-India summit will now be held every year, although New Delhi will still remain outside the ambit of the ASEAN-plus caucus that keeps the organisation proactively engaged with China as also Japan and South Korea within a collective framework. The next annual ASEAN-India summit is scheduled to be held in Bali, Indonesia.

With New Delhi fashioning a metaphoric wing of the ASEAN jumbo-jet, the other wing having been crafted by the organisation's East Asian neighbours, today's summit here between



The Prime Minister, Atal Behari Vajpayee, with some leaders of the Association of South-East Asian Nations at the inaugural of the ASEAN Summit in Phnom Penh on Tuesday. They are: (from left) Sultan Hassan al Bolkiah of Brunei, the Cambodian Prime Minister, Hun Sen, the Indonesian President, Megawati Sukarnoputri, and the Laotian Prime Minister, Bounhang Vorachith. — Reuters

India and the Association acquired political and economic overtones that surpassed the symbolism of the event. The ASEAN today held separate meetings with Japan and South Korea, too, while the ASEAN-China summit and the ASEAN+3 conclave, involving these three East Asian neighbours of the outfit, took place on Monday.

New Delhi sought to match China and Japan by offering to move towards the creation of an ASEAN-India free trade area. China and the ASEAN inked on Monday a framework agreement for a free trade zone that could, if it materialises, downsize all other multilateral entities of this kind in about 10 years. Japan and the ASEAN today entered into a "comprehensive economic partnership", with the Japanese Prime Minister, Junichiro Koizumi, playing the ace of a survivable economic superpower.

While India and the ASEAN

evinced considerable interest in cooperating with each other in the ongoing global campaign against international terrorism, the defining parameter of the emerging new equation between the two sides at the highest political level was the joint move to firm up economic linkages.

The summit provided impetus for an exercise, already under way, to intensify economic cooperation between the two sides. Gaining the attention of the ASEAN was the Prime Minister, Atal Behari Vajpayee's suggestion that this exercise be enlarged to explore avenues to the creation of an ASEAN-India free trade area in about a decade.

With the crystal-gaze predictions of the ASEAN-India summit largely holding good as today's event unfolded, there were no real surprises of the political kind.

No new dimension was added, though, to the range of eco-

conomic ties between the two sides, with the Malaysian Prime Minister, Mahathir Mohamad, commending a synergised two-way model.

While India was now helping Malaysia in the railways sector, Kuala Lumpur was involved in India's highways projects in a matching fashion. India's expertise in high-tech areas, including space-related economic applications, was valued by the ASEAN.

Outlining the broad thrust of the summit, the External Affairs Minister, Yashwant Sinha, dismissed suggestions that India was seeking to play out a smart-strategy cameo to offset China's dragon-like grip over South East Asia and that New Delhi was eager to upset Beijing's strategic applecart, either on India's own initiative or at the behest of the ASEAN itself.

According to Mr. Sinha, mutuality of interests alone determined the ASEAN-India dynamic.

India-ASEAN

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6 NOV 2002

THE HINDU

ASEAN: India floats free trade pact proposal

Islands and other disputed areas. Located amid busy sea lanes and rich fishing waters and believed to be rich in oil and natural gas, the largely uninhabited islands are claimed in part or in whole by the Philippines, Brunei, Malaysia and Vietnam as well as by China and Taiwan.

The deal also implies that all tariff and non-tariff trade barriers between China and ASEAN countries will disappear, carving out the largest FTA with 1.7 billion people over the next 10 years.

When asked whether India's

interest in an FTA with ASEAN was provoked by the fear that it would be left behind even as China grew in strength and influence, External Affairs Minister Yashwant Sinha said India's association with ASEAN was based on mutuality of interests rather than fear of competition. "India was a late entrant to ASEAN, with sectoral talks beginning only in 1992, a full dialogue in 1996 and a summit in 2002," Sinha told reporters today.

But the fact remains that India, with its one-billion strong market, hopes to take the Chinese chal-

lenge head on. The FTA will also give the Indian industry an opportunity to tap new markets in the East.

After its first ever summit level talks with the grouping, India has also earned its place as an ASEAN dialogue partner. ASEAN countries have China, Japan and North Korea as their dialogue partners with whom they hold summits; the grouping will now hold a separate summit with India as well.

Singapore Prime Minister Goh Chok Tong compared ASEAN and its summit partners with a

ASEAN countries were the body of the jumbo jet while the North East Summit partners (China, Japan and North Korea) were one wing, and India had now become the other wing.

India has also committed to providing assistance to ASEAN's newest members—Cambodia, Laos and Vietnam—through the Mekong-Ganga cooperation, Bangladesh-India-Myanmar-Sri Lanka-Thailand Economic Coop-

eration and the Road Linkage project between India, Myanmar and

Thailand which could be extended to Cambodia and Laos.

The prime ministers of both Cambodia and India stressed on the historical and civilisational linkages between the two nations, said Sinha. He referred to

Malaysian Prime Minister Mahathir Mohammed, who underlined the importance of a two-way economic relationship between India and ASEAN nations. While the Indian Railways are helping Malaysia build its own rail network, Malaysia is helping fund India's highways.

INDIAN EXPRESS

6 NOV 2002

ASEAN: India floats free trade pact proposal day after China

NAVIKA KUMAR
PHNOM PENH, NOVEMBER 5

A DAY after China inked a pathbreaking Free Trade Area (FTA) Agreement with the Association of South East Asian Nations (ASEAN), Prime Minister Atal Bihari Vajpayee offered to initiate an FTA arrangement with the grouping over a 10-year time period. In a statement made after the ASEAN+India Summit in the Cambodian capital this afternoon, Vajpayee suggested that a Task Force that's working towards strengthening economic linkages between India and ASEAN countries could be



Vajpayee with Sukarnoputri

mandated with finalising a report on the FTA by the next ASEAN+India Summit, scheduled to be held in Bali in October next year.

China on Monday signed agreements with ASEAN to prevent conflict over long-disputed areas of the South China Sea and to establish the world's largest free trade zone over the next decade that would boast a total gross domestic product of nearly \$2 trillion. After years of negotiations, ASEAN—composed of Brunei, Myanmar, Cambodia, Indonesia, Laos, Malaysia, the Philippines, Singapore, Thailand and Vietnam—reached an agreement with China on a nonbinding declaration intended to reduce the chances of military confrontation over the Spratly

CONTINUED ON PAGE 2

INDIAN EXPRESS

6 NOV 2002

Asean summit: A milestone in India's ties with SE-Asia

By Harvey Stockwin
TIMES NEWS NETWORK

Hong Kong: As Prime Minister Atal Bihari Vajpayee participates in the first India-Asean summit on Tuesday in Phnom Penh, it marks a significant milestone in the slow but persistent growth of India's relationship with Southeast Asia over the last 11 years, since former prime minister Narasimha Rao initiated India's Look East policy.

On Monday, Mr Vajpayee is scheduled to attend a state banquet given by Cambodian King Sihanouk for the ten Asean heads of state or government, plus the Prime Ministers of India, China, South Korea and Japan. The ten Association of South East Asian Nations are Indonesia, Malaysia, Singapore, Thailand, Philippines, Brunei, Vietnam, Laos, Cambodia and Burma.

On Tuesday, the India-Asean summit is due to take place for 90 minutes from 2 p.m. to 3.30 p.m., after the Asean summits with China, Japan and South Korea have taken place. In an unusual departure, the summit will also be briefed by South African President Thabo Mbeki, before concluding with a social dinner hosted by Cambodian Prime Minister Hun Sen.

Following Mr Rao's initiation of the Look East Policy in 1991, India was first admitted as a sectoral partner of the Asean mainly in the areas of trade and investment in 1992.

India became a full dialogue partner of Asean in December 1995, meaning that it could participate in the annual foreign ministers meeting at the post-ministerial conference and the security-focussed Asean Regional Forum (ARF). The first such meetings actually attended by India were in Jakarta in July 1996.

The details of growing India-Asean cooperation are detailed in a fact sheet easily accessible on the Asean website at <http://www.aseansec.org/www.aseansec.org/8thsummit/8thsummit-india.htm>

The fact sheet notes a key reason for Mr Vajpayee's invitation to this summit as it states that "In the area of politics and security, India can contribute to the regional balance of power that impacts on the stability, peace and prosperity of Asia."

Meanwhile, China on Monday welcomed the first-ever India-Asean summit and expressed hope that the dialogue would enhance regional peace and development.

"China and India are two important countries in Asia. We welcome the development of relations between India and Asean countries," Chinese foreign ministry spokesman Liu Jianchao said in Beijing.

"We hope that the relevant parties could promote efforts to maintain regional peace and development," Mr Liu said while commenting on the first-ever India-Asean summit.

A new voyage of discovery for India, ASEAN

By P.S. Suryanarayana

PHNOM PENH, NOV. 3. A new political dynamic in India's relations with the Association of South East Asian Nations (ASEAN) will become a reality when the Prime Minister, Atal Behari Vajpayee, engages it the summit level here on Tuesday. The ASEAN-India summit, the first of its kind, will, in some outward ways, be modelled on New Delhi's direct summitry with the European Union. However, the summit will symbolise not only a rediscovery of each other's social and cultural identities but also a new voyage of discovery as regards their political and economic cooperation in the present terror-traumatised international situation. These are obviously the optimal expectations on either side at this juncture, although the practical realisation of such high hopes cannot be easy at all.

Any celebration of India's new linkage with the ASEAN should, however, be tempered with two ground realities. First, the summit will be conspicuous for the absence of a parallel representation for New Delhi at the Association's collective dialogue with key economic partners from its neighbourhood. Japan, as also China and South Korea, will not only hold individual summit meetings with the ASEAN but also enter into a collective discussion with the South East Asian entity. The ASEAN+1 and the ASEAN +3 summit meetings have been a

regular practice in recent years. But, unlike Japan or China and South Korea, India will hold an exclusive summit with the ASEAN without the additionality of the collective engagement. While this is no slur on India or the ASEAN, given that a new beginning is being attempted now, the regional politics concerning the possible enlargement of the ASEAN+3 summitry is something that New Delhi can explore at this juncture, according to diplomats and analysts from the South East Asian milieu. Secondly, while the prospective ASEAN-India summit can be seen as the beginning of a potentially new process of extensive engagement between the two sides in the wider regional context, India will certainly be "judged" by the association. For the ASEAN, the prime consideration is whether New Delhi is willing, in a political sense, and able, given its many preoccupations, to go beyond its 'Look East gaze' that its 'Look East policy' has often appeared to be.

On balance, though, the very fact of the ASEAN's willingness to engage India at this time is a matter of its political will to take New Delhi seriously as an emerging global player. India's exchanges with the ASEAN on global and regional terrorist threats will be not only topical in a wider international context but also closely relevant to both sides.

Given terrorism's expansive connotation that includes suspicions of "nuclear black-

mail", the ASEAN+3 forum is expected to discuss North Korea's latest tussle with the U.S. over the Kim Jong-il regime's weaponisation drive. It is against this background that the ASEAN may watch whether or not India would like to rake up an issue such as the possibility of North Korea having obtained nuclear arms know-how from one source or the other through Pakistan. Another major issue on the ASEAN's external agenda relates to a code of conduct for managing its differences with China on the Spratlys issue, pending a final settlement over time. From the ASEAN's perspective, this issue may not be of direct interest to India, despite New Delhi's overall international disposition in the present phase of a terror-ravaged post-modern era.

The basic stuff of the ASEAN-India dialogue will consist of economic issues of cooperation. While India can assist the more developed ASEAN-states in the knowledge-based economic sectors, New Delhi's traditional strengths in education as also health services will be of interest to the less-developed members of the organisation. On the other side of the spectrum, India is already an investment destination for several ASEAN countries such as Singapore and Malaysia. The focus now will be on ways to finetune the network of linkages between the ASEAN and India, which together account for a GDP of the order of \$1.5 trillion.

India
S & Asia net

4 NOV 2002

THE HINDU

Singapore for better economic ties with India

By P. S. Suryanarayana

SINGAPORE, OCT. 19. The Singapore Prime Minister, Goh Chok Tong, today urged the development of a comprehensive economic partnership with India.

Mr. Goh, who received a high-level delegation from the Confederation of Indian Industry, is understood to have envisioned the new vistas of

cooperation that might emerge as a result. The new idea now is that India could not only enhance its bilateral ties with Singapore but also capitalise on these very links to establish a firm connectivity with the Association of South East Asian Nations and, importantly, with China. For India, an economic passage to China through Singapore can also serve as a two-

way street, with Beijing too being able to access India in a similar fashion.

The CII delegation met Mr. Goh for the organisation's tenth successive annual dialogue with him. India's High Commissioner to Singapore, P.P. Shukla, and Mr. Goh's eminent expert on India, Ong Keng Yong, were present, besides the CII team that consisted of Ashok Soora,

Irun Das, N.R. Narayana Murthy, Jamshyd N. Godrej, N. Kumar, Sunil Bharti Mittal, Diip H.M. Chenooy and Madhav Sharma.

While no dramatic policy initiative was announced by either side, the meeting, which took place in the context of Friday's inauguration of Singapore's 'Network India', explored the possibilities of intensive bilateral cooperation with a definitive outreach towards other countries, especially China, given the City-State's growing expertise in dealing

with Beijing, according to diplomats and business executives on both sides. The politically sensitive issue of international terrorism was addressed, with a consensus being reached that steps be taken to ensure business continuity in the event of disasters. The high-tech skills of India and Singapore in this regard were cited for cooperation in the bilateral sphere and beyond.

'Network India' Singapore has launched 'Network India' as a facilitation platform to enhance the economic linkages between the two countries in a climate of political will. The 'Network' will serve as portal for firms based in the City-State to interact with India and its corporate sector under the overall auspices of 'International Enterprise Singapore'.

The 'Network', conceived as a facilitator as distinct from a di-

rect investor, is likely to be matched from the Indian side where the CII hopes to provide the mirror-image facilities through 'Bridge Singapore'.

'Network India' is a sequel to Singapore's 'Network China', which was fashioned about a year ago as a business nexus with that country. Singapore now hopes to establish suitable links between these two networks for enhanced Sino-Indian business and trade. India and China have been identified as two growing economies, albeit at different levels at this stage, for the purposes of Singapore's external relations.

These and related aspects were brought into focus at the function that marked the activation of 'Network India'.

Singapore's Minister for Trade and Industry, George Yeo, and the Chairman of 'Network India', Sat Pal Khattar, declared the network open. The New Economy sectors and the conventional areas of cooperation have been identified as the broad canvas for 'Network India'. These range from information technology to infrastructure projects.

The aim is to enlarge Singapore's participation in the Indian economy, now seen to be in the ascendant mode, according to Lee Yi Shyan, Chief Executive Officer, 'International Enterprise Singapore'. The City-State's cumulative investments in India since 1991 is \$ 1.3 billion now.

20 OCT 2002

DAY HINDU

Iraq: India, Malaysia against unilateral military action

By Our Diplomatic Correspondent

NEW DELHI, OCT. 18. The Malaysian Prime Minister, Mahathir Mohamad, said today that if the United States and Britain attacked Iraq it would give the impression that "Muslim nations" were being "targeted".

At a press conference here, at the end of his visit to India, Dr. Mahathir said both India and Malaysia were against any unilateral military action.

The Iraq issue came up for discussion during the meeting with the External Affairs Minister, Yashwant Sinha, on Thursday, he added.

"Our (Malaysian) stand is ve-

ry clear on Iraq. We are against any attack on Iraq without the United Nations agreement," Dr. Mahathir said adding that the U.N. was being neglected in all this. On a possible role for the Organisation of Islamic Conference, he said the member nations were speaking in different voices.

Asked what he expected from the first-ever ASEAN-India summit meeting in Phnom Penh, Dr. Mahathir said it reflected a heightened level of cooperation between the ASEAN nations and India.

Apart from economic issues, the summit could take up questions such as a common approach between ASEAN and

India at the World Trade Organisation. On the bilateral front, Malaysia would continue to press India for reduction of duties on palm oil imports.

Though a 10 per cent reduction had been made, the duties continued to be high when compared with the import of soyabean oil from the U.S. "We are still justified in asking for further reduction in import duties," he said.

Dr. Mahathir, who is expected to step down from office in 2003, said his "legacy" was maintenance of "racial harmony" in multi-ethnic Malaysia. He hoped that racial relations in Malaysia would improve under his successor.

19 OCT 2002

THE HINDU

Mahathir agrees with India over Iraq

9:20 AM
9/20/01
Statesman News Service

NEW DELHI, Oct. 18 — Malaysia today shared India's view opposing unilateral military action against Iraq, and warned that any such move would aggravate the situation and result in more recruits for terrorist organisations.

"We are agreed that no unilateral action should be taken to attack Iraq... if any action has to be taken, it should be through the UN," visiting Malaysian Prime Minister Dr Mahathir Bin Mohammad said. He was speaking at a press meet before leaving for Islamabad.

"We feel that any such unilateral attack would only aggravate the situation and make the people more inclined to think that as a general rule there is

animosity against Muslims and there may be more recruits for terrorist organisations," he said.

Strongly condemning the recent terrorist attack in Bali, Indonesia, Dr Mahathir said such acts would affect the region as a whole. "You can never determine when and where the terrorists are going to attack".

He said Malaysia has been able to handle this problem for a long time and taken necessary measures to eliminate possibility of terror strikes. "Malaysia is a safe, secure and stable country".

The Malaysian Prime Minister said sovereign countries like India and Malaysia needed to stand together with other nations to challenge the "imperialist designs" of certain powers. He has been sharply critical

of American policy on Iraq.

According to him, international organisations like the NAM had a major role to play to curb unilateral action against sovereign nations. His discussions with the Indian leadership, including Prime Minister Mr AB Vajpayee focussed on strengthening economic ties.

Malaysia, he said, wanted India to grant landing rights to more Malaysian Airlines planes in cities like Hyderabad and New Delhi as part of the enhanced cooperation.

Dr Mohammad also said he had asked Mr Vajpayee to work towards further reducing import duties on palm oil (India imports 2 million tons of palmolein annually making it Malaysia's largest customer) to allow it to become more competitively priced.

India, Thailand for closer ties

By Our Special Correspondent

NEW DELHI, OCT. 17. India and Thailand today renewed the call for closer economic, political and social interaction, given the goodwill and desire on both sides to increase bilateral cooperation. This was decided at a meeting between the Deputy Chairman of the Planning Commission, K.C. Pant, and the visiting Deputy Prime Minister of Thailand, Prommin Lertsuridej. Mr. Pant said the proposed express highway between India to Thailand through Myanmar would benefit both countries. Mr. Lertsuridej emphasised on strengthening bilateral economic relations, especially in agriculture, industry, information technology and space.

1 OCT 2019

THE HINDU

Reforms irreversible: PM

18/10 By Sushma Ramachandran

NEW DELHI, OCT. 17. A formal economic partnership between the East Asian tiger economies and India seems to be on the cards with the Malaysian Prime Minister, Mahathir Mohamad, today mooted an India-ASEAN agreement, for which he said there was "profound economic logic" even as the Prime Minister, Atal Behari Vajpayee, suggested the creation of a regional trade and investment area. He also sought to convince ASEAN ministers and businessmen that economic reforms in India were irreversible despite the recent "hiccups" in the liberalisation process.

Inaugurating the one-day India-ASEAN Business Summit, Mr. Vajpayee said these hiccups, a clear reference to the disinvestment controversy, were only the democratic process of reconciling divergences and achieving a consensus. "Our reform process continues to target high growth with balanced and equitable development. Our ambitious GDP growth target of eight per cent exhorts us to stay on this path. There can be no looking back," he said.

He looked forward to a Regional Trade and Investment Area as a near-term objective of India-ASEAN economic relations. The Malaysian Prime Minister, in his address later in the day at the same forum, was keen on knowing about India's response to an ASEAN-India Economic Partnership Agreement. "Let me suggest it is high time for the ASEAN and India to work on a comprehensive economic partnership that will be mutually beneficial to us and to the rest of Asia and the world."

Mr. Vajpayee said India and the ASEAN had a

mutual interest in working towards beneficial preferential and free trade arrangements. "We need to look at conventional as well as innovative mechanisms to promote economic integration", he said.

Mr. Vajpayee compared the Indian economy to an elephant, slow to gather momentum but unstoppable and irreversible.

He also assured ASEAN businesspersons that every effort was being made to make policies more investor-friendly, using e-governance to tackle the problems of cumbersome procedure, paper work and bureaucracy. He criticised the globalisation process and the fact that there had been "uneven benefits" among and within nations. "Globalisation cannot be sustained as a one-way quest for developing country markets by the products and capital of the developed world," he said.

On this issue, Dr. Mahathir lauded India's role as a global leader on economic issues. "I have in the past been impressed so often by the posture taken by India in, for example, the WTO", he said.

Mr. Vajpayee made a pointed reference to the "barbaric terrorist" attack in Bali which called for the harshest condemnation. "Your summit also cannot ignore the negative impact of such terrorist acts on business climate in the affected country and region", he said.

Dr. Mahatir also spoke of the threat of terrorism in Asia but criticised the concept of a "balance of power" approach "because when you prepare for war, war all too often is what you get". Evidently referring to Indo-Pakistan tensions, he said the risks were heightened when nuclear weapons entered the balance of terror.

1 8 OCT 2002

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Asean-India to set up eco task force

9.5.2003
BANDAR SERI BEGAWAN: ASEAN Economic ministers have agreed to establish an Asean-India economic linkages task force to be jointly led by Malaysia and India to examine the recommendations of the Asean Free Trade Area (Afta)-India linkages study. "This will include recommendations on the establishment of the regional trade and investment area and other areas of economic cooperation," International Trade and Industry Minister Rafidah Aziz said at a press conference on Sunday. Rafidah and other Asean economic ministers, who are here for the 34th Asean Economic Ministers' Meeting (AEM), had earlier met the Indian delegation led by its Minister of Commerce and Industry Murasoli Maran. Rafidah said the taskforce would need to submit its recommendations, including a draft framework agreement to enhance the Asean-India trade and economic cooperation to the next AEM-India consultation in 2003. *P77*

17 SEP 2003

17 SEP 2003

Singapore hosts Indian naval fleet

P. S. Suryanarayana

HO-12
2/1/02
INS - S. Raman

SINGAPORE, AUG. 23. India and Singapore have sustained the momentum of an ongoing professional interaction between their two navies, with the City-State playing host to a goodwill fleet from India for the past few days.

The mission, planned sometime ago, attracts additional attention in the unfolding context of a heightened awareness in the South-East Asian region about the Indian Navy's professional outreach and its cooperation with the U.S. on specific matters.

However, the latest goodwill call at the Singapore port by a flagship of the Indian Navy and two other vessels was not related to the new Indo-American cooperation in this region.

Besides INS Ranjit, a destroyer and a flagship of the Navy, the fleet consisted of INS Shakti, a tanker, and INS Khanjar, a missile

corvette. Vice-Admiral Raman Puri, Flag Officer Commanding-in-Chief of the Eastern Naval Command, who led the mission, held talks with the top officials of Singapore's Navy and visited training centres and logistics base.

No joint naval exercises were held, but Vice-Admiral Puri said the two navies had a record of organising periodical cooperative exercises at sea.

While Singapore had participated in the 'Milan'-class naval exercises organised by India, the range of bilateral interaction was very wide.

Search-and-rescue drills, exchange of information, submarine warfare exercises, advanced mine-counter measures and some anti-terror tactics were among the professional areas of cooperative interaction between India and Singapore, Vice-Admiral Puri said.

24 AUG 2002

India pledges \$2.5 million to Indo-ASEAN cooperation fund

G. SUDHAKAR NAIR

BANDAR SERI BEGAWAN (BRUNEI),
AUGUST 1

INDIA today announced its contribution of 2.5 million dollars to the India-ASEAN cooperation fund to give momentum to cooperation programmes in various sectors even as it offered to work for joint initiatives in combatting terrorism.

The fund will target cooperation programmes with ASEAN countries in the science and technology, HRD, trade and investment and transport and communications sector, external affairs minister Yashwant Sinha said

here.

Sinha made this announcement at the first 10 plus one meeting, which essentially means discussions between coordinating countries in the 10-member ASEAN and one of its ten dialogue partners.

Malaysia and Laos were the coordinators for the India meeting and was represented by its Foreign Minister Syed Hamid Al-Bar and Deputy Premier Samsanad Leng.

He called for greater links between the governments and the private sector to realise the full benefits of joint research.

Stating that India was a major vic-

tim of the dark forces of terrorism, Sinha said it is ready to work together both bilaterally with ASEAN countries and in the India-ASEAN framework to develop practical programmes of cooperation to combat this menace.

Sinha regretted that India-ASEAN tourism had achieved little progress even though it is a theme much commended.

He hoped that the first India-ASEAN summit in Cambodia in November this year would be an apt moment to explore a highly fruitful synergy in their relationship. *PTI*

2 AUG 2002

INDIAN EXPRESS

Mahathir remark on Kashmir irks India

Saurabh Shukla
New Delhi, June 25

NEW DELHI and Kuala Lumpur are in the middle of a diplomatic tangle over a statement by the Malaysian Prime Minister Mahathir Mohammed that cross-border terrorism in Kashmir will continue if its causes are not looked into.

Sources say irked by a series of diplomatic gaffes by the outspoken Malaysian premier, India has communicated "its strong displeasure" to Malaysia on Mahathir's remarks through diplomatic channels.

In New Delhi the Deputy Malaysian High Commissioner was called to the Foreign Office last week and told that the Prime Minister's statement were not in tune with the friendly bilateral relations of the two countries and that South Block was upset by his remarks. Simultaneously, in Kuala Lumpur the Indian High Commissioner Veena Sikri lodged India's protest on the Malaysian premier's statements on Kashmir and cross border terrorism to the Malaysian Foreign Office.

Malaysian Prime Minister Mahathir Mohamad had said, "Of course, you can accuse states of being involved. Pakistan denies it is involved. The

fact is that the causes are there, people are... angry about something", Mahathir had reportedly said at the Press conference of the annual congress of his United Malays National Organisation.

"If you don't look at the causes and remove them, then there will be terrorism," he said. He had earlier been quoted as supporting the UN Security Council resolution on right of self-determination to Kashmiris. He had also earlier offered to mediate between India and Pakistan much to New Delhi's chagrin.

What also irked New Delhi was that the Malaysian Premier had continued with his off the cuff remarks despite New Delhi's friendly advice during the bilateral discussions.

Diplomatic sources say though both sides are keen to downplay the whole incident lest it creates a diplomatic controversy amidst the Indo-Pak standoff, however diplomats feel that the MEA strongly protested as the PMO was upset by his remarks. And a strong protest by New Delhi was aimed at communicating a message to the Malaysian premier to stop shooting his mouth off. However, sources say even after India's protest, Mahathir's didn't fail to amuse the Foreign Office mandarins.

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9-20-00 5:50 PM
THE HINDUSTAN TIMES

26 JUN 2000

Thailand seeks joint ventures with India

By Our Special Correspondent

NEW DELHI, JUNE 17. India and Thailand can cooperate in information technology, medium sector industry, educational institutions, tourism, textiles and clothing, automobiles and auto parts as well as gems and jewellery.

This is the assessment of the Thai Government which has identified possible areas for investment opportunities by the two countries. According to the Thailand Ambassador, Bandhit Sotipalalit, the proposed free trade areas between the two countries would not only strengthen economic relations but would also be mutually beneficial in the free exchange of goods at lower costs.

Addressing a seminar on 'India and Thailand: Trade and Investment Opportunities' organised by the Confederation of

Indian Industry (CII), he urged the Indian business community to invest in these sectors through joint ventures.

He said Thailand was working closely with Myanmar to complete a network of roads which would connect India and Myanmar. As India is already connected to Myanmar through a road from Manipur, the short "missing link", when completed, would facilitate the smooth transport of goods and people across the borders of the two countries.

Mr. Sotipalalit said that at the regional level, Thailand was working on various projects to bring India closer not only to Thailand but also to other South East Asian countries. He noted that as BIMST-EC (Bangladesh, India, Myanmar, Sri Lanka and Thailand) and Mekong Ganga Cooperation framework (India, Thailand, Laos, Cambodia, Myanmar and Vietnam) share a

common objective of linking transportation networks and facilitating the flow of goods and people, the two frameworks together would open a market of 250 million people for India.

Senior Thai officials said bilateral trade had gone up significantly. While India's exports to Thailand went up from \$424 million in 1998 to \$671 million in 2001, India's imports from Thailand rose from \$284 million in 1998 to \$483 million in 2001. Intra-industry trade could be enhanced in areas such as gems and jewellery, textiles and clothing, automotive parts and components, pharmaceuticals and steel and could be included in the Free Trade Agreement, they suggested.

Thai industry representatives told the seminar that the Free Trade Agreement would enable India to explore markets of other South East Asian countries.

18 JUN 2002

18 JUN 2002

India-Asean Business Summit begins today

By Our Special Correspondent

NEW DELHI, OCT. 16. The first India-Asean Business Summit is being organised here tomorrow to develop synergies between the economies of India and the Asean member countries.

The focus of discussions will be on infrastructure, oil and gas, trade, investment, finance and tourism.

Among the Asean member countries which are taking part in the consultations are Malaysia, Cambodia, Singapore and Vietnam, apart from the Asean Secretary-General, Rodoifo Cer-teza Severino.

The two-day summit is being held in Delhi and Hyderabad with the first session being held here.

Discussions on the sunrise sectors of information technology and biotechnology have been reserved for the Hyderabad segment which has been organised by the Federation of Indian Chambers of Commerce and Industry (FICCI) in association with the Ministries of External Affairs, and Commerce and Industry.

The Prime Minister, Atal Behari Vajpayee, will inaugurate the summit with the visiting Malaysian Prime Minister, Mahathir bin Mohamad, addressing a special session later in the

day. ^{10.12} ^{17/10} ^{2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12}
The Deputy Chairman of the Planning Commission, K.C. Pant, will be addressing the plenary session with the ministers from Asean countries.

The summit will have three sectoral sessions. The infrastructure session will cover roads, airports, railways, telecom and special economic zones. Other sessions will be on oil and gas, trade, investment, finance and tourism. A plenary session with ministers from the Asean member countries is also scheduled during the day.

The summit in Hyderabad will have four sectoral sessions. These will be on biotechnology and pharmaceuticals, information technology, human resource development and higher education and entertainment.

CII office in Malaysia

The Confederation of Indian Industry (CII) is to open an office in Malaysia soon.

A commitment in this regard was made by the CII to Mr. Vajpayee and Mr. Mahathir last year.

Once it becomes operational, it will be CII's second overseas office in the Asean. This office is expected to help strengthen bilateral relations between Malaysia and India, as also India and the Asean.

17 OCT 2002

The Myanmar connection

By Lal T Pudatto

Faced with the inevitable isolation of the North East from mainland India, even before Partition, Pandit Jawaharlal Nehru had foreseen the region's potential as a reservoir of power and a bridge to South-east Asia and beyond.

After a visit to Assam in December, 1945, he said, "Assam has the look of great reserves of strength and potential power ... great highways by road, air and rail will go across her connecting China and India, and ultimately ... East Asia and Europe." Substitute the North East for Assam: had such a vision been pursued in the early years of Independence, when the hastily laid communication infrastructure of World War II was still relatively intact, the shape of the North East would have been very different. And we may have avoided the mushrooming of insurgencies which are so visible today.

A North East linked by highways through Myanmar to the dynamic growth regions of South-east Asia is an exciting prospect. That prospect remains the only viable option for the region to break out of its isolation.

The pursuit of such a goal requires a radical upgrade of the current management of North Eastern affairs and proactive policies aimed at cementing cooperative relationships with our eastern neighbours: Bangladesh, China and Myanmar. The multifaceted links which the North East has with them, especially with Myanmar, hardly need elaboration. Indeed, without the active cooperation of Myanmar authorities, the major problems currently facing the North East, namely insurgency, underdevelopment, drugs and arms smuggling, cannot be eliminated.

Consider the campaign against insurgent groups. The entire 1,600-kilometre length of the Indo-Myanmar boundary is covered by thick

jungles. Weapon-transporting insurgents can easily take shelter (and have routinely done so in the past) on the Myanmar side of the border to escape detection by Indian security forces. Thus, without Myanmar forces to block their escape route, our security forces are rendered helpless.

For India, improving relations with Myanmar, particularly with the present military regime, has not been an easy task.

The regime has been extremely cautious with every step it has taken in this direction; it is suspicious of India's motives in allowing Myanmar dissidents to linger in Mizoram and elsewhere within its borders. India must also be mindful of the alleged activities of armed ethnic groups such as the Kuki National Army in Manipur and the Chin National Army in Mizoram.

India's belated bestowal of the Jawaharlal Nehru Award for International Understanding on the already much-decorated pro-democracy leader, Aung San Suu Kyi, in 1995, did not help matters. Myanmar is also understandably keen to remain "untilted and carefully balancing" between its two big neighbours, India and China.

Efforts aimed at securing cooperation from Myanmar in recent years have yielded encouraging results in increasingly diverse fields. For these

to have a significant impact on the major problems of the North East, however, the level of our cooperative interaction has to be significantly enhanced.

In view of the crucial rôle Myanmar could play in tackling the problems and opening up the North East, India should seek to upgrade what it had already begun in a modest way. The Tamu-Kaiewa

highway construction undertaken by the Border Roads (from the Manipur side) and the construction of bridges linking Champhai in Mizoram to Falam in Chin Hills, should now be followed by a grand plan for infrastructure linkages between the North East and western Myanmar.

Such a plan should be primarily conceived as an infrastructure network encompassing the entire stretch between the Brahmaputra and Irrawaddy rivers. It could be so designed as to facilitate multilateral funding. It could include, for example:

- A rail link from Silchar via Manipur valley to Kalembo, where a railhead has recently been developed.
- An air link connecting Guwahati, Imphal, Mandalay and Kunming in China as well as Chiangmai and Bangkok. A direct flight to Bangkok has begun operating from

Guwahati: there is no reason why it cannot occasionally stop in Yangon.

■ Harnessing of the Kaladyne river for navigation as well as for power generation and the laying of a gas pipeline along the river for supply of natural gas from Myanmar to the North East through a point in Mizoram.

■ Revival of the old Stillwell Road that was in use during World War II, between Ledo in Assam and China's Yunnan province via Kachin state in Myanmar.

These are only representative suggestions. New ideas are needed with ambitious, globalisation-oriented targets. Once cooperation on such a scale is agreed upon, there will be no dearth of feasible projects and ideas. At one time, Myanmar had floated the idea of joint exploitation of the upper reaches of the Chindwin river for the generation of electricity. Road links through south Mizoram to the Arakan / South Chin state as well as via Nagaland to the Kachin state could also be explored.

Apart from a purely Indian perspective, there is a compelling logic for opening up and ensuring the connectivity of the North East and its trans-border neighbourhood further east. This frontier region is peopled by diverse ethnic groups that are still on their way to "becoming" identified with the larger political entities with which colonial legacy clubbed them. Following Independence, the Mizos and Nagas found themselves divided by the Indo-Myanmar border. For these communities, involved in the process of awakening to a new sense of identity and political consciousness, "integration" with the national whole is not an easy task.

(The author served in the Indian Foreign Service and, is a former Ambassador to Myanmar)

open forum

Without the active cooperation of Myanmar authorities, the major problems currently facing the North East cannot be eliminated

THE STATESMAN

4 MAY 2002

INTERNATIONAL TERRORISM / NEEDED, A COMPREHENSIVE APPROACH

HD-11
10/4

We are a principal player in Asia-Pacific: PM

By Amit Baruah

SINGAPORE, APRIL 9. As home to one billion people, India has to be "integral to any regional process" pertaining to the Asia-Pacific region, the Prime Minister, Atal Behari Vajpayee, said here today.

Delivering the 21st Singapore Lecture on "India's Perspectives on ASEAN and the Asia-Pacific region," Mr. Vajpayee said: "It is important to recognise manifest political and economic realities when we try to tackle the crucial issues of growth and security."

India, he said, had a constructive and multi-faceted relationship with every major country in South-East Asia — which was also true of India's relations with ASEAN's East Asian neighbours.

Favouring a web of cooperative arrangements in Asia-Pacific to promote stability, the Prime Minister said "the Indian economy is now rapidly integrating into the global mainstream. Our linkages with the major economies of the Asia-Pacific are becoming stronger. I believe that this coming together would enforce development, peace, security and stability in this region."

The trends of the last decade, he said, indicated that the new century would be dominated by the power of technology and a globalised economic system.

"It is inevitable that the global socio-economic centre of gravity should shift to Asia. The Asia-Pacific region has to respond creatively to absorb this change through a web of cooperative arrangements, which would promote transition in a stable manner."

India was a principal player in the political and security affairs of the region and did not need any endorsement from any quarter to qualify for this role.

"India's belonging to the Asia-Pacific community is a geographical fact and a political reality. It does not require formal membership of any regional organisation for its recognition or sustenance." (India remains outside the Asia-Pacific Economic Cooperation (APEC) forum as well as the Asia-Europe Meeting (ASEM) process).

"With China we are engaged in an expanding relationship of mutual benefit. With Japan we have agreed to launch a global partnership into the 21st century. The Republic of Korea is a valued trade and investment partner. Our strategic partnership with Russia continues (to be) strong and vibrant. Our engagement with the U.S. covers a wide range of bilateral and international issues of mutual concern," Mr. Vajpayee said.

India and the ASEAN were poised to intensify their political and security dialogue to add a new dimension to a mutually beneficial economic and commercial relationship.

"We grapple with a bewildering array of security threats, of which international



The Prime Minister, Atal Behari Vajpayee, being driven in a golf cart around the Orchid Garden at Singapore's Botanical Gardens on Tuesday. — AP

terrorism has recently thrust itself dramatically into our consciousness. It has become crystal-clear to the international community that terrorism can be tackled and curbed only with a global and comprehensive approach," he said.

Asia had seven of the 10 world's most populous countries, the largest standing armies, four declared nuclear weapon States and several missile producing and exporting states.

"The civilisational and political diversity of the continent provides additional volatility. On the one hand, it has been estimated that in the next 25 years, Asia will account for 57 per cent of world GDP. On the other hand, the economic problems which first surfaced in 1997 have tended to recur. The management of the unpredictable behaviour of this economy is also a problem with security implications."

Mr. Vajpayee argued that there could be no effective solution to these problems within national boundaries.

They would have to be tackled through a cooperative approach, holistically and regionally. "But unlike other continents with formal politico-security cooperation frameworks like OSCE, OAS and OAU, Asia does not as yet have a comprehensive security framework. Such a cooperative framework is today gradually evolving and developing in the Asia-Pacific. The ASEAN Regional Forum, with South-East Asia as its nucleus, is developing into a unique platform for security dialogue."

The Prime Minister conceded that India's engagement with South-East Asia had been limited in the first decades of independence.

"We are conscious that in the first few decades after our independence, we did not attain the full promise of our relationship. It was a consequence of the divergences in our economic ideology, political outlook and security assumptions, much of which the Cold War imposed on us. Fortunately, we have emerged from this straitjacket."

The current economic slowdown should lead to more active exploration of avenues for generating and meeting demands on a regional basis, to act as a cushion against the saturation of external markets, he said.

"The move towards greater economic liberalisation in the ASEAN Free Trade Area and the ASEAN Investment Area reflects this recognition. India seeks a mutually beneficial partnership in this endeavour... It is to promote such creative inter-linkages that we believe a multilateral dialogue at the summit level can be very effective."

"India looks forward to the India-ASEAN summit with this perspective. We value Singapore's identity of views with us and deeply appreciate its energetic espousal of the India-ASEAN dialogue."

Besides economic cooperation, India and Singapore could work together in combating terrorism, which neither respected power, nor heeded size, Mr. Vajpayee said. "Even Singapore's disciplined and orderly society discovered this recently."

"We (Singapore and India) have crucial stakes in protecting our common commercial sea lanes, combating piracy, choking off narco-trade and curbing gun-running. We need to tackle this jointly in a determined manner, through regular exchange of experience, information and intelligence," he said.

15 11 2002

THE HINDU

Vajpayee gets a king's banquet

By ARVIND PADMANABHAN

PHNOM PENH: Cambodian King Norodom Sihanouk has a way with appeasing a visiting dignitary, particularly if he is from India, a country with which the ties of this Asian kingdom date back to over a millennium.

The latest to experience Sihanouk's famed hospitality was Prime Minister Atal Behari Vajpayee, who was in Phnom Penh and Siem Reap from Tuesday to Thursday as part of his five-day official tour of this country and Singapore.

For the banquet thrown in Mr Vajpayee's honour on Wednesday, each item on the elaborate menu, which included items like Kerala prawn curry, peas pilaf (pulao), chicken tikkas and pakoras, was personally selected by the king, who tasted the menu a week ago along with his queen. The chefs were specially flown in from Singapore for the purpose.

Similar was his hospitality when vice-president Krishan Kant visited Cambodia last year. The King had arranged for a seven-course meal that was totally vegetarian, given Mr Kant's preferences. The accompanying banquet music during the Indian leaders' visits too were Indian — Hindi film songs like *Mera joota hai japani*. King Sihanouk's efforts did not go in vain for members of the Indian delegation not only enjoyed the food, but also certified it as the best Indian food they had tasted outside India.

Nehru remembered

Despite the time that has passed since they met last, Cambodian King Norodom Sihanouk has fond memories of India's first prime minister Jawaharlal Nehru. In fact, he



Prime Minister A.B. Vajpayee is greeted by Cambodian King Norodom Sihanouk at the royal palace in Phnom Penh on Wednesday.

recounted them before Mr Vajpayee, the first Indian Prime Minister to visit this country since Mr Nehru's 1954 trip.

Calling his visit a historic one, the King told Mr Vajpayee that India and Cambodia had links that dated back over 1,000 years, in an obvious reference to the famed Angkor temples at Siem Reap which has an interesting mix of Hinduism and Buddhism in the sprawling complex spread over 400 square km.

Mr Vajpayee reciprocated by extending an invitation to the King to visit India. But the 80-year-old monarch, while appreciating the gesture and recalling his visits to India, declined the invite as he is undergoing treatment for cancer.

Monk who showed big men the way

Apart from the Non-Aligned Movement that they co-founded, a fond link between Jawaharlal Nehru and Norodom Sihanouk was Samdach Vira Bhante, a revered 110-year-old Buddhist monk, who died at Stockton, California, in July 1999.

Dharmawara Mabathera, as Bhante was later called, served as spiritual advisor to the Cambodian monarch. Besides, during his long stay in India, he also kept watch at the deathbed of Mr Nehru, who was an avowed agnostic. Fluent in French and Hindi, apart from half a dozen languages he had mastered, the monk was a lawyer and judge in his early days and had given up the position of being Cambodia's provincial governor at the age of 40.

These were the qualities that endeared him to both Mr Nehru and King Sihanouk. (ANS)

A REPORTER'S DIARY

India to help restore temple at Angkor Vat

By Amit Baruah

SIEM (CAMBODIA), APRIL 10. The Prime Minister, Atal Behari Vajpayee, called on the Cambodian monarch, King Norodom Sihanouk, in Phnom Penh today before flying to Siem Reap this evening, from where he will visit the adjoining Angkor Vat complex tomorrow.

On the second-day of his three-day visit, Mr. Vajpayee had a warm discussion with the King, who recalled the visit of Jawaharlal Nehru to Cambodia in 1954 as well as his own visit to India in 1957. The King — the last surviving participant of the 1955 Bandung Conference — told the Prime Minister that he was an admirer of Indian democracy. "The warmth and af-

fection (during the meeting) was undeniable," Mr. Shashank, Secretary in the Ministry of External Affairs, told presspersons. Mr. Vajpayee also had a meeting with the National Assembly President, Prince Norodom Ranariddh, one of King Sihanouk's sons and a mainline politician. This renewal of contact at the highest level with Cambodia is significant because Phnom Penh has long pointed to the absence of high-level visits. There are no "issues" between the two countries, but a history of long contacts — which have now been renewed at the level of Prime Minister.

A CII and FICCI delegation today signed separate memorandums of understandings (MoUs) with the Phnom Penh

Chamber of Commerce, officials said. Under the agreement, CII has agreed to help the Phnom Penh Chamber with the wherewithal required to run a chamber of commerce. Under the Mekong-Ganga Cooperation (MGC) programme, the Government of India will provide seed money of \$ 1 million to set up a museum of traditional textiles in Siem Reap.

There is little doubt that the agreement signed to restore the Ta Prohm temple in the Angkor Vat complex is the most significant agreement reached during the Prime Minister's visit.

Briefing presspersons about the MoU signed on Tuesday on restoration and conservation of Tap Prohm (a temple devoted to Lord Brahma), Kasturi Gupta

Menon, Director-General, Archaeological Survey of India, said the project would be implemented over a period of 12 years. India had helped restore the Angkor Vat (main temple) from 1986-87 to 1992-93, but left on account of the political climate in the country at that time. "We have been now asked to take up the Ta Prohm project which...is a major complex and originally comprises 50 temples spread over 100-odd acres of which only 15 are now left standing," Ms. Menon said.

"One of the major problems of the temple (complex) is that it has no drainage system. And, therefore, there is a very severe problem of water logging. This is one of the aspects which we will have to tackle first," she said.

11 APR 2002

THE HINDU

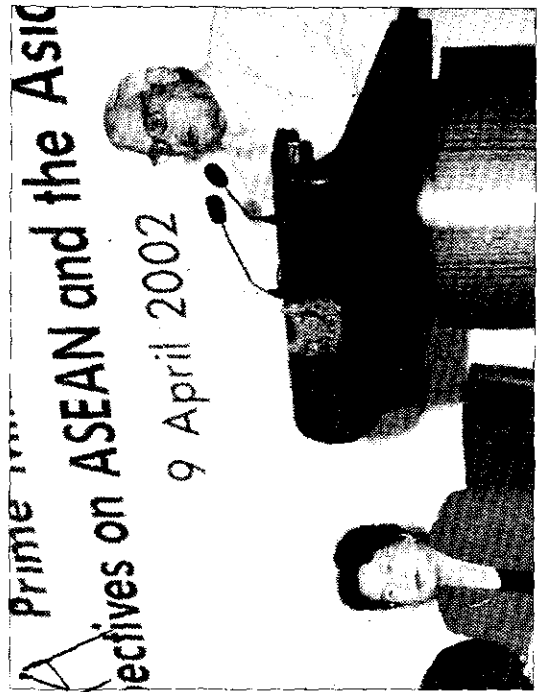
India, Singapore make terror common cause

RITU SARIN
SINGAPORE, APRIL 9

TERRORISM is the latest issue that has brought India and Singapore together. Three months ago, Singapore authorities smashed a ring of Islamic fundamentalists belonging to the Jemaah Islamiah group and for the first time, the subject figured during bilateral talks.

India and Singapore have now agreed to set up an "official institutional mechanism to combat terrorism jointly. Officials indicated that while the authorities in Singapore had indicated they wanted cooperation in the area to be handled in a low-profile manner, an experts'

Prime Minister



body will be set up soon.

Prime Minister A.B. Vajpayee gave an endorsement to future cooperation on combating terrorism while delivering the Annual Singapore lecture — his policy statement on India's perspectives on ASEAN. He asserted, "We have to confront terrorism which neither respects power nor heads size. Even Singapore's disciplined and orderly society discovered this recently." On the reason why Singapore could have become a base for the Islamic group, Vajpayee pointed out, "Multi-cultural and

Vajpayee delivering the annual lecture in Singapore on Tuesday. PTI photo

pluralist democracies are the most vulnerable to these ills, precisely because terrorists exploit the freedoms which their societies guarantee to the people."

The 13 Jemaah Islamiah operatives, whose leader Ibrahim Maidin is a Singaporean Muslim of Indian origin, were caught even as they were plotting attacks on US installations. Officials in Singapore say that this was the key factor which led to the delegation of Prime Minister Goh Chok Tong expressing "deep concern over Islamic fundamentalism in the region."

The theme also figured in the banquet speeches delivered by the two Prime Ministers at the Istana Palace. Vajpayee pointed out that

for the first time, security challenges were also taken up during bilaterals.

"Recent events have dramatically demonstrated the reach and penetration of international terrorist forces. Societies like ours have to close ranks against these forces."

During his toast, Goh also addressed the issue of future cooperation on terrorism.

Underlying the importance given to it he said, "Unfortunately, both our regions — South and South-East Asia — are all too familiar with the challenge posed by terrorism and militant religious fundamentalism. This is one reason for even closer cooperation between India and Southeast Asia.

India, Cambodia sign pacts

AD1 By Amit Baruah 9-5-80 1974

PHNOM PENH, APRIL 9. The Prime Minister, Atal Behari Vajpayee, who arrived in Phnom Penh on the second-leg of his foreign tour, held talks with the Cambodian Prime Minister, Hun Sen, this evening. His is the first visit by an Indian Prime Minister since Jawaharlal Nehru was here way back in 1954.

Three agreements — one on the conservation and restoration of the Ta Prohm temple near Angkor Vat, an air services pact and a third on visa exemption for diplomatic and official passport holders — were signed in the presence of the Prime Ministers after the talks.

India was willing to send a judge to participate in a possible tribunal to prosecute the Khmer Rouge leaders for the genocide in Cambodia, Mr. Vajpayee said.

The Ta Prohm agreement, under which the Archaeological Survey of India will take up the job of conservation and restoration, will entail a project cost of about Rs. 25 crores over a period of 10-12 years.

On a \$10-million credit line, which has been under discussion between Cambodia and India for some time, the Indian side said the process for granting of the credit on the terms suggested by Cambodia had been completed. "The Cambodians will inform India shortly for what project(s) they would like to use the credit."

At a joint press conference along with the Cambodian Prime Minister, Mr. Vajpayee said Cambodia had supported India's stand on the Kashmir issue. "We discussed the problem of terrorism also. We decided that the civilised world has to fight against terrorism," he said, adding that the Cambodian Government was supportive of a permanent seat for India at the United Nations. "My discussions with Prime Minister Hun Sen today were warm and cordial. We exchanged views on our excellent political relationship. We discussed in detail measures to tap more fully the potential for our economic cooperation," Mr. Vajpayee said. "Prime Minis-



The Prime Minister, Atal Behari Vajpayee, being welcomed by his Cambodian counterpart, Samdech Hun Sen, at Pochentong International Airport in Phnom Penh on Tuesday. — PTI

ter Hun Sen and I agreed that our two countries should sustain a regular high-level dialogue, including exchanges of visits. I have invited Prime Minister Hun Sen to make a state visit to India and he had kindly accepted the invitation," Mr. Vajpayee said.

Asked if there was a deadline for the Cambodian Government to set up a tribunal to try the Khmer Rouge offenders, Mr. Hun Sen said the deadline approach was not appropriate for his country. A number of countries were still trying to bring the United Nations round, which had rejected the idea of setting up a mixed U.N.-Cambodian tribunal earlier this year. While there was no deadline to set up the tribunal, Cambodia could not wait endlessly. Speaking at a banquet hosted by Mr. Hun Sen in his honour, Mr. Vajpayee said: "It is truly inspiring to see that the killing fields of just a few years ago have been transformed into an independent, stable and peaceful country, confidently playing an active role in the region and the world."

Vajpayee, Goh see urgent need to crush terrorism

By Amit Baruah

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SINGAPORE, APRIL 8. The challenges posed by terrorism was a common theme during the banquet hosted for the Prime Minister, Atal Behari Vajpayee, by the Singapore Prime Minister, Goh Chok Tong, this evening.

Mr. Goh said, "Since we last met (in January 2000) the world has undergone momentous changes. The tragic events of September 11 were a watershed for post-Cold War international relations. The common challenge of fighting terrorism is catalysing geo-political shifts in relations between major powers. The outcome is not yet clear."

Unfortunately, both South Asia and South-East Asia were all too familiar with the challenges posed by terrorism and religious extremism, Mr. Goh said.

"These did not suddenly spring into being six months ago. But recent events now require all of us to pay more urgent attention to such threats. This is one reason for even closer cooperation between India and South-East Asia," he said.

"The impact of Indian civilisation on South-

East Asia is, of course, ancient and profound. But the most critical modern manifestation of our ties is India's re-engagement with the ASEAN, and India's steady involvement in the South-East Asian regionalism."

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Terming the first ever summit meeting between the ASEAN and India as an important milestone, Mr. Goh said: "Singapore is happy to have played a role in facilitating India's relations with the ASEAN. We believe that South-East Asia and India have much to gain from closer linkages."

Mr. Vajpayee referred to the discussions he had with the leaders in Singapore on strategic environment, political concerns and security challenges.

"Recent events have dramatically demonstrated the reach and penetration of international terrorist forces. Societies like ours have to close ranks against these forces," he said.

Thanking the Singapore Government for its hospitality, Mr. Vajpayee said, "We particularly appreciate your ready acceptance of the scheduling changes in this visit." (Mr. Vajpayee's visit was postponed twice before.)

WHY CAN'T WE DO LIKE SINGAPORE?

Gujarat events 'painful' but won't hit investments: PM

By Amit Baruah

SINGAPORE, APRIL 8. The communal incidents in Gujarat are a "very painful event" but these would not have any impact on India's investment climate, the Prime Minister, Atal Behari Vajpayee, said today.

Addressing members of the Indian community at a reception here, Mr. Vajpayee said that India wanted to advance rapidly, but sometimes "in between" an incident took place causing concern.

"Gujarat ke bare me aap bahut padthe honge. Badi dukh dai ghatna thi. (You must have read about Gujarat. It was a very painful event)," the Prime Minister said in Hindi.

Clearly, while the Prime Minister was grappling with foreign policy issues in Singapore, his mind was focussed on developments back home. He specifically referred to the attack on journalists in Gujarat on Sunday, but described it as a "small" incident. The situation in Gujarat was now under control, but he asked why such events should take place at all. "We need to think deeply about this," he said.

The Prime Minister said that



The Prime Minister, Atal Behari Vajpayee, with his Singapore counterpart, Goh Chok Tong, before their meeting on Monday.— AP

India, as the world's largest democracy, a democracy that inspired progress and respect for human values, also faced difficulties. These difficulties had to be overcome.

"Gujarat ke sthiti par ab ka-boo pa liya gaya hai. Lekin kal vahan patrakaron ko lekar koi

ghatna ho gayi (The situation in Gujarat has now been brought under control. But yesterday (on Sunday), there was some incident relating to journalists)," Mr. Vajpayee said.

"Journalists report the news about others, but now they are becoming the news them-

selves," the Prime Minister said in Hindi, adding quickly that a "probe" had been ordered and one police officer removed.

Taking another view, Mr. Vajpayee said that before coming to the reception he saw on television a debate on the pros and cons of the officer's removal. "Yeh shayad achcha kam kar raha tha, is liye usko hataya (perhaps he was doing a good job that's why he was removed)," the Prime Minister said about the contents of the television debate. Referring to the incident involving journalists in Gujarat (Mr. Vajpayee did not use the word attack), the Prime Minister told the gathering that such incidents were small and had to be seen in the context of a 100-crore strong nation, a vast country with an ancient past. All in all, he said, India was looking to the future and the country was moving ahead on the path of progress.

Asked whether the investment climate was shaky after the Gujarat incidents, he said at the reception that there was "no difference" as far as the investment climate was concerned.

The complaints about the investment environment were old. These related to time delays, for which it was explained that the procedures had been shortened. "Investment ke liye to achcha climate hai (the investment climate is good). He said. So the investment climate has not been affected despite the killings of so many people? Prime Minister: "Uska asar bhartiyan par zada hai (the impact is more on Indians)".

In his address to the Indian community, Mr. Vajpayee said that the progress made by Singapore was a miracle. This made him wonder why India could not do the same.

This did not mean that India had not made progress, but it was slow. India had maintained its economic growth despite the economic slowdown that had affected other countries in the region.

The country was ending the "quota-permit raj" and a new chapter had been opened in its economic relationship.

Joint group to study economic ties

By Amit Baruah

SINGAPORE, APRIL 8. India and Singapore today agreed to set up a joint study group (JSG) to consider a Comprehensive Economic Agreement. The announcement came after a meeting between the visiting Prime Minister, Atal Behari Vajpayee, and his Singapore counterpart, Goh Chok Tong.

The group, to comprise both officials and business representatives and to be set up within 30 days, is expected to prepare a detailed report in a year. The Singapore Trade Minister, George Yeo, said the proposal to set the group came from Mr. Vajpayee and it was accepted "gladly" by Mr. Goh.

The group is to look into areas of trade facilitation, customs cooperation, intellectual

property, financial cooperation, among other things.

During the talks, Mr. Vajpayee thanked Mr. Goh for the initiative taken by him to push through an ASEAN-India summit.

A senior member of the Prime Minister's delegation told this correspondent that terrorism was also discussed by the two. Both agreed to exchange intelligence information.

Soon after the talks, the two witnessed the signing of two MoUs — one on greater cooperation in the telecom sector and the second in the field of culture and heritage. As part of the second MoU, India has loaned Singapore 10 artefacts, including three stone sculptures of the Chola period. (The 10 artefacts were taken in the Prime Minister's special aircraft to Singapore.)

Vajpayee tells Singapore: our investment climate is OK

AGENCIES

SINGAPORE, APRIL 8

INDIA and Singapore today signed two Memoranda of Understanding (MOU) for cooperation in the telecom and culture sectors even as Prime Minister Atal Bihari Vajpayee said the Gujarat riots had not affected India's investment climate.

The MOU was signed by minister of Disinvestment Minister Arun Shourie and Singapore's acting Minister for Information and Communication and the Arts David Lim in the presence of Vajpayee and his Singaporean counterpart Goh Chok Tong here. The two countries also agreed to set up a Joint Study Group (JSG) to explore areas of long-term cooperation especially in trade promotion.

Vajpayee, who arrived in the city state last evening on a three-day visit, asserted the "painful" communal violence in Gujarat would not affect the foreign investment climate in India, which, he termed as "good." "The incidents were more in the minds of Indians living abroad. Now the situation is under control," he claimed. "a new beginning has been made in several areas. We are making efforts to

CONTINUED ON PAGE 2

India, Singapore sign MOUs

shorten delays and ease procedures." After the signing ceremony, Shourie told reporters that there was no move in the "next few months" to privatise Air India and said it would carry out "mega investments" in the national flag carrier and Indian Airlines to make them "more competitive and stronger." Since the September 11 attacks in the United States, the airline industry was going through a bad patch, and the government did not want to privatise Air India now, he added.

Asked about the earlier bid by Singapore Airlines to acquire 26 per cent stake in Air India, Shourie regretted that the deal did not come through, saying it was a "great missed opportunity for India."

Under the culture and heritage MOU, India handed over 11 artefacts and miniature paintings including a 12th century statue of Vishnu belonging to the Chola period. New Delhi also presented Singapore with over 950 microfilms relating to the British era. Yeo said Singapore recognised India's trade and economic potential, but regretted the "political complication" that created obstacles in the way of investments.

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A Singapore sling for India's strategic aims

Nilova Roy Chaudhury
in Singapore

April 8. — There is a method in the efforts to engage Singapore in the government's overall "Look East" policy.

Singapore and the rest of the Asean members have been remarkably non-judgemental with India's nuclear aspirations and did not react except "maturely", realising it as a means to check and balance the other Asian giant, China.

There were reservations among various Asean nations to include India in the strategic Asean summit-level dialogue, like the ones Asean has with China, Japan and Korea, though India has been part of the Asean regional forum (ARF) for a decade.

But Singapore Prime Minister Mr Goh Chok Tong was a prime mover, managing, along with Cambodian leaders, to press for India's inclusion. "Why should all things be hallowed out to China," Mr Goh said at regional meetings. "Some of them should go to India."

"Singapore thinks bigger," Mr Goh reportedly said to convince his colleagues. He urged the Asean to "Look West" (to India). The idea is for the Asean to play a significant role in bringing together India and East Asia at the Asean summit level conferences, such as the one due in Cambodia in November.

This is the key strategic thinking behind much of the active engagement with a part of the world that has generally not received as much attention as Pakistan, the West and China.

Another aspect is terrorism. Singapore has sent feelers for a more comprehensive anti-terrorism mechanism with India, that includes sharing intelligence information.

Addressing the banquet in Mr Vajpayee's honour, Mr Goh said: "The common challenge (since 11 September) of fighting terrorism is catalysing geo-political shifts in relations between the major powers." He categorised both South Asia and South-east Asia as areas "all too familiar with the challenges posed by terrorism and militant religious fundamentalism."

Mr Vajpayee discussed the matter with Mr Goh earlier in the day, stressing the need for joint action to curb terrorism.

Culture on PM platter: page 6

HP-11
879

PM in Singapore, reiterates focus on ASEAN

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By Amit Baruah

SINGAPORE, APRIL 7. The Prime Minister, Atal Behari Vajpayee, arrived here today on the first leg of his two-nation tour which includes Cambodia as well.

The Prime Minister, who was received at the airport by Singapore's Acting Minister for Information, Communication and the Arts, David Lim, will be accorded an official welcome tomorrow morning.

Mr. Vajpayee's current South-East Asia tour is his third visit to this part of the world in less than two years — he toured Vietnam and Indonesia in January 2001 and paid a stand-alone visit to Malaysia in May the same year.

"My visit to Singapore and Cambodia is a reflection of India's sharpened focus on the Association of South East Asian Nations and the Asia-Pacific region.

The importance which we attach to political and economic engagement with this region will be again underlined at the India-ASEAN summit meeting later this year," Mr. Vajpayee said in a statement on his visits to Singapore and Cambodia.

With his tours of the two countries, Mr. Vajpayee would



The Prime Minister, Atal Behari Vajpayee, with David T.E. Lim, Acting Minister for Information, Communication and Arts, on his arrival at the Changi International Airport in Singapore on Sunday.— PTI

have covered five of the 10 ASEAN countries. The intense engagement with South-East Asia also saw the recent visit of the Indonesian President, Megawati Sukarnoputri, to India, and two visits in quick succession by Thailand's Prime Minister, Thaksin Shinawatra.

"The visit will provide the opportunity to review and strengthen India's excellent relations with these two countries in the bilateral context, as well as

within ASEAN," Mr. Vajpayee said.

"With Singapore, our strong political and economic relations have been strengthened by regular high-level exchanges and diversifying economic, scientific and technical cooperation... I hope to discuss the entire range of issues of bilateral and regional concern with the Prime Minister, Goh Chok Tong, and other members of the Singapore leadership. I will

have the opportunity to interact with a broad cross-section of business and industry representatives of Singapore."

Referring to Cambodia, Mr. Vajpayee said talks would be held with the King, Norodom Sihanouk, and the Prime Minister, Hun Sen, to "strengthen political dialogue on bilateral and regional matters to revitalise economic cooperation and intensify our spiritual and cultural affinities.

"With Cambodia, we will renew our traditional historical links which have been enriched in the post-independence era by our common membership of the Non-Aligned Movement and our similarity of outlook on a number of global issues."

There is little doubt that India has managed to draw the interest of South-East Asia.

Its success in the field of information technology and the possibilities of doing business in India have interested the South-East Asian nations, among which Singapore is the definite leader.

As Mr. Vajpayee will find out, several countries in the region pride themselves on stability of governance — an area in which they remain concerned about India.

PUSH TO LOOK-EAST POLICY

Road to Bangkok in two years

By C. Raja Mohan

YANGON, APRIL 6. The External Affairs Minister, Jaswant Singh, wrapped up his nine-day, four-nation Asian tour by bagging a landmark project that will connect India by road to Thailand via Myanmar in about two years.

At a meeting of their Foreign Ministers here today, the three nations expressed their collective political resolve to create a transport corridor linking the three nations and develop other common infrastructure projects.

The road will dramatically increase external connectivity to the India's North-East and eventually give the country access to the South China Sea. The corridor will run from Moreh in Manipur to the ancient city of Bagan in central Myanmar and join Thailand at Mae Sot.

The 1,400-km corridor running through Myanmar and linking India and Thailand is expected to be completed within 18 to 24 months, the Ministers said at the end of their confer-

ence. It is expected to bring substance and synergy to India's "Look East" policy and the "Look West" initiative of Thailand.

Speaking to reporters after the meeting, Mr. Singh expressed "complete satisfaction" at the decision and said the "past immobility" in India's efforts to gain physical connectivity with its neighbours "has come to an end". "There are times when small events mark great beginnings," Mr. Singh had told the plenary session of the Ministers earlier.

The incipient strategic cooperation between India, Thailand and Myanmar will not be limited to the land corridor but would also involve other projects such as a deep sea port at Dawei in Myanmar that could serve all the three countries.

Asked by a Western reporter if the project was aimed at countering the Chinese economic influence in Myanmar, Mr. Singh said, "India's relations with Myanmar should not be seen from the prism of any third party" and pointed to his

recent productive visit to China.

Speed has never been the hallmark of Indian foreign policy. In that context, the rapid evolution of the trilateral initiative has surprised observers.

The idea of a highway linking the three countries first came up during the visit of the Thai Prime Minister, Thaksin Shinawatra, to India last November.

The three Ministers agreed today to set up two task forces to examine technical issues and financing. The task forces will meet in May and the three Ministers will review the progress in July.

Many stretches of the proposed transport corridor already exist. Some of them need to be strengthened and a few gaps will have to be plugged by building new roads.

The Foreign Minister of Thailand, Surakiart Sathirathai, said there should be little difficulty in raising finances for the project, despite the parlous economic condition of Myanmar and the international sanctions imposed by many countries against it.

Trilateral move for transport corridor

By C. Raja Mohan

YANGON, APRIL 5. India, Thailand and Myanmar are all set to launch a trilateral political initiative here tomorrow to create a land bridge between the sub-continent and South-East Asia. The External Affairs Minister, Jaswant Singh, arrived here today along with his Thai counterpart, Surakiart Sathirathai, to launch the formal trilateral talks tomorrow.

The trilateral initiative aims to build an East-West transport corridor that will link India and Thailand through Myanmar. Foreign Ministers from the three countries are expected to unveil the broad concept of a transport corridor that will link the three countries.

The idea is to review the current state of the road network on the ground and plug the gaps in the transport corridor. Once the concept is finalised, the three sides will have to find ways to finance the project. With Myanmar under international sanctions, there are questions about the ability to draw funds from the international lending agencies like the Asian Development Bank. The gaps in the corridor are all in Myanmar.

The trilateral initiative comes amidst an upswing in India's relations with both Myanmar and Thailand. Today, Mr. Singh called on the top leaders

of both the countries before the launch of the trilateral initiative.

Immediately after his arrival here this afternoon, Mr. Singh called on Lt. Gen. Khin Nyunt, who ranks third in the military leadership governing Myanmar. Lt. Gen. Khin Nyunt is the Secretary-I of the ruling State Peace and Development Council and will address the trilateral conference tomorrow.

A spokesperson of the Indian Foreign Office described Mr. Singh's talks with the Myanmar leader as "productive and forward-looking". Mr. Singh called the proposed corridor as not just an infrastructure project, "but a political one that sends a message to the whole of Asia". Mr. Singh suggested that the three countries demonstrate the capacity to complete the project quickly within 18 months.

Earlier in the day, before departing Bangkok, Mr. Singh met the Prime Minister, Thaksin Shinawatra, who was nursing an illness. In receiving the Indian Foreign Minister despite his hospitalisation, Mr. Thaksin is once again signalling his extraordinary enthusiasm for building a new relationship with India. The Prime Minister, Atal Behari Vajpayee, is also expected to stopover here next week on his way to Cambodia.

THE HINDU

DEEPENING TRADE TIES / TELECOM PACT LIKELY

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PM going to Singapore tomorrow

By Amit Baruah

SINGAPORE, APRIL 5. The Prime Minister, Atal Behari Vajpayee, is scheduled to start his twice-postponed visit to this city state on Sunday evening, with his formal meetings taking place from Monday.

Mr. Vajpayee was to have first stopped in Singapore en route to the Commonwealth summit last year, but that meeting itself was rescheduled. And, then, after scheduling the visit again from April 7-9, New Delhi asked for a postponement in view of the Gujarat crisis.

Mr. Vajpayee will be here on Sunday for the first-leg of his foreign tour which takes him to Phnom Penh on Tuesday and then to the world famous temple of Angkor Vat on Wednesday before flying home on Thursday.

Politically, Singapore and Cambodia are close partners of India, with both countries pushing hard for summit-level interaction between ASEAN and India scheduled in Phnom Penh in November this year.

The Singapore Prime Minister, Goh Chok Tong, personally pushed the case for an ASEAN-India summit meeting at the ASEAN summit in Singapore in 2000. Finally, the proposal materialised at the ASEAN summit meeting in Brunei in November 2001.

The Singapore-India trade relationship

managed to weather the recession in the island nation in 2001, even managing to grow marginally by 3.22 per cent. The total value of the trade between the two countries in 2001 stood at S\$6.88 billion while the figure for 2000 was S\$6.66 billion.

Interestingly, this marginal year-on-year increase took place at a time when Singapore's total external trade contracted by 9.4 per cent in 2001 over 2000. The trade and economic relationship that is at the heart of the growing ties between the two countries is likely to figure in the discussions between the two Prime Ministers on Monday.

An agreement in the telecommunications sector is expected apart from progress in the general economic relationship between the two countries.

Given the fact that Singapore has signed free trade agreements with major trading nations, the possibility of deepening the trade relationship between the two countries will be on the agenda.

Singapore business has a good understanding of the trends in the Indian economy. There has been considerable focus on the southern Indian States, which are known to be better administered and able to deliver on their promises.

"The Indian Prime Minister's visit was long overdue. It shows that India is finally taking South-East Asia seriously. Singapore is not just India's hub for South-East Asia,

but also the link between India and China," Mr. George Abraham, executive director of the Singapore-Indian Chamber of Commerce & Industry (SICCI), told this correspondent.

While Mr. Vajpayee will be the first Prime Minister to visit Singapore since P.V. Narasimha Rao in 1994, high-level contacts between the two countries have continued. Goh Chok Tong paid a successful visit to India in 2000.

There has been a regular exchange of visits at the Ministerial level apart from the visit by the President, K.R. Narayanan, in 2000. An invitation has also been extended to the Singapore President, S.R. Nathan, to visit India.

Mr. Vajpayee will call on Mr. Nathan apart from having discussions with the senior Minister, Lee Kuan Yew. On Monday evening, the two Prime Ministers are scheduled to attend a Singapore-India Business Forum session as well.

On Tuesday, the Prime Minister has been invited to deliver the 21st Singapore Lecture, an honour that was extended to Mr. Rao as well in 1994 where the then Prime Minister put forth India's "Look East" policy.

Organised by the Institute of Southeast Asian Studies, Mr. Vajpayee's lecture is titled "India's Perspectives on ASEAN and the Asia-Pacific Region".

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THE HINDU

Delhi, Bangkok to review ties

By C. Raja Mohan

BANGKOK, APRIL 4. The External Affairs Minister, Jaswant Singh, arrived here tonight on his way to Yangon where India, Thailand and Myanmar will work out plans over the weekend to expand road links between the subcontinent and South East Asia.

During his brief halt here, Mr. Singh will meet the Foreign Minister of Thailand, Surakiart Sathirathai, and review the progress in bilateral relations and prepare for the trilateral meeting with Myanmar in Yangon on Saturday.

India's eagerness to link its remote North Eastern region with

the world has met with equal enthusiasm from Thailand, which is looking at an East-West highway that will link the country to Myanmar and India to the West and Indo-China to the East.

Once the physical linkages are in place the three Governments will have to work out harmonist customs and other procedures to facilitate trade and transport across the new land bridge between India and South East Asia. India's new emphasis on building transport corridors to South East Asia was underscored today when the first flight of Air India from Guwahati arrived in Bangkok arrived minutes before Mr. Singh landed here.

The 'Great Game' in the East

By C. Raja Mohan

BANGKOK, APRIL 4. As he arrives in Thailand and heads for Myanmar on the final leg of the Asian tour, the External Affairs Minister, Jaswant Singh, is all set to push India firmly into the Great Game that is unfolding in India's Eastern neighbourhood.

The Great Game in the East remains obscure in comparison to the one in Afghanistan and Central Asia that has drawn popular attention. But the geopolitical dynamic in the East is far more important than the replay of the original Great Game to India's North-West.

In Central Asia and Afghanistan, India's ability to play directly in the Great Game has been constrained by lack of physical access to the region. In the East, India's challenge is to create road and rail links to South-East Asia through Myanmar.

Unlike in the North-West, Mr. Singh's power play in the East is as much about internal economic development as it is about foreign policy. The heart of India's Great Game in the East is to remove the physical constraints on the commercial development of India's remote North-East.

If the Partition constrained India's access to its north-eastern region, insular economic policies did not allow the consideration of options to link the North-East to the outside world. And when Myanmar pulled the bamboo curtain down four decades ago, there was no way of connecting North-East to its neighbouring regions in

South-East Asia.

But that is the sad past. With all the economies in the region now opening up, it has become an imperative and an opportunity to integrate markets through road and rail links. As it hopes to connect with the rest of the world, India's North-East has a chance to breathe and think about rapid economic advancement.

The Great Game in the East, too, is about creating access and physical connectivity. Afghanistan and Central Asia — all landlocked and some of them doubly so — are

ROAD AND RIVALS

desperate to gain access to ports, not just in warm waters but anywhere.

In the East, no country is land-locked except Cambodia and Laos. But each one has remote regions that do not have quick and easy physical access — India's North-East shares the problem with China's South-West, Myanmar's North and its bordering regions in Thailand. Now all of them want to build highways that cut across national borders and connect their respective remote regions.

If you are talking about highways, can oil and gas pipelines be far behind? Like in the North-West, there are many proposals to build natural gas pipelines in the East to link up India, the biggest market for natural gas, with the sources of supply in India's

North-East, Bangladesh and Myanmar. Thailand and Myanmar already have a pipeline connecting them.

When you think of pipelines in Central Asia and Afghanistan, you inevitably think of the American energy company, Unocal, that tried to ship natural gas from Turkmenistan to the subcontinent through Taliban's Afghanistan.

The spirit of adventure and a willingness to confront political risks has always been the hallmark of American oil companies. No one represented that spirit more than Unocal. It is no surprise then to find Unocal already well entrenched in the East and looking for more.

Who are the big powers trying to shape the Great Game in the East? China and India. Many analysts have found it tempting to describe the Indian and Chinese political and economic activity in South-East Asia as being directed at the other. Their stepped up efforts to build roads and transport corridors through Myanmar are already being called a renewal of rivalry between the two Asian giants.

But not necessarily. A healthy economic competition between India and China to integrate the region and promote economic interdependence could in fact turn out to be a non-zero sum game.

The remote regions of India and China as well as the smaller countries in South-East Asia could all grow prosperous by linking together.

MEGAWATI VISIT/ FOCUS ON ENERGY AND SECURITY

9/2/04
SB ANEJA

India, Indonesia anchor new partnership

HD-12
1/4

By Atul Aneja

NEW DELHI, APRIL 3. Sharing common strategic perceptions, India and Indonesia today sought to define a durable partnership in the fields of energy security and counter-terrorism.

Rolling out the red carpet before the visiting Indonesian President, Megawati Sukarnoputri, India today said that its relationship with Indonesia was the key to its larger engagement with the ASEAN grouping, the anchor of stability and growth in South-East Asia. Declaring the centrality of Indonesia in the Indo-ASEAN equation, the President, K.R Narayanan, at a banquet held in honour of the visiting dignitary said, "ASEAN-India relations can mature only when India has the goodwill and co-operation of ASEAN's largest member-country."

Ms. Sukarnoputri held talks with the Prime Minister, Atal Behari Vajpayee, later in the evening. India allayed fears in Jakarta by publicly rejecting forces of secession in Indonesia. "India fully supports the unity,

territorial integrity and sovereignty of Indonesia." Mr. Narayanan said. This formulation assumes importance as concern has been expressed in Indonesia about the possibility of rebels in the vicinity of the country's energy hub of Aceh finding support in India. Aceh is 45 km off the Nicobar islands.

Both countries have expressed support for democracy and rejected terrorism in all forms. India, especially, has been of the view that terrorism cannot be justified on any basis, including "freedom struggles." Endorsing such a perception, Ms. Sukarnoputri, in an address at the Rajiv Gandhi foundation this evening, said, "whatever the reason is, we cannot justify a terrorist act, let alone accept it."

Analysts say that Indonesia's views on terrorism assume special importance. In Indonesia, they point out, is the largest Islamic nation in the world. Its endorsement of the principles of democracy, tolerance and pluralism and condemnation of terrorism can seriously discourage the rise of extremism not only within Indonesia but also in

major geographical zones across the globe.

Building on their common intellectual foundation on nation-building, India and Indonesia are looking at co-operation in the sphere of energy. According to Government sources, India is studying the possibility of acquiring natural gas from Indonesia across an under-sea pipeline from Aceh to the Nicobar islands. Addressing a joint meeting sponsored by the FICCI and the CII, Ms. Sukarnoputri said Indonesia would be keen to supply oil and gas to India. Indonesia is also looking at tie-ups in the information technology and railway sectors.

Sources point out that India's future relationship with Indonesia is likely to be based on a common understanding of the rapidly evolving geo-political situation in South-East Asia. Not surprisingly, India has already consulted Indonesia about its decision to undertake joint patrolling of the Malacca straits with U.S.

Ms. Sukarnoputri has also recently visited the U.S. where this topic was reportedly discussed.

4 APR 2004

THE HINDU

Ministers depart, Megawati arrives

Nilova Roy Chaudhury
in New Delhi

April 1. — Neither the foreign minister nor his minister of state were present in the Capital today to receive Indonesian President Mrs Megawati Soekarnoputri. Mr Jaswant Singh is in the Far East, while Mr Omar Abdullah is visiting Iran. S 1

At a time when South Block is trying to "look east", the absence of either of the two ministers during an official visit by the Head of State of the largest Islamic nation, and a founder-member of Asean, was indeed "curious", officials said. Particularly when Mrs Megawati's visit has been in the pipeline for quite some time now.

It is unclear what brought things to such a pass in the MEA — especially after the setback to the NDA government's image following events in Gujarat — with both ministers absent for such a key visit. Officials, however, called it "a failure of authority".

Shortly after her arrival this afternoon, Mrs Megawati (54) and husband Mr Taufiq Kiemas left for a private visit to a retreat owned by family friends, the Thapars, in Rishikesh. After her return to Delhi tomorrow, she will meet another family friend, Biju Patnaik's widow.

The official leg of her visit begins on Wednesday, with a ceremonial reception at Rashtrapati Bhavan and talks with the President and the Prime Minister.

Later today, the President was received at Dehra Dun airport by chief minister Mr ND Tiwari.

2 APR 2001

THE STATESMAN

India
- S S Asia
- news

PM to visit Cambodia, Singapore as scheduled

110 12
28/3

By Amit Baruah

SINGAPORE, MARCH 28. "No, you must come." That's what the Cambodian Foreign Minister, Hor Namhong, said to the Prime Minister, Atal Behari Vajpayee, earlier this month in New Delhi after Phnom Penh was told that he could not visit Cambodia from April 9 onwards. The Prime Minister consented. With the situation in Gujarat apparently easing and the Cambodians insisting that he go ahead with the visit, Mr. Vajpayee said that he would, on the dates agreed to earlier. The Singaporeans were then asked whether it would be convenient if Mr. Vajpayee stuck to his earlier schedule -- of touring the island nation from April 7 to 9. They said yes.

As a consequence, the tour

that was off is now on. Given the hectic engagement with South-East Asia, the Prime Minister's earlier decision to cancel the visit didn't send out the right signals.

It is a region to which there have been frequent travels in the last two years. With Mr. Namhong carrying a formal invitation to the first-ever ASEAN-India summit scheduled for November in Phnom Penh, the Prime Minister possibly would have found it difficult to say no.

Given the fact that the periodicity and content of the ASEAN-India summit is still an open issue, the Cambodian role in determining the course of the summit meeting will be important. At a meeting between senior ASEAN and Indian officials earlier this week in Kuala Lumpur, New Delhi signalled that South-East Asia was an im-

portant region for India. (The meeting took place in Kuala Lumpur since Malaysia is the country coordinator for India in ASEAN).

For their part, several Foreign Ministry officials told their Indian counterparts that they were extremely upbeat about the summit interaction, which was announced at the ASEAN summit in Brunei in November 2001. They said an ASEAN India summit was necessary and would lead to a balance in the relationship between ASEAN and the other big three in Asia -- China, Japan and South Korea -- all of them major economic powerhouses.

The possibility of more business contacts was stressed by the Indian side, with a top FICCI official, Anil Mitra, giving a presentation to the ASEAN senior officials on the Indian economy.

It would appear that the decision on whether the ASEAN-India summit would be held once a year or once in two years would be taken when the Heads of Government gather in Phnom Penh in November.

It is also clear that the "use value" of the summit to both India and ASEAN would be contained in all-round growth in economic ties between the two entities. Since the one achievement of the ASEAN summit in Brunei was the decision to forge an ASEAN-China free trade area (FTA) in the next 10 years, it is evident that India, too, must be sufficiently attractive in economic terms to South-East Asia. Interestingly, both Singapore and Cambodia have been at the forefront of convincing other ASEAN members that the idea of a summit meeting with India was a good one.

MAR 2002

MAR 2002

THE HINDU

THE HINDU

Options before India

By Our Special Correspondent

CHENNAI, MARCH 15. Indian industry and exporters should suggest the right option "quickly" for dealing with the emerging market realities in Southeast Asia, to protect and expand India's share in trade with the ASEAN region as also in China, the Adviser (Economic) to the Commerce Ministry, H. A. C. Prasad, said here today.

The options included going in for free trade agreements (FTAs) with one or more members of the eight-nation ASEAN and setting up ventures in ASEAN to take advantage of the full-fledged implementation of the ASEAN Free Trade Area (AFTA) by this year-end and attracting ASEAN investments in India's special economic zones (SEZs), especially in the hardware sector, to complement India's strengths in software, Dr. Prasad said.

Addressing a seminar on "Emerging business opportunities in Southeast Asia," organised by the India-ASEAN-Sri Lanka Chamber of Commerce, Chennai, Dr. Prasad declined to

advocate any one of these options, and said whatever decisions were taken should aim at maximising benefits for India, even while accommodating the priorities of ASEAN member-countries.

Such benefits could be in terms of protection/expansion of India's share in trade and competitiveness of Indian products and opportunities in the services sector like information technology (IT), tourism and employment of Indian professionals.

Dr. Prasad said that from this year, a substantial portion of intra-ASEAN trade would be covered by the AFTA's inclusive list, eligible to a duty of zero to 5 per cent within the region. This would affect the competitiveness of certain items in India's export basket, featuring in the 220 thrust products identified in the medium term export strategy unveiled recently by the Government.

The impact of AFTA would fall on Indian exports not only to the ASEAN member-countries but also to other destinations such as the U.S., Europe

and Japan. If ASEAN entered into an FTA with China, and if the FTAA (Free Trade Agreement of the Americas, led by the U.S. and Canada and covering North and South America) also became a reality, India's global exports would further suffer.

However, FTAs with ASEAN members would require India to lower its tariff barriers at a time when not much scope existed for further lowering of ASEAN tariffs in response.

But FTAs as also the AFTA option (by investment) could be used to take advantage not only of the market opening within the region, but also overcoming non-tariff barriers (NTBs). ASEAN member-countries' NTBs on Indian products at present included sanitary and phytosanitary standards for meat, rice and egg powder despite the fulfilment of international standards by Indian exports.

The Adviser said Singapore was keen on an FTA with India, but India would have to consider its benefits in return, possibly in terms of deployment within India as also cross-border

movement of skilled Indians in sectors such as IT, biotechnology, tourism, engineering consultancy and speciality hospital care.

India should also try to induce ASEAN member-States to become allies in trade negotiations in the WTO in return for special arrangements like FTAs and mutual investment flows, Dr. Prasad said.

K. Ramachandran, former executive director, Asian Development Bank (ADB), highlighted the potential for Indian consultancy in executing multilaterally funded development projects in the less developed among ASEAN member-States like Vietnam, Laos and Cambodia.

K. Pandia Rajan, Managing Director, Ma Foi Consultants said the potential for use of Indian skill sets in a range of technologies and professions in the ASEAN region as also elsewhere had been neglected as a result of the negative outlook on expatriates as representing "brain drain," and these were in fact the "unsung heroes" in India's foreign trade and balance of payments position.

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India
S. B. Asia

15 MAR 2002

Myanmar snubs India, frees militants

Rahul Karmakar
Guwahati, March 15

16/3

IN AN apparent snub to New Delhi, Myanmar has released all the 192 Manipur rebels detained in November last year after a series of military interactions between the two countries.

Intelligence officials say the rebels were released under pressure from China. But there are reasons to believe the Myanmar military junta had reacted to the "Indian propaganda" that Myanmar had given asylum to Bashiruddin Mahmud and Ab-

dul Majid, two pro-Taliban Pakistani nuclear scientists.

The Burmese Army, Tatmadaw, had picked up the 192 militants during raids on seven camps of various Manipur outfits around Tamu in Sagaing Division early November last year. The detainees included six top leaders including UNLF chairman R K Meghen and PLA commander Jiban Singh.

The Tatmadaw seized 40 kg gold, currency worth millions, and 1,600 pieces of weapons from the militants. The weapons

were supplied by China, the latest source of weapons for separatist outfits in the North-east.

Soon after, Deputy chief of Burmese military intelligence Kyaw Thin disclosed the capture of these militants along with the Chinese weapons.

With a perceptible improvement in the bilateral relations between the two neighbours, India approached the junta for a possible handing over of the militants. Indian ambassador Vivek Katju, now posted in Afghanistan, began negotiating with the junta.

In January, the junta suddenly changed track and maintained that the rebels were Burmese and would be dealt with accordingly. Earlier, the junta had said that the rebels were Manipuris operating in Myanmar with assumed names.

The junta released about 50 militants including Meghen on January 3. The others were freed in four batches, the last group of 27 being released from Kalerayo prison on February 14. Kalerayo, incidentally, is the headquarters of the Tatmadaw's 33rd Light Infantry.

India - S B Srinivasan

The Chinese pressure on Myanmar to release the militants had begun mounting from December. China has been supplying weapons to the North-east rebels through the United Wa State Army, which controls the lucrative drug trade in the region.

The UWSA, formed by the head-hunting tribals of Myanmar, was formed after the Communist Party of Burma became defunct in 1989. China extended its ties with the Communist Party to the UWSA.

Though Chinese pressure and

Indian propaganda about the two Pakistani nuclear scientists are said to have fuelled the Burmese anger, the Manipur rebels are also believed to have paid their way to freedom.

Sources said the Burmese commanders were paid over Rs 3 crore by the Manipur outfits. This money was collected from the candidates of almost all parties that contested the Assembly elections in February.

This, perhaps, explains why the Manipur extremist outfits did not disrupt the elections like before.

16 MAR 2002

THE HINDUSTAN TIMES

India, ASEAN to work out modalities for summit

By K.K. Katyal

NEW DELHI, FEB. 15. The modalities for the India-ASEAN summit, the first of its kind, will soon be worked out by senior officials from the two sides in Kuala Lumpur. The decision in principle, to upgrade the present dialogue partnership was taken in November last after protracted exchanges spread over months.

The next ASEAN summit is due to be held in Cambodia in November, and that will become the occasion for the upgraded dialogue with India. It will mark the culmination of a progress, that began with cooperation at a lower level, and was raised step by step. It is seen as a happy augury for the promotion of economic ties, apart from better understanding of each other's concerns on political issues.

It could pave the way for free trade between India and ASEAN, thus giving a boost to economic relationship. Proposals for India's free trade with Singapore and Thailand have already been worked out through bilateral negotiations. When implemented, this could facilitate extension to the entire grouping. Within itself, ASEAN has embarked on the free trade arrangement, AFTA, from January. Another significant feature of the proposed enhancement of cooperation is

New Delhi's decision to give shape to the science and technology vision 2020 (India and ASEAN), which will be dovetailed into the vision 2020, for India, prepared by the country's top scientists under the leadership of Abdul Kalam.

Already, New Delhi has plans to set up bio-technology projects in South-East Asia. India has also offered help in the ASEAN Integration Initiative, seeking to weld the economics of the old and new members and in the teaching of English language. The India-ASEAN cooperation fund of two million dollars will come handy for cooperative efforts.

The enhanced relationship with the grouping will be useful, it is felt, for deeper coordination in meeting the challenge of terrorism and trans-national crime. The navies of the two sides could strengthen exchanges for maritime security in the region — for which India's role is regarded crucial by the U.S. and other important world powers.

The significance of India's political relationship with ASEAN will be clear when it is realised that India has a 1600-km border with Myanmar and that Indonesia is only 60 km away from the last island in the Nicobar-Andaman area.

THE HINDU

THE HINDU

A struggle to belong... 51 283

Not a border
56
51

For decades, Myanmar has claimed the small Indian border village of Molcham in Manipur's Chandel district. Since the 1970s, Myanmar security personnel have been harassing its residents and forcing them to pay house tax and Yangon backs its claim by saying that the famous World War II Tamu-Kalewa Road passes through part of the village.

Molcham's twin village of Tuivang, which had paid allegiance and title to Manipur, was absorbed by Myanmar in the early 1960s. All this has continued despite repeated reports of Yangon's land-grab efforts. Had any of this happened in the western sector, Parliament would have been in uproar and the Central government acutely embarrassed.

How Tuivang was usurped is disturbing. Border pillar No 33 (the new number is 66) at the village site marked the boundary. In 1961, its residents and their chief removed the pillar because, they said, the village belonged to Myanmar. Witnesses spoke of the mud-covered pillar being loaded on to a vehicle by Myanmar army personnel.

With Tuivang in the bag (Molcham and Tuivang covered two square kilometres and had 600 residents, mainly Kukis, Hmars and Mizos), Myanmar decided to put Molcham on the menu. Its security forces often fired in the direction of the village to frighten its inhabitants. In recent years, the Myanmar army intruded in the village on the pretext of nabbing deserters or criminals. But the main motive appeared to be to collect taxes and assert their authority over the land.

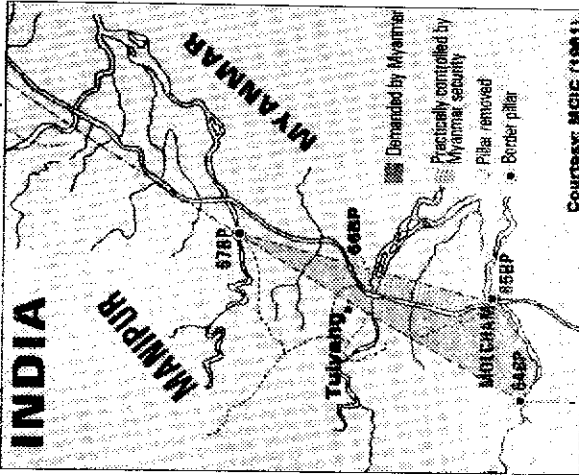
In December 1986, they even put up a notice at the Molcham police outpost demanding 30,000 kyats from the villagers, failing which they would confiscate the police wireless set.

In November 1992, they detained 17 villagers and terrorised the area. Chief minister RK Dorendro Singh remarked then: "The Myanmar military is behaving as if there is no border."

By JB Lama

In March 1993, three Manipur policemen and five truck drivers were kidnapped and the vehicles seized. In March 1999, tribals from a village across Myanmar occupied a square kilometre of land in the Tengnoupal area to grow mustard. Between 1971 and 1981, the Myanmar "annexed" at least 29 sq km of Indian land.

Curiously, New Delhi has not lodged any protest, presumably because of the "cordial ties" it shares with Myanmar. Nor should this be a surprise, given its earlier handling of the border demarcation. After a 1953 deal between Prime Minister Jawaharlal Nehru and his Burmese counterpart, U Nu, Yangon deputed senior



civil and military officers to be present at the installation of the border pillars.

India sent a lower division clerk for the simple reason that its official team could not make it in time! But for the concern shown by the Imphal-based Manipur Cultural Integration Committee headed by the first chief minister, Maharajkumar Priyabrata Singh, Molcham might have gone the Tuivang way.

After touring the village in 1982, he sent a memorandum to Indira Gandhi and later to Rajiv Gandhi and PV Narasimha Rao asking them to get Yangon to stop harassing the villagers. Nothing came of it.

The Indo-Myanmar border became active in 1988 when pro-democracy groups fled Myanmar to escape a military crackdown. Several refugees are still being looked after by the Central and State government agencies in Manipur and Mizoram.

As the crow flies, Molcham is just 50 km from Imphal, but it takes two days to reach it, part of the journey being through Myanmar. This discourages officials from visiting the place. Chintamani Panigrahi was the first and only Governor ever to visit in 1991. But does lack of communication also mean lack of protection? It would seem so: the local police outpost is a heap of rubble. It was blown up by Meitei insurgents of the Manipur Valley last May.

The future of the village has to be decided in the context of the 1995 accord on border trade which includes an understanding to prevent inadvertent violation of each other's territory by security forces.

Early last year, foreign minister Jaswant Singh opened the 108-km Tamu-Kalewa Road built by the Indian Border Road Task Force. But Delhi must avoid writing a requiem for Molcham by ensuring that the Tamu-Kalewa road does not touch Molcham.

(The author was on the staff of The Statesman for 42 years and specialises on North-East issues.)

Indo-South East Asia

Vietnam delegation arrives to enhance ties with India

By Atul Aneja

110-11
18/3

NEW DELHI, MARCH 17. Vietnam's Vice-President, Nguyen Thi Binh, arrived here today to look at ways to enhance cooperation with India in the energy, tourism and transportation sectors.

Ms. Nguyen is leading a high-level delegation that includes the Minister for Agriculture as well as the Deputy Ministers for Foreign Trade, Industry, Transport and Petroleum. A 40-member business delegation is also accompanying her.

India sees the visit as another opportunity to enhance ties with the ASEAN countries. Ms. Nguyen's visit was preceded by high-level exchanges with Thailand and Cambodia.

The External Affairs Minister, Jaswant Singh, will visit countries in the Asia-Pacific region soon and his itinerary is likely to include Myanmar, China and South Korea. Vietnam and Cambodia are part of the Mekong-Ganga initiative that envisages closer physical and economic links between India and countries in the Mekong delta.

"A decision has been taken to build a close relationship with India, and construction of transport links is likely to engage us in the future," Vietnam's Ambassador to India, Pham Sy Tam, told *The Hindu*. He pointed out that at present, a land route to Vietnam from India through Nepal and China existed. But another route through Myanmar was also possible.

India, Mr. Pham said, had connected a highway passing through Manipur to a location close to Mandalay, in Myanmar. In case the road was extended to Vietnam, another land corridor from India to Hanoi would open up. The question of new transport links is expected to be taken up in detail during the coming meeting of the Indo-Vietnam Joint Commission.

India and Vietnam, during Ms. Nguyen's stay, are expected to discuss further cooperation in the oil and gas sector. The ONGC (Videsh) has invested \$380 million for a gas pipeline from fields in Lantay and Lando in southern Vietnam. India is also negotiating purchases of Vietnam's crude. However, Government sources here pointed out that there were some technical hitches as the Chennai refinery alone could process the relatively "heavy" Vietnamese crude.

Development of tourism is another focal area of Ms. Nguyen's visit. Aware of the large Indian tourist flow into Singapore and Thailand, Vietnam is making a conscious effort to tap some of this traffic. Arrangements are being planned that would encourage "pilgrim tourists" from Vietnam to Buddhist sites in India.

Analysts here point out that India's decision to forge close links with South-East Asian countries is partly driven by China's recent efforts to consolidate its influence in the region. India's backing to the Mekong-Ganga plan is seen here as a response to China's Kunming initiative.

With Kunming, the capital of Yunnan province as the hub, China is drawing new communication and economic linkages with countries straddling the Mekong basin. It is also planning to expand its reach by sending goods along Myanmar's Irrawady river that empties into the Bay of Bengal.

THE HINDU

18 MAR 2002

HD-10
2.3/1

Extradition treaty with Malaysia soon

9-56 Asia nlr

By Our Special Correspondent

NEW DELHI, JAN. 22. The Union Cabinet today decided to sign and ratify an extradition treaty with Malaysia, which it hopes could help clear legal hurdles in the early extradition of Ottavio Quattrocchi, prime accused in the Bofors case.

Declining to comment on whether the treaty was proposed in the context of Mr. Quattrocchi's extradition, the Government spokesperson said any person accused or convicted of an extraditable offence could be extradited under the proposed treaty.

Any offence punishable with imprisonment for a period of more than a year would be an extraditable offence. Even an attempt or a conspiracy to commit such an offence or even abetment to the commission of such an offence would be considered extraditable. Offences of fiscal character would also be extraditable offences.

The extradition could be sought irrespective of whether the offence was committed before or after the treaty came into force.

The Cabinet also cleared a special scheme to encourage States to undertake reforms in the irrigation sector by providing them loans on liberal terms if they agreed to rationalise the water rates within five years.

Both general and special category reforming States would be eligible for more loans under the Accelerated Irrigation Benefits Programme. While in the special category States, the programme would be fully sponsored by the Centre, in the general category, the Centre's share would be increased to 80 per cent. At present, the Centre's share for the programme in special category States was 75 per cent and in the general category States 66 per cent, with the balance picked up by the States.

In addition, the Cabinet approved a new programme to expedite irrigation projects that were almost complete but languishing for want of funds for the final works. About 20 to 25 projects would be taken up. A sum of Rs. 500 crores has been earmarked for the programme in the current financial year itself.

Besides, the Cabinet decided to accede to the Convention on Physical Protection of Nuclear Material which provides for international cooperation in protecting nuclear materials against theft or unauthorised diversion.

The accession to the convention has become an important step in the fight against terrorism, particularly in the wake of recent fears over the possibility of nuclear terrorism. The convention came into force in 1987 and so far 70 countries have acceded.

Candidates' choice surprises many

By Shujaat Bukhari

JAMMU, JAN. 22. The nomination of candidates for the prestigious Jammu parliamentary constituency by the ruling National Conference, the BJP and the Congress has come as a surprise for the electorate as none of them was seen in the race in any of the elections in the past. The byelection assumes much significance as it is seen as a run-up to the Assembly elections due in next seven months. Six candidates filed their nominations today.

Out of the many choices within two factions of the State BJP unit, Nirmal Singh, its spokesman and a lecturer in Jammu University, has been chosen in view of the serious differences between the faction led by the Union Minister of State, Chaman Lal Gupta, and another led by the State unit president, D.K. Kotwal.

Similarly, in the Congress infighting dominated the issue of nomination. The PCC chief, Mohammad Shafi Qureshi, who faces opposition from a strong lobby led by former MP, Mangat Ram Sharma, succeeded in getting through his candidate, Madan Lal Sharma. Also had many candidates in the race.

The former Minister, R.S. Chib, who contested the last parliamentary election, was also among the front-runners, along with Bodh Raj Bali. But the party decided to field a Gujjar leader, Talib Hussain.

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