

An agenda for SAARC

By Kant K. Bhargava

THROUGH A prudent approach that is both cooperative and assertive, an ascendant India needs to bring about a change in the mindset of its neighbours about its role in the South Asian Association for Regional Cooperation.

The whole is never just the sum of its parts but always something more, said French philosopher Edgar Morin. That should be the rationale behind regional cooperation. India has been wary of regional cooperation in the past because of the tendency of its neighbours to work for "benign restraint" on what they consider Indian hegemony. It is no secret that in 1980, Prime Minister Indira Gandhi shared the view of some of her top advisors that in any regional grouping India's neighbours will gang up against it. A steadfast and persuasive Ram Sathe, the then Foreign Secretary, did get her to convey to the then Bangladesh President, Zia Ur Rahman, her agreement in principle to his proposal for regional cooperation in South Asia though.

The Prime Minister and Foreign Minister should send the message at the coming SAARC summit in Islamabad that its neighbours have nothing to fear and a lot to gain from India's size and centrality in the region. To bring about a change in the mindset of its neighbours, India has to adopt a nuanced position. Its SAARC policy should reflect the

weight of India in Asian and world affairs. It should adopt a cooperative and magnanimous approach on various important matters on the agenda of the summit and be assertive only when necessary.

The central socio-economic challenge for the member-countries of SAARC is poverty reduction. The re-

duction of poverty is a common man in South Asia, poverty is the central problem that needs attention. At Islamabad, the Prime Minister, Atal Bihari Vajpayee, may offer to share with other South Asian countries the relatively more successful Indian experience, expertise and resources in digital

India should adopt a cooperative and magnanimous approach to important matters on the agenda of the SAARC summit.

port of the second Independent South Asian Commission for Poverty Alleviation (ISACPA) represents a paradigm shift in the South Asian approach to tackle poverty. But the report has not taken due account of the link between poverty and conflicts in the region. The progress made by the South Asian countries towards the attainment of the Millennium Development Goals leaves much to be desired. The approaches to poverty reduction in the region have shown promising results in income related areas, but their impact on improving the situation in key areas of human development and security has not been significant. There has been no attempt to promote deeper public engagement in processes such as the formulation of a SAARC social charter and poverty alleviation pro-

grammes and advocacy. For the common man in South Asia, poverty is the central problem that needs attention. At Islamabad, the Prime Minister, Atal Bihari Vajpayee, may offer to share with other South Asian countries the relatively more successful Indian experience, expertise and resources in digital

technology with its tremendous transformative capacity and effectiveness for poverty reduction. But the international community should also be urged to do more by providing additional aid to the region as committed by it at the Millennium Summit and subsequent international gatherings. India should suggest that the Islamabad summit invite various segments of civil society in South Asia to debate the social charter and the ISACPA report, and send to the SAARC Secretariat their feedback.

The central economic challenge faced by South Asian countries, as outlined in the report of the Group of Eminent Persons (GEP) is the establishment of a South Asian Free Trade Area (SAFTA) and movement towards an eventual South Asian Eco-

nomic Community (SAEC). New areas of economic cooperation also need to be explored. On the political front, India needs to draw attention to the challenge of terrorism that is currently being faced by almost all the SAARC member-countries. Effective bilateral and regional cooperation for combating terrorism are necessary for eradicating this scourge from the region.

In addition to the member-countries playing their role as part of the international coalition against terrorism, they also need to form a regional coalition and formulate a well thought-out plan at the regional level.

Some other issues that merit study and discussion in the SAARC framework are the implications for the region of the various regional and sub-regional groupings in Asia, the role of the South Asian diaspora for the development of the region, and supportive inputs from the international community and international institutions.

Mr. Vajpayee will have the unique opportunity to spell out his vision about India's regional future and its role in SAARC. India's neighbours are now well aware of the potential of Indian contribution to bring together a hitherto divided Asia as it sets out to navigate and shape a new world.

(The writer is a former Secretary-General of the South Asian Association for Regional Cooperation.)

THE HINDU

31 DEC 2003

31 DEC 2003

SAARC panel discusses draft declaration

By B. Muralidhar Reddy

ISLAMABAD, DEC. 29. An additional protocol on the Regional Convention on Suppression of Terrorism, a mechanism for informal political consultations for resolution of conflicts and involvement of NGOs in monitoring of the social charter are among the three key elements of the Islamabad draft declaration proposed by Pakistan.

The draft declaration along with several other items was taken up for discussion on the opening day of the SAARC programming committee here. Member-states are believed to have expressed their views on the draft for consideration at the level of the Standing Committee consisting of Foreign Secretaries and later Foreign Ministers.

Observers believe all the three new proposals mooted by Pakistan as part of the declaration are sensitive and would involve a great deal of behind-the-scene negotiations for a consensus. On the additional protocol for terrorism, the problem was one of definition of the very term as India and Pakistan have diametrically opposite views on the subject.

The proposal of a mechanism for informal political consultations among member countries for resolution of conflicts is a watered-down version of the longstanding Pakistani demand for amending the SAARC charter to provide for resolution of bilateral conflicts.

Diplomats believe that the latest proposal by Pakistan does not amount to much as retreat of the heads of the state on the second day of the summit is essentially meant to provide an opportunity for a free and frank exchange of views on subjects, which do not come under the purview of the charter.

On the involvement of NGOs for monitoring the social charter, there could be a problem in view of suspicions that member states could make use of it for partisan ends, particularly on the human rights front.

The regional convention on terrorism came into force in 1988 following its ratification by the SAARC member-states.

On a proposal made by Sri Lanka after 9/11, the member-states had decided that an additional protocol would be included in the convention on suppression of terrorism. A draft of the protocol was prepared by Sri Lanka in May 2002. While there was a general agreement on it, an impasse was created as Pakistan and India called for certain modifications in its preamble.

Pakistan proposed that the language of the protocol be changed and suggested that the formulation approved by the 13th Non-Aligned

Movement summit in February 2003 be adopted instead.

The NAM summit of the 116 member countries had concluded that attempts made to equate legitimate freedom struggles by people under alien occupation or foreign domination should be avoided.

India, on the other hand, proposed that in the additional protocol, the member-states shall take certain steps and make amendments to domestic legislation, if required, to ensure that criminal acts by terrorists were not justified by domestic, political, ideological or religious considerations.

In November, India proposed that a meeting be convened to discuss the matter between the representatives of the interior ministries. Sources said such a meeting was under consideration.

The convention provides for a regional focus on many of the well-established principles of international law in respect of terrorist offences. Under the convention, the member-states have to make necessary arrangements for extradition or prosecution of alleged offenders and sharing of information, intelligence and freezing of assets of designated terrorist outfits. At the Kathmandu summit in January 2002, all South Asian leaders had assailed terrorism but differed on its definition. While all backed the international coalition against terrorism, some called for a careful review of its root causes.

The Prime Minister, Atal Bihari Vajpayee, accused "some countries" of not taking action to implement the convention.

"We in South Asia have to recognise that our cooperative future will be significantly influenced by the way in which we can tackle terrorism together," he had said.

The President, Pervez Musharraf, said Pakistan was fully committed to the convention but argued: "A concerted campaign against terrorism must also identify and examine the causes that breed terrorism, that drive people to hopelessness and desperation."

He emphasised the need for maintaining a distinction between acts of legitimate resistance and freedom struggles on the one hand and acts of terrorism on the other.

The Sri Lankan President, Chandrika Kumaratunga, called for a more "honest" approach to deal with terrorism. She said it was not enough to say that terrorists would be hunted down without an understanding of the causes.

"We must attempt to understand the deep-rooted cause of this most unnatural, de-humanising phenomenon very specific to the 20th century, that is terrorism," Ms. Kumaratunga stated.

30 DEC 2003

THE HINDU

30 DEC 2003

30 DEC 2003

30 DEC 2003

Use SAARC to resume dialogue: Pakistan

By B. Muralidhar Reddy

ISLAMABAD, DEC. 29. As the South Asian Association for Regional Cooperation (SAARC) preparatory meetings got under way here, Pakistan today urged India to make use of the SAARC summit for resuming the stalled

dialogue process.

The Pakistan Foreign Office spokesman, Masood Khan, told newsmen that the summit provided a "rare and historic" opportunity for Pakistan and India to move towards a dialogue process.

"Since there have been no talks or dialogue since Agra, it is time the two countries engaged each other comprehensively. The venue of SAARC presents that opportunity and if the Indian leadership demonstrates statesmanship, there is a possibility."

Mr. Khan said: "There is a venue, there is an occasion and they must meet and these meetings could facilitate resumption

of dialogue and ultimately lead to a composite dialogue between the two countries." He was responding to a question whether there was a possibility of a meeting between the Pakistan President, Pervez Musharraf, and the Prime Minister, Atal Bihari Vajpayee, on the sidelines of the summit.

To a question he said: "Kashmir has never been discussed at SAARC, we will not discuss it at SAARC but it can be discussed at some bilateral meeting."

As the date for the summit approaches, the Pakistani capital has come under a blanket of heavy security from paramilitary and police in the light of the recent attempts on Gen. Mush-

arraf. The Army would be kept on stand-by to take care of any eventuality.

Entry into Islamabad has been regulated and the areas housing the summit centre and the hotel where the guests would stay would be out of bounds for the general public.

Army helicopters were making surveillance sorties round the clock and 4000 policemen were keeping a strict vigil.

On the security cover for Mr. Vajpayee, he said the Indian leader would bring his own security. "We will also provide special security arrangements for him."

**Missing free trade
deadline?: Page 12**

SAARC summit preparatory meetings begin today

By B. Muralidhar Reddy

South Asia

ISLAMABAD, DEC. 28. As Pakistan gears up to provide foolproof security to the visiting SAARC heads of state and delegates, a programming committee consisting of senior officials will meet here tomorrow and the day after to lay the ground for other preparatory conferences at various levels leading to the summit from January 4 to 6.

It is the meetings at the level of Foreign Secretaries on December 31 and January 1 and at the level of Foreign Ministers on January 2 and 3 that would be watched with interest in view of the desire by several members for a political settlement on the South Asia Free Trade Agreement.

The SAARC Commerce Ministers met here on December 23 and 24 but failed to finalise the accord in view of the reservations expressed by Bangladesh. The Pakistan Foreign Secretary, Riaz Khokar, told a news conference here that SAFTA

21/12

negotiations were still continuing and he was optimistic about its outcome. He said its finalisation was on hold due to insistence by a member state for enhanced special and differential treatment for the Less Developed Countries.

Other areas of focus included agreements and conventions on suppressing terrorism, narcotics and psychotropic substances, trafficking in women and children for prostitution, and child welfare. It is immediately not clear whether there will be an agreement on suppressing terrorism as India and Pakistan have serious differences on its definition in the context of Jammu and Kashmir.

Three comprehensive reports on poverty alleviation will be submitted to the 12th SAARC summit for approval. These reports have been prepared by the Independent South Asian Commission on Poverty Alleviation, the SAARC Secretary-General and Finance Ministers.

29 DEC 2003

THE HINDU

29 DEC 2003

Securing South Asia

By Lakshman Kadirgamar

Given its preponderance and centrality within South Asia, India may justifiably regard any alien presence or influence in the region, without its consent, as a potential threat to its security.

12
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TODAY, ANY serious instability in a country will necessarily affect the stability of neighbouring countries. In the South Asian context, the very essence of regional security and cooperation is, first, the political will to forge a cohesive and concerted association amongst ourselves. If our regional unity is to be preserved and promoted, each regional member-state must address this core issue of political will from the standpoint of its own situation — geographical location, historical experience and chosen national aspirations. If that core issue can be addressed collectively, then the prospects of forging regional cohesion would stand greatly enhanced. Secondly, the measure of such security depends on our understanding of the intrinsic character of our region, where each stands in relation to the others, the impact upon us, severally and collectively, of the prevailing external order, and how best we should respond thereto. Thirdly, it is a shared conviction among all our political parties and throughout our citizenry in Sri Lanka that the only way to such agreement, if indeed it can ever be achieved, is to talk freely and frankly to one another, in order to minimise, hopefully eliminate, misunderstanding and develop mutual trust and confidence.

There are certain unchangeable and inescapable regional realities. The first is India's preponderance over all others in South Asia, based on size, resources, development and power, allied to influence. A second is India's unique centrality. No two others among ourselves can interact directly with each other without touching or crossing Indian land, sea or air space. Also, with each of its neighbours, India has special ties — whether of ethnicity, language, culture, kinship, common historical experience or shared access to and dependence upon vital natural resources — of a character and to a degree of intensity not shared by any two others. A third reality is the coterminality of the national borders of regional member-states with those great natural physical barriers which encompass South Asia — the Himalayas and the Indian Ocean. Probably no other region in the world presents such an integral security zone. Consider the analogy of a wheel. At its hub lies regionally preponderant India. Radiating as spokes are India's neighbours with each of whom India shares land or maritime boundaries, but no two others are thus joined without at the same time touching India also. Binding those spokes to that hub are

the physical barriers that I mentioned. Recognition of this characteristic, of the security of the region being an integer, a thing complete in itself, was central to the administration of the British Raj. Given its preponderance and centrality within the region it would not be surprising, indeed it would be wholly logical, if India regards its security along similar lines. In my view, India may justifiably regard any alien presence or influence within those natural security borders, without its consent, as a potential threat to its national security.

For Sri Lanka the proximity of India, a mere short dash away by fibre glass boat with outboard motors, the "India factor", if one may so describe it, is a cardinal factor in our lives, as a nation. There is of course much more to that India factor than the proximity of neighbourliness. To begin with, there is no other neighbour equally powerful and proximal to countervail India. Then, there is India's huge advantage in the disparity of resources and global influences to which I have alluded. We have with it the widest interaction between peoples and governments. It is within its power to help or hinder us to the greatest extent. Realities may be unpleasant. But they can be faced with dignity. The old cliché remains apt; foreign policy is driven by a nation's understanding of where its self-interest lies.

In this context there are three elements of the "India factor" which vitally affect governance in Sri Lanka. First, when our domestic political and military problems descend into crisis, we would be well advised to avail ourselves of that factor: namely, of India's help in resolving any of our internal crises, as indeed major world powers have advised us publicly to do, India being indisputably the pre-eminent regional power. The second element is the Tamil connection between ourselves and Indian Tamils, principally in Tamil Nadu State. The third is what I may call the "backyard concept", that is to say Sri Lanka is India's exposed southern flank.

With regard to the second element, while the large Tamil population in south India gives India a special concern with the Sri Lanka Tamil question, let me emphasise my view, however, that to concede such a special concern is by no means to ac-

quiesce in unwarranted Indian interference in our affairs, as such. It must, nonetheless, be recognised that, if the situation of Sri Lankan Tamils becomes seriously disadvantaged, no Indian government of the day can shut its eyes to that situation and those consequences because the "spill over" effect of those consequences on Tamil Nadu would inevitably and compulsively engage the attention of the government of that State and the Central government of the day. Hence, it is an obvious conclusion that ideally the Tamil question within our polity should be so managed as to preclude the need for Indian concern, far less involvement. However, it would be wholly unrealistic for anyone to claim that under no circumstances could India have a legitimate concern with the management of certain aspects of our internal affairs.

The third element stems from our own geographical location *vis-à-vis* India. As I said Sri Lanka is India's exposed southern flank. It thereby becomes a matter of vital concern for India as to who comes and goes, and what happens, in Sri Lanka. Given the unique character of the region which makes it an integer, in terms of security, India is likely to worry legitimately about any alien presence in Sri Lanka, worse still involvement, which precludes her. The point of interconnection is this: should, for instance, a Sri Lankan government of the day, facing an internal crisis concerning the Tamils there, be seen by India to engage the involvement, especially the military involvement, of any other regional member, far worse an outside power altogether, in its resolution, then it would be only fair to surmise that the Indian government of that day will be hard put, whatever moral underpinning is cited to the contrary, to keep its gaze firmly averted in an attitude of studied nonchalance.

If we are able to forge an effective regionalism, built upon and around the strengths of our region, and present to the demanding world beyond a cohesive and concerted collectivity, I believe the rewards would be significant for each and all of us. If we fail in that endeavour, undoubtedly some amongst us would be able to survive and even to prosper. Others, though, will stand deeply disadvantaged. For

the small and weak amongst us, there can be no question but that regionalism is our future. The question which the bigger and stronger amongst us must surely address is whether or not their own future would also stand enhanced or retarded by joining with the others in that regional exercise. I believe strongly that it would be enhanced.

In 1996, the Minister of External Affairs of India, I.K. Gujral, delivered a speech at the Royal Institute of International Affairs in London on the "Foreign Policy Objectives of India's United Front Government". It was a speech of majestic sweep and elegance and, above all, of almost startling candour. In a passage of enormous significance for the whole region, Mr. Gujral made exactly that commitment of political will on the part of India to mitigate the impact of the asymmetries I referred to earlier. He said that the United Front Government's neighbourhood policy stands on five basic principles: First, with the neighbours such as Nepal, Bangladesh, Bhutan, Maldives and Sri Lanka, India does not ask for reciprocity but gives all that it can in good faith and trust. Secondly, no South Asian country should allow its territory to be used against the interest of another country of the region. Thirdly, none should interfere in the internal affairs of another. Fourthly, all South Asians must respect one another's territorial integrity and sovereignty. And finally, they should settle all their disputes through peaceful, bilateral negotiations. He felt that these five principles, scrupulously observed, would recast South Asia's regional relationships, including the tormented relationship between India and Pakistan, in a friendly, cooperative mould.

Early this year, Yashwant Sinha, India's Minister of External Affairs, had endorsed the foregoing principles, thus giving them extended bipartisan validity. In my opinion, each of those five propositions is intrinsically sound. Each is capable of implementation. Taken collectively, they constitute a practical and principled foundation for regional cooperation and security. In the Krishna Menon Memorial Centenary lecture of 1996, delivered when I was the Minister of Foreign Affairs of Sri Lanka, I endorsed those propositions without reservation, and I added that if India is generous there should be amongst the rest of us matching appreciation and abiding concern for India's security. Seven years later, I wish to endorse those propositions.

(The writer is Sri Lanka's former Minister of Foreign Affairs.)

29 DEC 2003

THE HINDU

29 DEC 2004

Terrorism: India hopes for a 'strong message'

● No bilateral talks planned with Pakistan leaders at SAARC summit

By Amit Baruah

NEW DELHI, DEC. 27. India today expressed the hope for a "strong message" on terrorism and clinching of the elusive South Asian Free Trade Area (SAFTA) framework agreement at the January 4-6 South Asian Association for Regional Cooperation (SAARC) summit in Islamabad.

Briefing presspersons on the summit, the Foreign Secretary, Shashank, reaffirmed that the Prime Minister, Atal Bihari Vajpayee, would travel to Islamabad despite the recent assassination attempts on the life of the Pakistani President, Pervez Musharraf.

He said no "bilateral meetings" with Pakistani leaders had been fixed so far, but Mr. Vajpayee would certainly interact with his counterpart, Mir Zafarullah Khan Jamali, during the SAARC sessions, and attend a dinner being hosted by Gen. Musharraf.

Asked how safe it was for the Prime Minister to go to Islamabad, Mr. Shashank said that everyone, naturally, had to be concerned about the safety of leaders.

"President Musharraf has himself said that he is the target of the terrorists. They [the Pakistanis] are making foolproof security arrangements. We are going on that basis."

He said Pakistan was the "epicentre" of terrorism, adding that the country itself was suf-

fering the consequences of the menace. However, this did not mean that security arrangements could not be made for the summit.

Asked if Mr. Vajpayee would make the "customary call" on President Musharraf, Mr. Shashank said the Prime Minister would go by whatever programme had been agreed to for the summit meeting.

On resumption of a composite bilateral dialogue between India and Pakistan, the Foreign Secretary linked this to the overall issue of cross-border terrorism and infiltration.

"We need to make an assessment on a longer-term basis," he said, adding that this should include the dismantling of the terrorism infrastructure.

To a question on the reported statement made by the Defence Minister, George Fernandes, that infiltration continued at the same level as before, Mr. Shashank said: "This has been our feeling. Also that cross-border infiltration has not stopped."

On SAFTA, he was hopeful that the issue could be clinched despite the differences that marked the last round of talks among the Commerce Secretaries in Islamabad. Mr. Shashank also referred to a recent speech by the Prime Minister, where he spoke of closer South Asian interaction and integration.

Once SAFTA was in place, South Asia could move towards

a customs union, an agreement on banking and some kind of common currency as well. Pakistan could also accord the Most-Favoured Nation (MFN) status as far as trade relations were concerned.

Mr. Shashank was hopeful that an additional protocol to an existing agreement on terrorism could be agreed upon at the Islamabad summit.

Asked about Pakistan's draft circulated on the issue of terrorism, he said this was still a draft and would be subject to the "cycle" of negotiations.

Admitting that there was difference of opinion on the definition of terrorism between India and Pakistan, he said issues such as Palestine could be placed in a separate category in order to make progress.

Would the recent cooperation extended by Bhutan in tackling the anti-India insurgents figure in the SAARC declaration, he was asked. He said this could be included if there was consensus.

India was ready to help Pakistan to deal with the issue of cross-border terrorism. It had made a proposal to Pakistan in this regard and was awaiting Islamabad's response.

Would India-Pakistan issues derail the larger SAARC summit? Mr. Shashank said that New Delhi's intention was to concentrate on the SAARC agenda.

Stringent security: Page 8

28 DEC 2003

THE HINDU

28 DEC 2003

Common Cause

South Asia Can Go the EU Way

By K Subrahmanyam

Prime minister Vajpayee's reference to the European Union as a model for the future economic integration of South Asia with open borders and a common currency has led to questions being raised as to why the subcontinent's nations are not able to co-exist in amity as in Europe. People have forgotten that the most revolutionary union of states came about with the Indian independence when over 500 princely states and nine provinces of British India merged on August 15, 1947.

On the previous day, five provinces and a few princely states seceded from India on the basis of what they called the two-nation theory or the clash of civilisations thesis. India became a multi-cultural, multi-religious, multi-lingual and multi-ethnic union of states long before the European Union. While after two world wars and a prolonged Cold War, European nations are getting over their centuries-old national animosities, in India, animosity was introduced on the basis of the clash of civilisations thesis and has sought to be sustained since then.

Second, the European Union came about after Germany and Italy became democracies. Spain and Portugal could join the union only after they ceased to be authoritarian. The Eastern European countries were being admitted into the union only after they demonstrated their democratic credentials. In the subcontinent, only Sri Lanka and India have been democracies over the last 50 years.

All the EU countries shared a common security perception. Initially, it was the threat from the Soviet Union. After the end of the Cold War, they are all members of the Organisation of Security and Cooperation in Europe (OSCE). When the common market was originally established as a result of the Treaty of Rome, it included Germany, France, Italy and other smaller nations. These three had an approximate balance. In the subcontinent, India outweighs all other states combined in population, GDP, trade and professional skills. As the new European Union's constitution is being drawn, there is as yet no agreement on the voting weights of different countries. The smaller nations are worried about the four bigger nations — Germany, France, the UK and Italy — dominating decision-making.

While the smaller countries in the subcontinent would be averse to India dominating decision-making, India, in turn, would not like other countries ganging up against it. As described recently by former Sri Lankan foreign minister Lakshman Kadirgamar, while all other six members of SAARC share affinities of language, ethnicity and territorial contiguity with

India, they are not each other's neighbours. He compared it to a wheel with India as the hub and other countries as spokes. Many Pakistanis argue that a union on the model of the European Union would have been possible if India had not been united into such a giant entity.

The more appropriate comparison for the subcontinent is the North American free trade area and its proposed expansion to include other Latin American countries. Canada and the US have open borders. Living close to a giant market, smaller nations find it to their advantage to access that market through a free trade agreement.

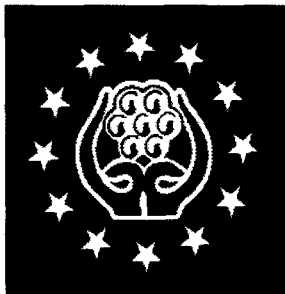
India is now convinced that it can grow at a rapid rate of seven to eight per cent only by integrating itself with the global economy and having free trade access to as many countries as possible. India has proclaimed its determination to become a developed nation by 2020. An article *Beyond the Edge* in the Pakistani paper *The News International* of December 14, 2003 by Masood Hasan enumerates the Indian achievements and quotes an Indian telling a Pakistani some years ago, "It is true we are both in the gutter. The difference is, we are looking at the stars. You are looking at the gutter".

It points out that 70 MNCs have set up R&D facilities in India and that 100 of the 'Fortune 500' companies are now present in India vs 33 in China. While in India, poverty has declined, in Pakistan it has increased in the last decade. The Indian per capita income has overtaken Pakistan's. In the previous 40 years, Pakistan had a

higher per capita income than India.

There are, therefore, compelling economic interests for India's neighbours to join the free trade area arrangement. But irrespective of the glitches that will get in the way of a SAARC union, it is commendable that the prime minister spelt out his vision. Even the Pakistanis, who would have been expected to object to it virulently, have said that it is not an unfeasible proposition in the long-run.

The engine for the formation of the European Union was the cooperation between France and Germany. In the subcontinent, it has to start with cooperation among India, Sri Lanka, Bhutan, Nepal and Maldives. The Bangladeshis have some problems about providing transit rights for India and the sale of oil and gas. Pakistan does not even extend the routine most-favoured nation status to India — a mandated requirement under WTO. India may have to be prepared for an incremental economic integration. In South Asia, the time has come for economics to dominate politics in the relations among nations. The initiative is very much in the hands of New Delhi and a lot depends on the speed of its own economic reforms.



THE TIMES OF INDIA

23 DEC 2003

23 DEC 2003

23 DEC 2003

The single South Asian currency

Experts from both sides of the border discuss Prime Minister A.B. Vajpayee's proposal, made at the HT Leadership Initiative conference last weekend

PRIME MINISTER Vajpayee's call for a common currency for South Asia is another typically visionary initiative. It has the potential to help more than 1.3 billion residents of South Asia (more than China) by bringing them closer to each other. Equally importantly, it will bring South Asian businesses much closer to each other, kick-starting closer economic ties.

This is bold for two reasons. First it is a new way to solve our many problems. Few people have talked about a common currency for South, believing that our political differences were too deep to have any meaningful economic cooperation. Rather, Vajpayee is going about this the other way by using economic cooperation to bridge political difference.

Second, it is an inspirational statement. Something that all of us can relate to: a tribal in Baluchistan, a farmer in Bihar, and a trader in Bangladesh can all understand the importance of a single currency. They know that this is something specific, something practical, and something that will make everyone's life simpler.

Thirdly, this is eminently achievable. From the macro-economic side, we meet all the tests: our economies are in similar stages of development, facing similar problems, and carrying out broadly similar economic reforms. Forex reserves are rising everywhere, so we can build up a sufficient chest to deal with future problems. Inflation is under control. Some even share common borders.

Plus, there are two more reasons why this is doable. Most South Asians already use a currency called the "rupee". Sri Lanka, Nepal, Pakistan, and India have a currency called the rupee. Bhutan has both the Indian rupee and the ngultrum as legal tender. Maldives' currency is the Rufiya. Only Bangladesh has the taka. So, it should be easy to get a popular consensus for a unified currency.

Second, there's history. As part of the British Empire, we all had a common currency, which extended not just to South Asia, but even to the Middle East and to South East Asia. The withdrawal of the British created new countries but there is a force of globalisation and freer trade which is taking South Asia back to its history at least in economic terms.

How? Well, for business, it will cut transaction costs for domestic businesses as they start to increasingly trade with each other. Similarly, a common currency for 1.3 billion people will make South Asia an even bigger market for foreigners to invest in. Companies will be able to raise funds from different markets. A Bangladeshi company can borrow not just from the rela-



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tively smaller Bangladesh market, but also from the Pakistani market and from the Indian market too. A bigger market of savings will result in lower interest rates for all borrowers, which is good for businesses everywhere.

It will also help tourists as they travel across the region by removing the hassle of having to change currency. The beauty of this is a common currency across seven countries will ease the lot of tourists and combination packages can be offered to several of the South Asian countries. So many Indians may go to Pakistan and to Nepal and Maldives. Similarly, lots of Pakistanis may go to India and to Bangladesh and Sri Lanka.

It is too early to calculate the quantum of the "dividend" but there will be a dividend that every country can bank on — greater investment, in greater movement of people, and in greater economic stability. It is up to each country what it wants to do with that dividend but the benefits for employment generation in every sector of the economies — agriculture, manufacturing, services, infrastructure will be quite amazing and unprecedented.

We must start work now. Just as we conceived SAARC in the mid-80s, but are now moving to a SAFTA. So, now we must move from a SAFTA to a South Asian Currency Union concept and vision.

Fortunately, we know how Europe entered into a common currency; we can learn from them. First the European countries set up something called the European Monetary Union, then they stabilized foreign exchange rates, finally, they created a shadow currency, called the ECU (European Currency Unit) that was a basket of all the currencies.

For us, the most important practical step is for the Governors of the Central Banks of each country to meet and work out the timetable to a currency union, which will be at least four, and maybe six years. Europe took eight years from the time it decided to

have a common currency after the Maastricht treaty in 1992, till the January 2001 introduction of the euro, but South Asia must be more ambitious in regard to the time frame.

Then, these Governors should start coordinating their work-in inflation, in interest rates, in foreign exchange reserves, so that both the external value (as measured by the value against the dollar) and the internal value (as measured by inflation) of all currencies moves in the same direction. That is, one country's rupee cannot appreciate if another country's currency is depreciating.

Next, they would need to work out how to more closely unite the Central Banks' working. That is, each of these Central Banks should eventually merge all their operations relating to the issue of currency, foreign exchange, and interest rates. Other areas of Central bank operations like supervising the financial markets should remain separate.

Once the banks are working together, then they need to plan the more practical aspect of designing the new currency and then printing sufficient quantities, and then fixing the date for the introduction of the new currency. January 1, 2008 at the earliest or January 1, 2010 at the latest? Lastly, they need to set the conversion ratio (how much of Bangladesh's taka will convert into the new South Asian currency, etc).

VAJPAYEE'S APRIL gesture from Srinagar took the Pakistani establishment by surprise. It started a thaw in relations which is leading to the SAARC Summit next month. The fact that the Summit is finally going to be held, and that all heads of government will be in Islamabad, is primarily a consequence of Mr Vajpayee's initial offer at rapprochement.

Just as the April announcement caught many by surprise, so has his most recent statement, the idea of a common currency for South Asia, presumably on the pattern of the European Union's Euro. Some months ago there were statements from Indian Ministers floating the idea of a South Asian Federation or Union, a concept which has been welcomed and echoed by some liberal and secular civil society groups in Pakistan. Such statements have followed numerous others from India, of a very different nature, where ministers have threatened to teach Pakistan a lesson, of the right to a pre-emptive strike, and of doing 'an Iraq' to Pakistan. The Indian political establishments needs to make up its mind about what it wants to do with Pakistan: an Iraq, or a Europe?

Mr Vajpayee's common currency proposal needs to be seen in light of current India-Pakistan economic relations, in light of which it seems quite astonishing. Europe has



S. Akbar Zaidi
PAKISTAN
Karachi-based
economist and
social scientist

emerged as a common currency economic zone after fifty years following the end of hostilities in 1945. It emerged from an agreement on reducing tariffs on steel in the 1950s, to the entity that it has become now. It has taken half a century of political, economic and social negotiations, continuous and difficult, for it to become a Union. In contrast, India and Pakistan since December 2000, had not been talking to each other.

Pakistan and India have been trading for all but nine of the last 56 years, yet this trade has been minuscule, by any comparison. In the last decade, official trade between the two countries has been less than half a percentage point of either country's imports or exports. In terms of trade within South Asia, both India and Pakistan export a mere five percent of their total exports to the region. While trade through third countries and smuggling does inflate the total trade between India and Pakistan significantly in terms of absolute amounts, the proportion for both, especially India,

is still very small. Clearly, while there is great potential for both to emerge as important trading partners for each other, in the last decade, the amount of economic exchange has been minimal. And apart from this trade, there is even less of any economic collaboration in the form of joint investment or ventures between Indian and Pakistani businessmen. We are in the prehistoric age of economic and trade co-operation.

Yet, the fact there is huge, unknown, potential is recognised by all businessmen and by economists. Because both trade and really serious forms of economic co-operation — joint ventures, businessmen from one country actually investing capital in the other, etc — have not taken place, one really doesn't know which products can be traded and which commodities/sectors would interest investors on either side. Yet,

if we assume that investors and traders from both countries be treated like those from any other, there is no limit to what is possible. With low transport costs, common cultural and economic profiles, easy access to raw materials and markets, the sky is the limit. Greater trade and economic relations can change the future of South Asia, inter-locking both economies into a regional trading block, countering the negative impact of globalisation. Yet this is all a pipe dream until India takes the lead.

Without question, India is the dominant player in South Asia. Even Pakistan rattling its nuclear arsenal, doesn't change that fact. India's economy is 78 per cent of that of the region, and it contains 76 per cent of South Asia's 1.5 billion people. In the decade of the 1990s, India's economy grew at a rate of more than six per cent, compared to Pakistan's 3.7 per cent. In this period, India's GDP per capita in purchasing power parity terms rose by 104 per cent; Pakistan's rose by a mere 36 per cent. Pakistan has been left behind by India not just economically, but also in terms of the new global strategic and diplomatic architecture.

With such a stark imbalance between the two countries, it is folly on the part of the Indian leadership to wait for Pakistan to grant India Most Favoured Nations status and allow a few more than the 700 items permissible for trade. Such minor, insignificant, symbolic measures will result in very little economic co-operation and means really nothing. If Mr Vajpayee and the Indian leadership are serious about moving ahead with economic and trade co-operation in a genuine sense, they will have to take the lead. If India is determined to see South Asia emerge as a dynamic and viable economic entity, it will have to take a number of unilateral measures. For example, why does India not allow tariff-free import from all SAARC countries? Why not allow Pakistani businessmen to invest in India, without waiting for the Pakistani government to take similar measures? Why not take unilateral steps and allow a free (or less restricted) visa regime, like Sri Lanka and Nepal, where Pakistanis don't need visas. Given its dominance and size, India can easily absorb any economic shocks that emerge from such of many, unilateral moves. Besides, other countries in the region will be forced to respond in similar measure.

If India has any vision for South Asia, whether it is in the form of a Federation or having a common currency, the first giant steps towards that goal, will undoubtedly have to come from India itself.



CAN THEY AGREE ON A COMMON CURRENCY?: Prime Minister Vajpayee and President Musharraf, Agra 2001

Pervez denies shifting stand on plebiscite

Agencies
Islamabad, December 19

ISLAMABAD MOVED swiftly on Friday to deny that President Pervez Musharraf had said Pakistan was prepared to drop its demand for a UN-sponsored plebiscite in Kashmir.

Foreign office spokesman Ma-sood Khan claimed that Musharraf had not said that the resolution of the Kashmir issue should not be in accordance with the UN resolution, passed more than 50 years ago that called for a plebiscite in Kashmir.

Khan told a private TV channel here that Musharraf had merely said the Kashmir issue could be resolved only if both sides showed flexibility. A unilateral solution was not possible. India and Pakistan should find the middle ground to resolve the issue in a manner acceptable to Kashmiris for durable peace in the region.

Pakistan's Information Minister Sheikh Rashid was also quoted as saying that the President had not dropped the demand for a plebiscite in Kashmir. "He's not dropping the call for a plebiscite. He is saying that we can think of certain other things, we have some alternative proposals," Rashid told AFP.

The minister did not specify what the alternative proposals were, saying Musharraf would raise them with Indian leaders when "serious talks" were held.

Prime Minister Zafarullah Khan Jamali, who normally reflects the views of the military ruler, seemed, however, to be caught off guard by the Presi-

What this could mean



Doublespeak The Pak foreign office says Musharraf was quoted out of context

Confusion Pak President could have been uncertain about what he wants

Signal Musharraf could have been indicating to Vajpayee that he was willing to move beyond officially stated positions

dent's comments. When Musharraf's interview to Reuters was being telecast on Pakistani television channels, Jamali appeared to be in the dark and insisted on the implementation of United Nations resolutions, including one that called for a plebiscite.

Samjhauta from Jan 15

INDIA and Pakistan on Friday agreed to resume the Samjhauta Express from Attari to Lahore from January 15. The train will run twice a week. Freight services will also resume.

20 DEC 2003

THE HINDUSTAN TIMES

20 DEC 2003

Pak won't be allowed to raise J&K at Saarc

18/12
Saurabh Shukla
New Delhi, December 17

SAARC SECRETARY-general Q. Rahim has made it clear that Pakistan will not be allowed to bring Kashmir or any other bilateral issue on the agenda of the forthcoming Islamabad Summit.

In an exclusive interview with *Hindustan Times*, Rahim said that one country cannot dictate the Saarc agenda. "It is not a question of one country bringing anything on the agenda, the principle of unanimity works. The Saarc charter prohibits bilateral issues and Kashmir is not a issue for the summit."

Rahim, who is on a mission to build consensus on some key issues before the summit, has visited Pakistan earlier and will meet External Affairs Minister Yashwant Sinha and foreign

secretary Shashank on Wednesday. Asked about a response to the statement made by some Pakistani leaders that they may push for resolution of political problems at the Saarc forum, Rahim said, "That may be their personal view, that may be their government's view or national view, but it is not relevant in Saarc...there is no question of any country dictating any agenda."

Pakistan is pushing for the inclusion of political issues on the grounds that they were hampering regional cooperation and Saarc cannot shy away from them. However, India is opposed to it. Rahim admitted that the Indo-Pak road show at Saarc was clouding the summit. "Bilateral issues do have an impact. If we had congenial ties between all countries then multilateralism would have flourished," he said.

THE HINDUSTAN TIMES

18 DEC 2003

18 DEC 2003

South Asia Unlimited ^{HT-6}

GIVEN THE history and the number of constituencies in the two countries that may get hurt if normal relations came to prevail between India and Pakistan, the cynic might still have reasons to hold out. But enough has happened in the recent period to surprise the sceptic. We can only hope that ceasefire on the borders and the concrete discussions taking place on opening up trans-border transportation links do not prove to be too much of a good thing. While we keep our fingers crossed, it deserves to be noted that Prime Minister Atal Bihari Vajpayee has elevated the discourse by sharing with us the vision of open borders and a common currency in South Asia while delivering his thought-provoking keynote address at the 'Hindustan Times Leadership Initiative' forum.

Non-executive actors might have made similar pleas before, but never a serving prime minister who is in a position to take the necessary first steps. We are still dreaming, of course, and much hard work lies ahead if the two sides are indeed serious and wise. But here is why we are speaking of something that might just be plausible. Mr

Vajpayee's goal has not been aired in an atmosphere of grim hostility, the norm in India-Pakistan relations. That might have made it so much hot air. The perception, it should be noted, has been voiced when the setting is congenial. To ordinary people in both countries, this makes it doable, and that, let us trust, would exert beneficial pressure on both governments.

Besides, the prime minister's observations come just weeks before the next SAARC summit in Islamabad. As such, the grand aims will be hitting the drawing board right away with all the regional leaders present. The mooted idea of a South Asian Parliament by the leader of the opposition, Sonia Gandhi, at the *HT* forum reinforces the view that India's perspective on Pakistan and the region reflects a bipartisan spirit. That makes for stable long-term inputs from the Indian side. Pakistani Prime Minister Zafarullah Khan Jamali's response to Mr Vajpayee's articulation is a helpful one. But Islamabad contends with a host of extra-parliamentary players not comfortable with peaceful coexistence. If Pakistan handles that call well, we are in business.

THE HINDUSTAN TIMES

15 DEC 2004

15 DEC 2003

Saving SAARC

By K. K. Katyal

There is no ambiguity about the steps India and Pakistan need to take to save SAARC. Will they muster the required political will?

ND-10
A/2

AFTER A bumpy journey during the 18 years since its inception, SAARC, an ambitious, innovative grouping for cooperation in South Asia, finds itself at a crossroads. The coming summit, scheduled for the first week of January in Islamabad, will show whether it has some relevance or whether it is to be written off. The signals at the moment are mixed. There is some movement forward in the meetings of officials and experts on the core issue of the SAARC agenda, economic cooperation. This is the result of softening of the stand by Pakistan. However, the political rhetoric emanating from Islamabad is far from encouraging. The same call for the revision of the SAARC Charter, the same talk of the futility of the present arrangement, the same stress on resolution of the Kashmir issue as a prerequisite for normal economic dealings with India.

SAARC had been subjected to heavy pressures from within — from Pakistan all along and from India in the last four years. Think of the unambiguous provisions of the SAARC and the untenability of Pakistan's stand will be clear. The very first paragraph of the Charter stipulates that one of the objectives of the association is "to accelerate economic growth, social progress and cultural development of the region." Equally specific is another provision — "bilateral and contentious issues shall be excluded from the deliberations."

Those familiar with the prolonged discussions prior to the establishment of SAARC would vouchsafe that the dos and don'ts were inserted after due deliberation and after taking into account the political realities of the region. The architects of the grouping realised that the inclusion of bilateral wrangles within the purview of SAARC was the surest way of killing it.

Almost from day one Islamabad had been working for the expansion of SAARC's functions, wanting it to take cognisance of bilateral problems. It was not realistic to work for economic cooperation, went the argument in Islamabad, unless the causes of tension in the region were removed. These, obviously, were code words for its demand that the Kashmir issue be settled under the

auspices of SAARC — on Islamabad's terms of course. India opposed these demands and there the matter rested.

Of late, New Delhi has chosen to give an "enough is enough" message to Islamabad. SAARC, according to India, could not be held hostage to the unreasonable demands of any one country and if this situation was not changed, there was no point in continuing with the association.

The plain speaking appears to have worked, as of now in any case, and the focus has shifted to where it ought to have been — economic cooperation. The positive pointers are not altogether absent in the run-up to the Islamabad summit. Whether or not this trend is stable will determine the future of SAARC. What happens at the summit will, thus, be crucial.

Let us take the positive development first. Member-countries are now engaged in the fourth round of trade negotiations after the coming into force of the SAARC Preferential Trading Agreement (SAPTA) some eight years ago. One point stands out from the prosaic economic jargon — that there was a definite advance in the negotiations on trade concessions at the SAARC level, which automatically covered India and Pakistan. Islamabad made no attempt to obstruct this process — in sharp contrast to its earlier approach.

For the first time, Pakistan agreed that the items on which tariff concessions were given, either bilaterally or through multilateral arrangement, would not be included in the negative list but would be freely importable. As a result, 78 tariff lines on which concessions were given by Pakistan during the third round but which were not in the freely importable list were released from the restriction from May last.

Also, Islamabad was willing to exchange concessions with India on a reciprocal basis on a wider range and in a more meaningful manner. This, too, was a significant departure from the third round when the two coun-

tries exchanged concessions only on 18 lines.

The negotiations for the next stage of trade liberalisation, for the South Asia Free Trade Area (SAFTA), too, picked up, of late, especially in relation to the Draft Treaty Framework. Some differences persist, for instance, on the Rules of Origin (that is, on how much local value addition has to be there for items imported from outside the region to qualify for trading inside). It was agreed that this divergence should not come in the way of progress and that the agreement on this ticklish issue could be incorporated in the draft later. Such a pragmatic approach was unknown in the past.

Despite this softening, related to preliminaries for the Free Trade Area, there is no evidence yet of a change of heart on the part of Pakistan on substantive matters. For instance, it is not inclined to accord the Most Favoured Nation treatment to India even though New Delhi made this gesture a long ago to Islamabad, which under the WTO regime was obliged to reciprocate. Pakistan makes no secret of its reservations — MFN treatment would be given only after the resolution of the Kashmir issue. Also, there is to be no change in the norms of trade with India: Pakistan would continue with the practice of preparing the list, a restrictive one at that, of items for which import from India is permitted instead of having a negative list of imports that are not to be permitted.

What does one make of the slight softening by Pakistan? Either it feels cornered by the forward movement for relaxations in trade at the SAARC level or it has adopted a calculated, tactical stand to lure India into attending the Islamabad summit in pursuance of its political moves on Kashmir.

That Pakistan stuck to its demand for expansion of the grouping's charter was evident at the SAARC Information Ministers' Conference earlier this month. At the inaugural function, the Prime Minister, Atal Bihari Vajpayee, noted that "since its incep-

tion in 1985, SAARC has been struggling to emerge from the concept to the practical reality of close regional cooperation ... It is time we recognise what it means for all of us in South Asia. If SAARC cannot organise itself, it will simply miss the boat. Other alignments will develop to seize the economic opportunities offered by close integration."

Pakistan's response came at the conference itself from its Information Minister, Sheikh Rashid. Rightly regretting that SAARC's role had remained marginal, he talked of creating the right environment, which would be "possible if determined efforts are made to resolve disputes and issues and not allow them to simmer." It was for this reason, he said, "that Pakistan has been suggesting a broadening of the scope of SAARC's areas of concern, to permit consideration of political problems. Close cooperation and development can only develop in a regional grouping where there is complete political harmony among its members. E.U. is developing a common defence and foreign policy. ASEAN too has set up Political Forum. However, we are lagging behind."

Pakistan, it is clear, plans to use the next summit for pressing its demand for the revision of the charter. And India is certain to oppose any such move. The result will be revival of the controversy. This would leave SAARC nowhere. A continued, close focus on the economic agenda is in the interest of all the members. In the short term, this is also necessary for ensuring that the progress made by small steps for free trade is not reversed. There is no dearth of fora for Pakistan to raise the Kashmir issue.

On its part, India would do well not to shy away from "informal political consultations" with Pakistan, a course commended by the SAARC Declarations year after year for "promoting mutual understanding and reinforcing the confidence building process among the member-states." This, it is to be understood, is different from a formal structured dialogue which, in any case, is not possible now in the absence of the preparatory work. There is no ambiguity about the steps India and Pakistan need to take to save SAARC. Will they muster the required political will?

Pervez nod to Indian flights in Pak airspace

HT Correspondent
Islamabad, November 30

REMOVING ANOTHER irritant in ties with India, General Pervez Musharraf on Sunday announced unilateral resumption of Indian overflights over Pakistani territory.

"As a goodwill gesture, Pakistan will agree to the resumption of overflights with India in the talks to be held in New Delhi on Monday," the Pakistani President told a delegation of the Pakistan and India Young Professionals Organisation in Islamabad. He

said the formal announcement would be made by the Pakistani delegation already in India to hold talks on resumption of flights between the two countries. A senior government official told *Hindustan Times* that Pakistan has withdrawn its demand of a bilateral agreement to ensure that no country in the future can unilaterally ban overflights.

"The Pakistani delegation in its meeting with Indian aviation authorities will not insist on this," he said. The first round of air links talks between the two countries failed because of Pak-

istan's insistence on such an agreement.

India severed air links with Pakistan shortly after the Parliament attack, prompting Islamabad to retaliate by cutting all transportation links. Since Pakistan has now agreed to allow Indian aircraft to use its air space, Prime Minister Atal Bihari Vajpayee will be able to fly to Islamabad in January directly from New Delhi to attend the Saarc summit instead of taking a roundabout route.

The meeting was attended, among others, by Indian High

Commissioner Shivshankar Menon. Musharraf later shook hands with Menon and exchanged pleasantries with him. Over a hundred business professionals from India and Pakistan attended the meeting.

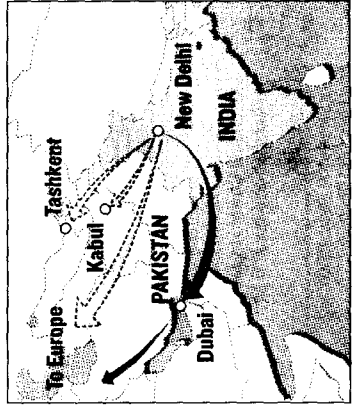
Shortly after Musharraf's announcement, the Pakistan foreign minister said the current momentum of the peace process should lead to a "composite dialogue" to resolve bilateral issues. "We have to see how peace can be established," Khurshid Mehmood Kasuri told an Indian channel over the phone.

Ties take off

Flyover At present, flights to the West fly south of Pakistan. Overflight rights mean two hours less of flying time

Connecting Kabul

There are no flights to Afghanistan and central Asia because of the ban on overflights. Now Indian carriers can fly to these areas



Current Route

If ban is lifted

11/30/03

1 DEC 2003

India offers ceasefire in Siachen

By Amit Baruah

NEW DELHI, NOV. 24. India said today that it would "respond positively" to the unilateral ceasefire announcement made by the Pakistani Prime Minister, Mir Zafarullah Khan Jamali, on Sunday night.

Welcoming Mr. Jamali's announcement, New Delhi, however, said that in order to establish a full ceasefire on a durable basis, there must be an end to infiltration from across the Line of Control.

In a statement, the Ministry of External Affairs spokesman said the Government of India had also proposed a ceasefire along the Actual Ground Position Line in Siachen. He welcomed the Pakistani decision to work for an expansion of the communication links proposed

by India on October 22. "We now propose immediate technical-level talks for early implementation of these proposals," the statement added.

Asked whether India's desire to respond positively to the Pakistani offer meant that New Delhi too would hold its fire from Id, the spokesman responded: "I am not sure as to when what comes into effect, but we will respond positively to this..."

Providing an explanation for the phrase in the statement that India would "respond positively" to Mr. Jamali's announcement, a senior External Affairs Ministry official said that once the Pakistani ceasefire came into effect, India too would do the same. "If they stop shelling our positions on the LoC, we will do the same," the official said, hoping that covering Pakistani fire for infiltrators trying to cross the LoC would also be ended.

According to the official, the Government was clear that for the ceasefire to hold, to be durable, infiltration had to be ended. As far as transport links are concerned, the External Affairs Minister, Yashwant Sinha, had proposed on October 22 a new

rail/bus link between Khokrapar (Sindh) and Munabao (Rajasthan), a ferry service between Mumbai and Karachi, a Srinagar-Muzaffarabad bus service, linked talks to resume the Samjhauta Express if Pakistan agreed to restoring civil aviation links and increasing the number of buses on the Delhi-Lahore route. The Ministry of External Affairs seems to believe that the litmus test of Pakistani intentions as far as communication links are concerned will be at the coming talks between officials dealing with the civil aviation on December 1-2 in New Delhi.

UNI reports:

Addressing the India Economic Summit, organised by the CII and the World Economic Forum here, the External Affairs Minister, Yashwant Sinha, said that India had responded to Pakistan's offer in a "very very positive manner".

"We said our troops will respond to a ceasefire along the Line of Control. In fact, we want the ceasefire to extend beyond the LoC into the glaciers of Siachen," he said.

Kasuri's stand: Page 11

Finger off trigger, India offers Pak hand

Atal sets up date with Jamali

28/11
Cover Page
1-1

OUR SPECIAL CORRESPONDENT

New Delhi, Nov. 27: From the Diwali dozen followed by the Id ceasefire gift, a New Year tete-a-tete may look like natural progression, but it has taken two-and-a-half years for India and Pakistan to travel the distance from Agra to Islamabad.

Prime Minister Atal Bihari Vajpayee held out the hope of renewal of high-level contact that broke down in July 2001 as he expressed readiness to meet Mir Zafarullah Khan Jamali during the Saarc summit in the Pakistan capital from January 4 to 6.

"I will be happy if Jamali meets me," Vajpayee said in Lucknow today.

The Pakistan Prime Minister is expected to be more than happy as Islamabad has been eager to reopen talks.

India's stand so far has been that, though it did not oppose dialogue, Pakistan would first have to create the condition for it by stopping infiltration and rejecting its policy of violence against Delhi.

Vajpayee today sought to preempt any suggestion of a change in India's position. "There is no difference between one-to-one meeting or meeting collectively," he said.

"My programme of going to Pakistan is being prepared and I will meet everyone there," Vajpayee said and then went on to clear the ambiguity of the statement by mentioning Jamali.

Deputy Prime Minister L.K. Advani, usually vocal against the Pakistani intelligence agency, ISI, today held his tongue. Asked for his reaction to a possible ISI role in the ethnic violence in Assam, he said: "I don't want to comment on it." (See Page 8)

Vajpayee set the ball rolling for normalisation with his dozen confidence-building proposals on Diwali and then, on the eve of Id on Tuesday, the two countries decided to observe ceasefire on the LoC, the border and Siachen.

The ceasefire is holding. At Odusaa, in the Uri sector, villagers shell-shocked by the frequent pounding that had become a part of their lives were breathing freely again. Mohammad Nazir, a 50-year-old villager who lost a leg in the shelling this year, told Reuters: "There is a chance our children can live in peace."

Foreign minister Yashwant Sinha, cautious about summit-level talks, was still optimistic about a general improvement in the atmosphere.

"I believe that this time it (ceasefire) may be lasting," he said. "If the trend of present developments continues and if the transformation in their (Pakistan's) thinking moves in the right direction, then an atmosphere for talks can be created."

A meeting between Vajpayee and Jamali could set the pace for structured talks to begin.

"Something good has happened after a long time," said Ratan Lal, a soldier, at Odusaa.

India, Lanka, Maldives

ST-11 17/11 package mooted

NEW DELHI, Nov. 16.

— With the Sri Lankan government planning to adopt an 'open sky' policy by 2005 the island nation is making all efforts to try and project India-Sri Lanka-Maldives as a combined tourism package for the western travellers.

"We have almost reached an agreement with the Maldives government on the issue of joint marketing on the tourism front and official level talks are going on with India," Sri Lankan tourism minister, Mr Gaminii Lokuge told reporters here. *huh hu*

"Once we reach an understanding between all the three countries and prepare a road map one can easily sell the India-Sri Lanka-Maldives zone as a tourism package to European and Americans," he said. — PTI

Wake up, South Asia

SAARC ministers must think out of the box if the region is to keep up with the world

WITH the onset of winter, New Delhi traditionally ushers in its season of talk shops. The presumption, of course, is that meaningful action would follow from these interminable sessions of confabulations. The next few weeks will see a great deal of interaction between the various constituents of the South Asian Association for Regional Cooperation (SAARC). Not only has the SAARC Information Ministers Meet just ended, the health ministers of SAARC countries will be congregating on Friday.

This then is as good a time as any to consider just where this organisation — with an unfortunate history of getting mired in the bilateral tensions between India and Pakistan — is headed in a world that is undergoing rapid transformation in terms of economic growth and social well-being. SAARC leaders do not need to be reminded of course that their region, despite its considerable natural resources and vibrant human capital, is vying with Sub-Saharan Africa for the title of "sick man of the globe". How, then, can prospects for the region be improved? Well, for starters, its leaders must begin to think out of the box. Prime Minister Vajpayee was right when he reminded delegates at the SAARC Information Ministers' Meet on Tuesday that "we cannot forever be challenging logic and mocking economics". He pointed out

that other alignments, like ASEAN, have demonstrated far greater pragmatism and are today reaping the rewards of their more forward-looking vision and ability to look beyond mind-deadening historical legacies.

Consider for a moment, then, how the world has changed in just one area: telecommunication. Why hasn't this region been able to harness the great dividends of instant communication? Indeed, many individuals have achieved what their heavy-footed governments have not. Take this whole new phase of specialist medical care for children with congenital heart ailments. Parents in Bangladesh and Pakistan discovered medical institutions in India offering affordable healthcare for their seriously ailing children, through facilities like the internet, much before their respective governments came into the picture. At least six years ago, Pakistani development economist, the late Mahbub ul Haq, spoke about the potential of regional synergy. He had pointed out how the unique resources of each nation in the region could be harnessed for the greater common good, whether it be Nepal's hydel power, Bangladesh's gas reserves, Pakistan's trained manpower, India's software potential, and so on. This may have sounded utopian when it was first articulated but today it has become something of an imperative.

Saarc may turn irrelevant, warns PM

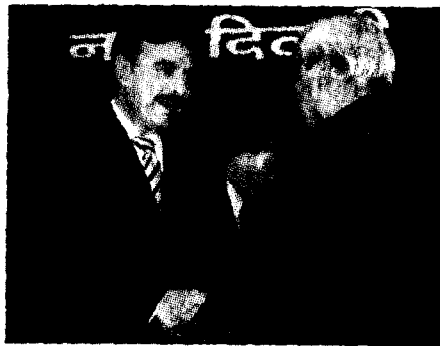
■ INFO MINISTER'S MEET | Says other groupings could seize chance

EXPRESS NEWS SERVICE
NEW DELHI, NOVEMBER 11

PRIME MINISTER Atal Behari Vajpayee today set the pace for the SAARC Information Ministers Meet with a word of caution: Ignore the call of the liberal exchange regime at your own peril.

"If SAARC cannot organise itself, it will simply miss the boat. Other alignments will develop to seize the economic opportunities offered by closer integration. We cannot forever be challenging logic and mocking economics," Vajpayee said.

Inaugurating the two-day meet of Information Ministers from SAARC countries, Vajpayee said SAARC could learn a lesson from the recently con-



Vajpayee with Sheikh Rashid Ahmed

cluded India-ASEAN summit meeting in Bali, indicative of the triumph of economic organisation over political differences. "We concluded a framework agreement on comprehensive economic cooperation—including free trade barely a year after commencement of negotiations. We advanced towards an open-skies policy for passenger traffic and for cargo ser-

vices," the Prime Minister reminded his guests.

Indicating his willingness to give a liberal thrust to SAARC, Vajpayee said, "We have repeatedly expressed our willingness to enter into preferential trading arrangement and free trade agreements

CONTINUED ON PAGE 2

from the front page

Seize chances, or else SAARC will turn irrelevant, says Vajpayee

within the SAARC framework. With Nepal and Bhutan, we have had such special trading arrangements for decades. With Sri Lanka, we have gone a considerable distance down the road. We are making a beginning with Bangladesh also," Vajpayee said.

Coming closer to the agenda set by SAARC, Vajpayee said, media can no longer be the monopoly of governments. The revolution in communications presents great opportunities to SAARC countries, which should use technologies rather than suppress them. "We should properly publicise and project

SAARC activities within and outside the region," the Prime Minister said.

Vajpayee hoped the SAARC countries would consider India's suggested guidelines on trans-national satellite broadcasting that will genuinely strengthen regional cooperation in information and media.

To show India's commitment, Vajpayee said India was willing to offer under technical and economic assistance programme 12 seats to SAARC countries in training institutions for various media disciplines.

Pakistan's Information Minister Sheikh Rashid

Ahmed walked up to Vajpayee to greet him first as visiting ministers lined up for a group photograph after the inauguration. They were introduced to Vajpayee by Information and Broadcasting Minister Ravi Shanker Prasad. Later Sheikh said he had delivered a "short, sweet and smart message" from the Pakistani leadership—good wishes from President Musharraf and Prime Minister Jamali.

Asked why Indian television channels are banned in Pakistan, Sheikh said: "These are all peanuts (small issues). We have to resolve the basic issue."

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11

SAARC MEET / "LET'S NOT MISS THE BOAT"

Learn from ASEAN, says PM

By Our Special Correspondent

NEW DELHI, NOV. 11. Without mentioning Pakistan, the Prime Minister, Atal Bihari Vajpayee, today inaugurated the third South Asian Association for Regional Cooperation (SAARC) Information Ministers' Conference here today with a call to the participating countries to learn from the ASEAN example and that of post-Cold War Europe where political differences and bitter hostilities are set aside to evolve arrangements for regional and sub-regional cooperation.

Stating that "post-Cold War alignments and the technology revolution have set in motion trends which we can ignore only at our peril", the Prime Minister while dwelling at length on the need for economic cooperation also made out a case for ensuring "that our populations have a free access to all the media platforms in our region".

Of the view that a free flow of informa-

tion, news, views and perspectives could do more for regional cooperation than any political exhortation, Mr. Vajpayee suggested regular SAARC news programmes on national television and radio stations. In this way, the media "can be a powerful force for information rather than propaganda, for education rather than prejudice, for awareness rather than misinformation".

The reference to the media and a brief mention of the agenda apart, the thrust of Mr. Vajpayee's speech was on economic cooperation as "this has immediate relevance to Information Ministers" given the crucial role media played in moulding opinion and shaping public attitude.

Lamenting that SAARC had been unable to "emerge from the concept to the practical reality of close regional cooperation" since its inception, Mr. Vajpayee said that "if SAARC cannot organise itself, it will simply miss the boat". Stressing the need to harness the region's abundant natural re-

sources, talented human energies and industrial synergies to accelerate growth and development in member-countries, he warned that "other alignments will develop to seize the economic opportunities offered by closer integration; we cannot forever be challenging logic and mocking economics".

He invited all SAARC neighbours to take part in India's economy, "rather than be apprehensive about it", and reiterated the nation's willingness to enter into preferential trading arrangements and free trade agreements within the SAARC framework and individually with member-countries.

Earlier, the Union Minister of State for Information & Broadcasting, Ravi Shankar Prasad, stressed the need for encouraging a free flow of information and creativity in any form — films, music, etc. — as it helps people-to-people contacts. Also, he called for a free movement of creative people in the region.

Kashmir creeps into Saarc meet

NEW DELHI, Nov. 11. — For all the bonhomie during the Saarc summit, the Kashmir issue crept in through the backdoor with Pakistan TV asking the I&B minister, Mr Ravi Shankar Prasad, about the UN Resolution calling for a plebiscite.

The minister in return spoke of the Shimla agreement and the Prime Minister, Mr Atal Behari Vajpayee's Lahore visit and terrorism. But even if J&K was not on the agenda, many issues raised by India were simply stonewalled by Pakistan.

Both were careful as it was the first time that a ministerial-level meeting was being held since the Agra summit, but for something substantial to emerge, structured-level talks will be necessary, senior officials said. Most Indian proposals did not cut much ice. India wanted movement on the

transnational satellite issue — basically that Pakistan would have to show DD and India, PTV, but that is perhaps not acceptable. It will merely come up for discussion in 45 days and that alone is being seen as progress. Apparently, Bhutan has agreed that all Saarc countries will download channels of other Saarc countries, but Bhutan has virtually no television.

The issue of free movement of media and cultural personalities came up, but the problems were "confined to Pakistan" or were "Pakistan specific", a senior official said.

A liberal visa regime will have to be decided upon at the political level. Sure, Pakistan has said Lata Mangeshkar is welcome, but Indian officials asked why not Jagjit Singh or others considering Pakistani cultural personalities are so welcome. — SNS

THE STATESMAN

12 NOV 2005

NOV 2005

'Saarcastic' PM suggests remedies for failing forum

Statesman News Service

NEW DELHI, Nov. 11. — The word 'Pakistan' was never mentioned, but there was little doubt about the Prime Minister, Mr Atal Behari Vajpayee's target in his mildly sarcastic but cautiously tactful, even diplomatic, speech at the third Saarc information ministers' conference today.

Saarc is failing, he suggested, when he said the South Asian forum has been "struggling from the concept to the practical reality of close regional cooperation". He spoke about harnessing natural resources and human energies for development but regretted that "we are yet to achieve this".

Mr Vajpayee pushed Indian proposals that the Pakistani delegation, initially at least, have not responded to

with much warmth. "We should try to ensure that our populations have free access to all the media platforms in our region... the media can be a powerful force for information rather than propaganda, for education rather than prejudice, for awareness rather than misinformation." He said: "I hope you will consider constructively India's suggested guidelines on transnational satellite broadcasting." This is not something that Pakistan is entirely happy with.

Asked for a reaction after the PM's speech, the Pakistan information minister, though, said: "We are anxiously awaiting the visit of the PM... He spoke well and we appreciated it." Sarcasm, even when prime ministerial, apparently, has its limits. Asked whether he accepted the idea of transnational satellite broadcasting, the

minister said: "That's why we have Saarc. We will sit and talk."

But it was precisely the danger of Saarc being reduced to a talking-shop that the prime minister seemed keen to highlight when he said: "(if) Saarc cannot organise itself, it will simply miss the boat. Other alignments will develop, to seize the economic opportunities offered by closer integration. We cannot forever be challenging logic and mocking economics".

Mr Vajpayee also pointed to the dangers of failure (for Saarc) in the wake of the end of the Cold War and the technology revolution, when Asean, the European Union and groupings in Africa, Latin America and the Caribbean have succeeded or are succeeding. This is despite the fact that many countries "have a history of bitter hostility towards each other".



Mr Vajpayee at the Saarc information ministers' conference in Delhi on Tuesday. — AFP

Two ministers, two views

NEW DELHI/ ISLAMABAD, Nov. 11. — Two Pakistani ministers spoke in two voices at two different venues today. But the common refrain in their speeches was the unbridled praise for Mr Vajpayee.

While Pakistani information and broadcasting minister Sheikh Rashid said in Delhi that General Musharrat was "very positive" on the peace process and had very high opinion about the Indian Prime Minister, Pakistan's foreign minister Mr Khurshid Mahmud Kasuri accused India in Islamabad of making peace overtures "periodically" due to "pressure from international community". He said the reason behind India's announcement of CBMs was partly because a "friendly policy towards Pakistan made a positive impact in elections to some Indian states".

Details on page 4

Pak Saarc-astic on creative matters

Our Political Bureau
NEW DELHI 11 NOVEMBER

As expected, Pakistan on Tuesday, used the sidelines of the Saarc information ministers' conference to raise the Kashmir issue. Pakistani minister Sheikh Rashid Ahmed, dubbed matters like ban on Indian films, channels and artistes performing in that country as "peanuts", even as India insisted on free movement of creativity in the region.

Prime Minister Atal Behari Va-

ipayee, who made India's concerns clear to the delegates of the meeting in his address earlier, had warned that the grouping would "miss the boat" if it failed to organise itself and seize the economic opportunities. In other words, there was a need to look beyond unsettled issues.

But Mr Ahmed, who reverted back to Islamabad's familiar position at an interview with state-run Doordarshan, said the need was on creating the "right environment" to boost cooperation and development among Saarc

countries. According to him, this was possible only if determined efforts were made to "resolve disputes" and not allow them to simmer.

Information and broadcasting minister Ravi Shankar Prasad said the deliberations at the conference were on the "larger issue of free movement of creativity", but admitted that several issues relating to them were Pak-specific and could be raised at bilateral fora. The conference made one step forward on the issue of free movement of media personnel in

the region with member countries recognising the need to liberalise visa norms for them.

Brushing aside issues like ban on Indian films and television channels in Pakistan, Mr Ahmed said these were just "peanuts". However, he said restrictions on channels will become redundant within a month or so with the advent of Direct-to-Home (DTH) services. Notwithstanding an "unofficial" ban, Indian channels are viewed by people in all Pakistani cities, just as the pirated versions of Indian films.

Saarc prelude stokes summit hopes

OUR SPECIAL CORRESPONDENT

New Delhi, Nov. 3: Pakistan has confirmed its participation for the third Saarc information ministers' conference to be held here next week, raising hopes of a full participation for the summit meeting of South Asian countries slated to be held in Islamabad in January.

Pakistan information minister Sheikh Rasheed Ahmed would be in New Delhi for the third conference of Saarc information ministers from November 10 to 12, sources in the Union information and broadcasting ministry said. (Only Maldives is yet to confirm participation.)

Information and broadcasting minister Ravi Shankar Prasad is slated to meet his Pakistani counterpart on the sidelines of the meeting. Speaking for the Indian entertainment industry, Prasad is likely to request that Pakistan lift a ban on Indian films and performances by Indian artistes.

There was some doubt on Pakistan confirming its attendance at the meeting because of the strained relations and the unresolved issues of travel and overflights with India.

But Islamabad's willingness reciprocates the participation by India's Sushma Swaraj in the second Saarc information ministers' meet in Pakistan last year.

The Saarc ministerial meetings are a prelude to the summit meeting. The meeting of information ministers in particular has in the past turned into a forum for bilateral disputes between India and Pakistan despite the other members of the platform being deeply resentful. There have been pleas that Saarc should not be held hostage to bilateral disputes between India and Pakistan.

At the second Saarc informa-

tion ministers' conference in Islamabad last year, Pakistan President Pervez Musharraf used the platform to raise issues dogging India-Pakistan relations.

Speaking at the inaugural, Musharraf dramatically offered a de-escalation of tension with India — the Indian and Pakistani armies were in a state of mobilisation since the attack on the Parliament in December 2001 — and asked for an immediate response.

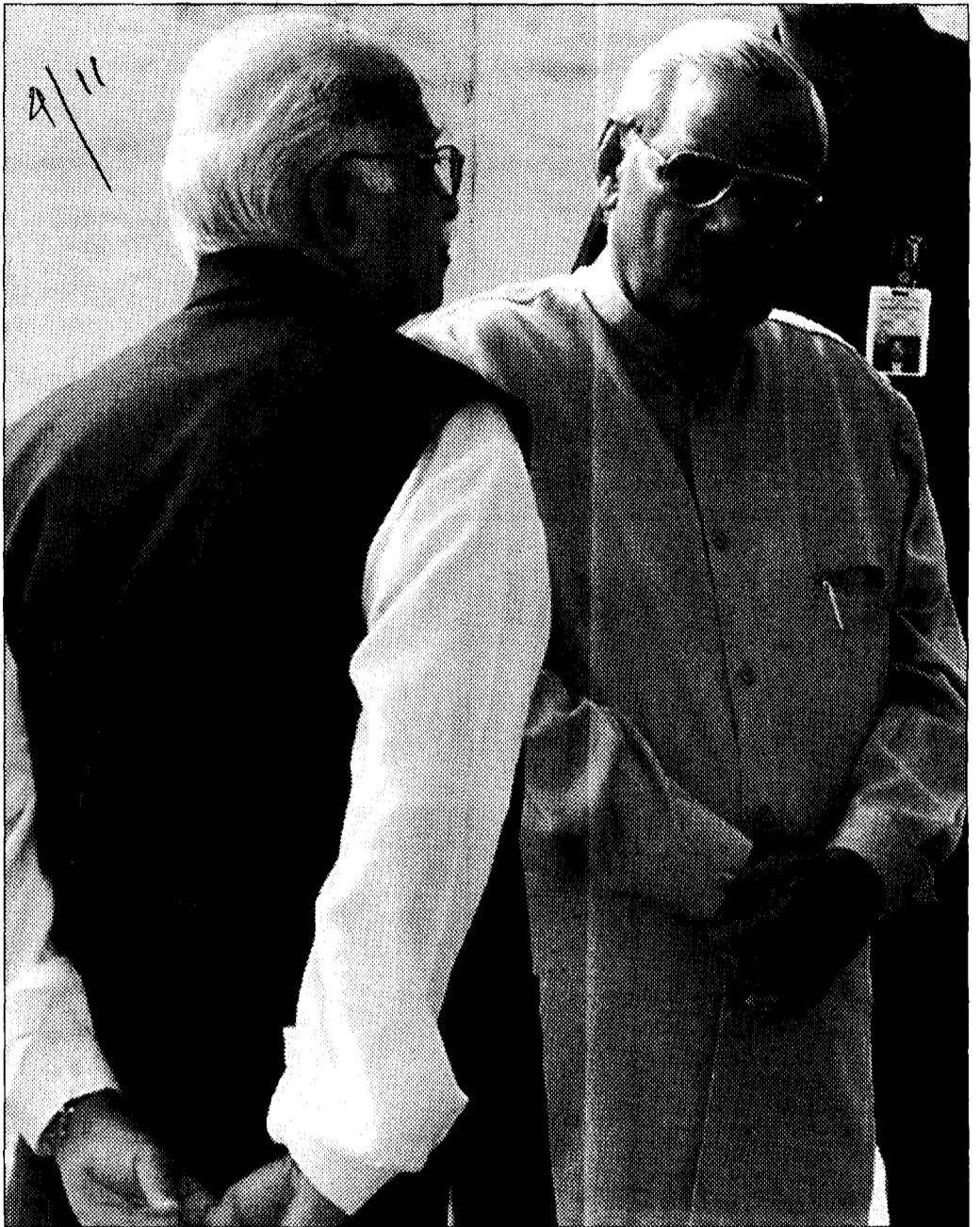
Musharraf said he was ready to lift the ban on overflights by Indian civilian aircraft if Delhi reciprocated. Even as he was speaking, he offered the microphone to the then information and broadcasting minister Swaraj and dared her to take him up on his offer.

Swaraj refused, stating that her brief as information minister does not allow her to speak for the Indian government on issues raised by Musharraf. The Saarc charter urges member countries not to drag bilateral subjects into the regional forum.

Ministry sources said an agenda being drawn up for the third conference would studiously focus on issues of multilateral interest involving member countries. They did not anticipate a logjam on information issues. The Saarc commerce ministers' conference has already been held in Kathmandu and some trade issues remain unresolved.

A tentative agenda being drawn up for the information ministers' conference proposes the creation of a Saarc Regional Media Forum, drafting of model guidelines on transnational satellite broadcasting in the region, setting up of a media development fund and freer movement of media personnel within the region.

It has also been proposed that



AB Vajpayee with his deputy LK Advani at Rashtrapati Bhavan on Monday. Picture by Rajesh Kumar

Saarc evolves a common position that should be presented at the World Summit on Informa-

tion Society to be held in Switzerland in December.

Also included in the agenda

is an annual conference of editors and working journalists of Saarc countries.

Pak responds with peace reverse swing

Mubashir Zaidi
Islamabad, October 29

MATCHING MOVES

PAKISTAN AGREED on Wednesday to India's proposals for improving relations, including a bus service between Srinagar and Muzaffarabad, but insisted on monitoring of frontier checkpoints by the United Nations.

While Pakistan accepted most of the Indian 12-point proposal outright and added some points of its own, Foreign Secretary Riaz Khokhar said real peace was possible only by resolving the Kashmir problem through dialogue. "The time has come for the two countries to indulge in serious negotiations," Khokhar told a news conference. "We are clear in our mind. We want to improve our relations with India, but this is going to be on the basis of dignity and honour."

Terming India's peace moves as "not strong", Pervez Musharraf said he was not enthused by the initiatives as it did not deal with Kashmir. Khokhar echoed that Pakistan was disappointed with India's refusal to reopen all-encompassing peace talks.

India's 12-point proposal included expanding travel and sporting links and easing visa regulations. The most sweeping proposal, however, concerned opening the road from Srinagar to Muzaffarabad (PoK). Khokhar said Pakistan accepts the idea in principle, but said the frontier crossings must be manned by the UN.

In India, the ministry of external affairs spokesman's office said it had no



PROPOSALS	RESPONSE
▶ Restoring cricket and other sporting ties	✓ Accepted
▶ Srinagar-Muzaffarabad (PoK) bus service	✓ Accepted, with a rider
▶ Second round of talks on air links and overflights	✓ Accepted, talks to be held on Dec 1, 2
▶ Ferry service between Mumbai and Karachi	✓ Can be discussed
▶ Bus or rail link between Rajasthan and Sindh	✓ Can be discussed

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immediate reaction. India may take a few days to mull over the proposal and come out with its own response, officials said.

More reports on Page 4

Delhi ready for another shot at peace

Proposes resuming cricket ties, Mumbai-Karachi ferry service

By Siddharth Varadarajan
TIMES NEWS NETWORK

New Delhi: In an attempt to breathe life into the virtually comatose peace process with Pakistan, India on Wednesday unveiled a number of proposals, the most dramatic of which were a bus service between Srinagar and Muzaffarabad in Pak-occupied Kashmir, a Mumbai-Karachi ferry service, and the resumption of bilateral sporting links, including cricketing ties.

Two of the proposals—a bus to PoK and a Rajasthan-Sindh train line—are reiterations of an earlier offer made before the Agra summit.

The decision was taken at a meeting of the cabinet committee on security and conveyed to Pakistani high commissioner Aziz Ahmed Khan by foreign secretary Kanwal Sibal.

Although this softening of the Indian stance comes days after the heightened rhetoric on the Dawood Ibrahim issue, a senior official explained that India was acting in the belief that "greater people-to-people contact is very much in our interest".

At a press conference, external affairs minister Yashwant Sinha said the government's latest peace offering was not a sign of "weakness" and did not represent a dilution of India's stand on cross-border terrorism. "Our war against terrorism will continue," he said. "There will be no let-up."

While some of Wednesday's offers can be operationalised quickly, officials say India is essentially looking first for a breakthrough on the deadlocked air links front. The civil aviation authorities in both countries will soon resume negotiations on overflight rights and

point-to-point flights, with India adamant that it will not provide Pakistan any guarantee not to suspend overflights in the future.

Technical talks on the resumption of the Samjhauta Express have also been offered but Mr Sinha made it clear the rail line would only open after the "successful completion" of civil aviation talks. Also linked to this question will be further increases in mission staff strength and, by extension, the proposal to conduct "visa camps" in cities other than Delhi and Islamabad.

Even though a bus journey from Srinagar to Muzaffarabad would involve the stamping of passports at Uri on the Line of Control, Mr Sinha refused to get drawn into the wider implications. Asked whether this would mean the de facto recognition of the LoC as the international border—in the same way that the MEA interpreted the opening of a customs point at Nathu-La as de facto Chinese recognition of Indian sovereignty over Sikkim—Mr Sinha said, "The LoC is an existing reality."

Road to detente

- A bus or train service between Munabao in Rajasthan and Khokhrapar in Sindh
- An increase in the capacity of the Delhi-Lahore bus by running more buses in convoy on the existing days
- Allowing senior citizens to cross the Wagah border on foot
- Free treatment for another 20 Pakistani children in need of cardiac surgery

Atal rules out summit at Saarc meeting

S. Rajagopalan
New York, September 26

PRIME MINISTER A.B. Vajpayee on Friday ruled out a dialogue with Pakistan, but rejected the view that his peace initiative had petered out. Vajpayee said there would be no bilateral talks during his visit to Pakistan next January for the Saarc summit.

"We have no plans to hold talks with Pakistan. There is no conducive atmosphere for a dialogue and any attempt now will be unproductive," Vajpayee told a news conference. He also said: "I don't think it is the end of the peace initiative. Peace efforts must continue."

Earlier, Indian and Pakistani officials clashed at the UN General Assembly. Pakistan dubbed India the "mother of terrorism" and India responded by saying Pakistan was the "epicentre of terrorism". Vajpayee dismissed Pakistan's description. India's credentials as a champion in the battle against terrorism are well established, he said.

On Thursday, Pakistan's permanent representative to the UN, Munir Akram, raised the pitch of the rhetoric. Exercising the "right of reply", he accused New Delhi of sponsoring terrorism. Commenting on India's internal affairs, he said Vajpayee's stance was part of a strategy crafted by BJP hardliners to win the coming elections.

Indian representatives lost little time in responding. Political counsellor Harsh Singla said,

Verbal duel

Islamabad says

- ▶ India is mother of terrorism. Indian "occupation forces" have killed 80,000 in J&K
- ▶ Vajpayee's stance is part of a strategy to win elections

India responds

- ▶ Pakistan is epicentre of terrorism — international community is discovering what Islamabad is up to
- ▶ Pakistan's fight against terrorism is based on 1% intention & 99% pretension

"Pakistan's combat against international terrorism is based on one per cent intention and 99 per cent pretension."

In Islamabad, Pakistani officials described Vajpayee's address at the UN on Thursday as myopic and undignified, and accused him of distorting Musharraf's comments a day earlier.

Atal meets Putin

Vajpayee met Russian President Putin at the UN Headquarters on Thursday. Putin set aside protocol and arrived early for the meeting, and the two leaders talked without aides. Musharraf, however, failed to keep his appointment with Putin, for his motorcade was refused passage by the New York police.

Delhi scoffs at General's Kashmir 'itch'

S. Rajagopalan
New York, September 23

THE ANNUAL war of words in New York over Kashmir began with Pakistan President Pervez Musharraf lighting the fuse on Monday with a tirade against India's "state terrorism to put down the Kashmiri freedom struggle".

India promptly hit back. Foreign secretary Kanwal Sibal asked Musharraf to get over the "annual Kashmir itch". He went on to suggest that the Pakistani leadership do "some fasting before making the annual pilgrimage to the United Nations".

Musharraf, speaking at an

international conference on terrorism, equated Kashmir with Palestine and claimed that what was happening in both places was not terrorism, but "a struggle to win freedom from foreign occupation".

India stayed out of the conference, organised by the Norwegian government and the International Peace Academy. Asked why, Sibal told Indian journalists: "We have to look at what company we keep."

Musharraf will address the UN General Assembly on Wednesday. Prime Minister Atal Bihari Vajpayee will speak a day later, and thus have the chance to rebut him.



PERVEZ MUSHARRAF

■ What's happening in J&K is a 'freedom struggle'

■ Pak's attempts to hold talks met with 'zero return from India'

■ Pak will involve the UN and the US in resolving the Kashmir dispute



KANWAL SIBAL

■ Musharraf should get over 'the annual Kashmir itch'

■ It is an astonishing comment that flies in the face of facts

■ Pakistan controls neither the United Nations nor the US

India and US natural allies: Vajpayee

Vir Sanghvi
New York, September 23

THE LAST time he spoke to the Asia Society over dinner at the Waldorf Astoria three years ago, Atal Bihari Vajpayee was handed the wrong pair of glasses by an aide and stumbled through his speech.

But on Monday, as Vajpayee spoke to the Asia Society again — at its Park Avenue headquarters — there were no stumbles and no mixtures. Instead, the Prime Minister delivered a strong and forceful speech defining the India-US relationship.

India and the US, he said, were natural allies. But once he had spoken about the belief in shared values, the PM got down

to the usual code phrases that India uses for expressing its interests. Part of the speech was a coded attack on Pakistan's support for terrorism. We should demand, Vajpayee said, "the same high standards in combating terrorism" from all countries. And in a clear reference to the new US-Pakistan relationship based on Washington's need for an ally near Afghanistan, Vajpayee declared, "We should not be drawn into the grey zone of conflicting policy objectives, which condones ambiguous positions on terror."

On Iraq, where the US has complained that Indian support has been faltering, Vajpayee chose a safe construction. "We have to develop an international consensus, which accelerates

the political, economic and security transformation in that country." Translation: no peace-keeping troops or support till the UN backs the effort.

It helped that Vajpayee was addressing a broadly sympathetic audience. Indian diplomats have long been suspicious of the Asia Society, which, though it is a symbol of the East Coast establishment, can be China-centric and pro-Pakistan. Certainly, the feeling three years ago was that Vajpayee's audience was not particularly sympathetic.

But on Monday, the audience was packed with top NRIs, including the likes of Rajat Gupta and Purnendu Chatterjee. Vajpayee was introduced by Victor Menezes of the Citi-

group, which had sponsored the event. And wealthy NRIs from the financial sector crowded around Vajpayee at the tea that followed the lecture.

So great had the change in the Asia Society been that this was almost a second NRI event. On Monday, Vajpayee had attended a public meeting organised by Bishma Agnihotri, the controversial ambassador for NRIs, and had been greeted with slogans and chants. Monday's event was the upmarket session of Agnihotri's slogan-fest. This was the crème de la crème of the NRI community and the change in the mood at the Asia Society demonstrated how successfully the NRI elite has penetrated the US establishment.

Pak calls off Saarc meet

5-8 1999
New Delhi, Sept. 12: Pakistan has taken a unilateral decision to call off the forthcoming Saarc communication ministers' meeting, reports our special correspondent. *Srinivas Arora*

The country has not cited any reason for cancelling the meeting that was to be held between September 17 and 18 in Islamabad. In a *note verbale* issued through the Saarc secretariat in Kathmandu, Pakistan informed the member countries yesterday about its decision.

The communication ministers of South Asia were to discuss a whole range of issues, including telephone tariff and special rates for regional transit traffic.

India, along with all other countries, had confirmed participation in the meeting.

Pakistan has now proposed that the conference be held between October 27-28. But India is yet to take a decision on the fresh dates.

'Indo-Pak. tensions stalling

SAARC process'

19-12-1977

By K.K. Katyal

NEW DELHI, JULY 18. The SAARC process is seen as having become the hostage to India-Pakistan tensions by the other members of the grouping whose representatives make no secret of their exasperation over delays in holding summit meetings and the lack of progress on the cooperation agenda.

These nations, notably Nepal, Bangladesh and Sri Lanka, had complained of the adverse fall-out of the adversarial relationship between New Delhi and Islamabad from time to time. Their annoyance is evident once again now. While official representatives are forthright at closed-door meetings, the non-officials do not mince words in expressing their views in public. They are happy at the consensus reached at Kathmandu by the Foreign Secretaries over the dates of the next summit — January 4 to 6, 2004 — but keep their fingers crossed, fearing an upset because of a sudden negative development.

The former Bangladesh President, Hussain Muhammad Ershad, is unhappy that India-Pakistan conflicts were an obstacle to economic cooperation among the SAARC nations. "There is no problem with other countries of the region. The pace of the

SAARC is slow because of tensions between India and Pakistan. We had a vision of economic development of the region. However, it could not gain momentum due to conflicts between these two countries."

Kathmandu Post, a daily from Nepal, bemoans: "In its new role, the regional body has become an 'akhara' (ground for physical bouts) for wrestling matches between India and Pakistan, two of the largest members of the group. If one day it is India hogging the media limelight, the day after belongs to the archrival, Pakistan. The media, too, does not go beyond India-Pakistan (problems). But their obsession with the nuclear-armed South Asian rivals is understandable. This is the news that is lapped up by the readers and the TV viewers. The forum is being used for scoring some brownie points. Isn't it then high time to re-examine the role of the SAARC? If it is to be hijacked by the Indo-Pakistan agenda each and every time any significant meeting is held, then why hold such meetings at all? And why keep the SAARC going, in its current ineffective role?... As long as Indo-Pak hostilities remain, the SAARC will not be able to achieve any progress."

The News Today, a daily from Bangladesh, writes: "As is widely known, the

SAARC has not been able to make any noteworthy progress in promoting regional cooperation and partnership due to Indo-Pakistan political confrontation one of the ways to make this regional forum stronger is to remove misunderstandings among the member-nations and to hold summit meetings and consultation regularly. The South Asian leaders should realise the imperatives and move forward to mend their differences".

The progress of the SAARC process, it is felt now, will be determined by the outcome of the next round of talks on free trade for South Asia, due to be held in September. This will be the fifth meeting of the committee of experts that has been engaged in preparing the draft framework treaty for creating South Asia Free Trade Area. India had been pressing for early completion of the exercise which had already been delayed by over a year. Pakistani experts take a correct stand, but the mood changes when discussions move on to the political level. Islamabad, as is known, gives priority to the resolution of the "core issue" so as to create a conducive climate for economic cooperation. Other nations are not concerned with such wrangling but want positive results and movement forward.

WEDNESDAY, JULY 16, 2003

MOVING SAARC FORWARD

SOUTH ASIAN COOPERATION can make headway in a meaningful manner for the region's huge population only if India and Pakistan show genuine progress towards normality in their bilateral relations. Their continuing differences have stunted the growth of the South Asian Association for Regional Cooperation (SAARC), launched ambitiously in 1985. The organisation has no doubt expanded interaction among the seven member-nations in a range of areas, including agriculture, meteorology, health, education, human resource development, and tourism. However, the discord between the two main players has held up progress in the vital area of trade where the region's complementarities are waiting to be exploited for the common good. These differences have forced the regional organisation to miss deadlines in 2001 and 2002 for a proposed treaty for a free trade area. It is against this background that the announcement of an agreement to hold a summit meeting of SAARC early next year in Islamabad will be hailed in the whole region. It gives the organisation a political shot in the arm, without which it will remain weak and ineffective. Many roadblocks remain before the preferential trade agreement and, subsequently, the free trade area become a reality. But the summit should put SAARC back on the rails and steaming.

The announcement of the summit was itself a message considering the complexity of interstate relations and the interplay of forces in the region. The run-up to January 2004 will test the resolve especially of the political leadership of India and Pakistan to look beyond unsavoury and problematical recent happenings to a larger and brighter picture of regional cooperation. The consensus on holding a summit mirrors the movement of India-Pakistan relations towards normality. Several positive steps have been taken on the bilateral front. The High Commissioner of Pakistan, Aziz Ahmed Khan, has presented

his credentials to the President, and with his counterpart, Shiv Shankar Menon, reaching Islamabad, a year and a half of diplomatic rupture has ended. Parliamentarians have made reciprocal visits and a Pakistani business delegation has exchanged views and experiences with Indian businesspersons and officials. At another level, the Lahore-Delhi bus service has been resumed, raising hope that air and rail links will also be restored. Confident that its concerns over liberalisation of trade will be addressed, Islamabad now appears ready to talk about lowering trade barriers.

The challenge before the governments of the SAARC countries is to firm up trade and commercial interaction in the region in tune with the improvement in political ties between India and Pakistan. As the region's largest nation, India carries the additional responsibility of showing greater flexibility and readiness than it has done so far in responding to the needs of other, and especially much smaller, SAARC members. Whether it is landlocked Nepal's requirement of transit facilities or Bangladesh's need for trade outlets, there is much that India can do by acting on the principle of non-reciprocity, a principle that can do a world of good for good neighbourliness. Regional dreamers within SAARC will point out that trade-driven politics is, after all, behind the impressive successes of the European Union and the Association of South East Asian Nations, both politically disparate groupings. But it should be remembered it has taken time and enormous hard work to build these two major success stories of regional cooperation. Absent the requisite political will, it is not surprising that SAARC is not in the same league. If it is to fulfil the aspirations of its peoples — it represents a fifth of the world's population — it must demonstrate a readiness to prevent the business of regional cooperation from being undermined by bilateral differences and disputes.

16 JUL 2003

Benazir keeps her fingers crossed on SAARC

Sudeshna Sarkar
in Kathmandu

July 13. — Former Pakistani prime minister Mrs Benazir Bhutto is happy that fresh dates have been announced for the stalled 12th SAARC Summit. However, she is keeping her fingers crossed that it is not derailed yet again by violence.

the Fourth Special Meeting of the SAARC Standing Committee in Kathmandu that announced the 12th meeting of the heads of the seven member states would be held in Islamabad from 4-6 January.

"It is a positive sign," said Mrs Bhutto, who was in Kathmandu with her two sons on a private visit

slow and steady wins the race and South Asia deserves development. I just hope the conference is not delayed by some other active violence."

Holding the "military regime" in Islamabad responsible for the hitches in Indo-Pak relations, she told The Statesman today: "I am torn between optimism and history (that there won't be a second Kargil). The Agra Summit was a failure and in the last

three and a half years, there has been no meeting between the leaders of the two nuclear nations. President Musharraf has been saying he wants relations with India to improve and that he would come down heavily on terrorism. But we have reservations about his ability to deliver. And we are concerned at his being bent on eliminating democratic forces which symbolise a progressive and modern Pakistan."



Mrs Benazir Bhutto

India 'happy' at consensus at SAARC meeting

AD-11
12/7

Centre Asia

By Amit Baruah

NEW DELHI, JULY 11. India today said it was "happy at the consensus" reached at the meeting of the standing committee of the South Asian Association of Regional Cooperation (SAARC) Foreign Secretaries in Kathmandu on Thursday.

The Foreign Office spokesman said that the consensus was on the "entire package of issues", including the SAARC summit to be held in Islamabad from January 4 to 6 next year. He hoped that the agreement on speeding up the economic agenda of the SAARC would be fully implemented before the Islamabad summit. "The standing committee has also stressed the urgent need for finalising the draft framework treaty on creating a (South Asian) free trade area (SAFTA) before the next summit."

The committee agreed to recommend the launch the fifth round of negotiations under the South Asian Preferential Trade Agreement (SAPTA) in September. "It has also directed that there should be substantial progress to report to the summit on other parallel trade facilitation measures, including the proposed regional agreement on promotion and protection of investments, avoidance of double taxation, trade arbitration council, customs cooperation and harmonisation of standards and measurements," the spokesman said.

There was also agreement that there would be

a series of meetings of an expert committee to decide on the SAFTA framework treaty and other trade facilitation measures before the summit. "India looks forward to progress on all these issues before the SAARC summit, as decided in the standing committee, and also to participating in it."

To a question if there had been a shift in the Pakistani position on trade issues, the spokesman said that there had been a consensus within the standing committee. In that sense, all SAARC members were party to the consensus.

The spokesman claimed that the lack of commitment on the part of Pakistan had been responsible for the delay in implementing the economic agenda.

Asked if India was placing a condition that there should be agreement on the economic agenda before attending the Islamabad summit, the spokesman said he did not want to get into such issues.

However, he reiterated that India wanted good progress on economic issues in order to make the summit exercise "meaningful".

On the issue of overflights, the spokesman said that India was still awaiting word on its June 24 consent to hold technical discussions between civil aviation officials to resolve this question as well as the resumption of flights between the two countries. There were, he added, no dates, so far, for the technical level discussions.

SUMMIT TO BE HELD IN ISLAMABAD FROM JAN. 4

Handwritten: *Sundar An*
HD-1
11/2

PM may go to Pak. for SAARC meet

KATHMANDU, JULY 10. The deferred South Asian Association for Regional Cooperation (SAARC) summit will now be held in Islamabad from January 4 next year. The meet may bring the Prime Minister, Atal Behari Vajpayee, face to face with the Pakistani leadership, two years after the Pakistan President, Pervez Musharraf's dramatic handshake with him here during the last summit in January 2002.

All the seven member-countries endorsed by consensus the Pakistan Government's proposal to host the SAARC summit from January 4 to 6 next year, the Foreign Secretary, Kanwal Sibal, told reporters after the SAARC Standing Committee

meeting, at which the decision was taken.

Indicating that Mr. Vajpayee might travel to Pakistan to attend the meeting, he said: "This consensus would not have been reached if India was not going to participate in the summit."

Pakistan wanted to host the summit last January but postponed it saying that India had not confirmed its participation. New Delhi had held that no decision was taken on dates for the summit. According to the SAARC charter, the participation of all heads of state and government of the member-nations is a must for a summit to be convened.

Even as Mr. Sibal announced the agreement between the

SAARC members to hold the 12th summit of the regional grouping in Islamabad, he accused Pakistan of being the "slowest in moving forward in the area of economic cooperation". He said he was confident that Pakistan would speed up.

Asked whether Indo-Pak ties hampered the SAARC process from moving ahead, Mr. Sibal's answer was an emphatic "no". "I don't agree on that. It is Pakistan's lack of commitment on the SAARC economic agenda that has blocked the SAARC process."

India has never caused any obstacle to the SAARC business, Mr. Sibal said, adding "we are having cooperation with Bangladesh, Sri Lanka, Nepal and

Bhutan. India's commitment to economic cooperation is substantial."

The two-day Foreign Secretary-level meeting was smooth and all important issues were discussed. Remarkable progress has been made on the economic cooperation front," he said.

He hoped that the South Asian Free Trade Agreement (SAFTA) treaty would be finalised before the next SAARC summit. The Secretary-level meeting discussed matters relating to the SAFTA treaty framework, reducing tariffs and trade facilitation procedures.

The SAFTA treaty framework will be finalised during the SAARC Committee of Experts meeting scheduled to be held in Kathmandu from September 17 to 19, according to officials. The fifth round of SAFTA negotiations would take place after that. India would host three ministerial meetings towards the third quarter of 2003, Mr. Sibal said. They are ministerial meetings on Science and Technology, Health and Information and Broadcasting.

On Indo-Pak tensions, Mr. Sibal said India had taken some positive steps, including resumption of the bus service between Lahore and New Delhi. He, however, asked Pakistan to show visible credible evidence of ending cross-border terrorism before bilateral talks could start. — PTI

A welcome development: Kasuri

By B. Muralidhar Reddy

ISLAMABAD, JULY 10. Pleased with the decision of the SAARC Standing Committee of Foreign Secretaries in Kathmandu to hold the SAARC summit here from January 4 to 6 next year, the Pakistan Foreign Minister, Khurshid Mehmood Kasuri, expressed the hope that the event could pave the way for a "composite dialogue" between India and Pakistan.

Mr. Kasuri said the presence of all heads of the seven states in general and the Prime Minister, Atal Behari Vajpayee, at the summit would contribute a great deal in reducing tensions in the region. "It is a very welcome development."

Mr. Kasuri said that though the SAARC charter did not provide scope for raising or discussing political or bilateral issues, the summit would provide an opportunity for the heads of the governments for bilateral meetings on the sidelines.

Mr. Kasuri said the international community was in favour of resumption of the stalled negotiations between Islamabad and New Delhi and Pakistan was ready for talks.

Mr. Kasuri's comments suggest that Pakistan is relieved that India did not come in the way of holding of the summit.

There were concerns here about it particularly given the slow pace at which the Vajpayee peace initiative was progressing.

Dialogue is the right solution: Powell

By Sridhar Krishnaswami

WASHINGTON, APRIL 15. The United States Secretary of State, Colin Powell, has said that his country would continue to "do everything" it could to lower the temperature in the subcontinent and see whether or not opportunities could be created for India and Pakistan to enter into a dialogue.

Gen. Powell also stressed that only dialogue, not the resort to force, was the right solution to deal with the problems between the two South Asian countries.

At the Washington Foreign Press Centre, Gen. Powell was asked whether the American war against terrorism affected not merely terrorism in the U.S. but also against a democracy like India;

and why every time New Delhi raised the issue of terrorism, Washington was calling for a "dialogue".

"We believe that terrorism is terrorism and it is not just an American phenomenon. It is a curse on the face of civilisation and affects nations throughout the world," Gen. Powell said.

"We have condemned terrorist attacks across the Line of Control on the subcontinent and we will continue to do so. We will continue to work with the Government of Pakistan and the Government of India as we move forward and we will continue to do everything we can to lower the temperature in that part of the world and to see whether or not opportunities can be created for the two sides to enter into a dialogue," Gen.

Powell said.

"Dialogue has been difficult over the years. But to solve this kind of a problem, I think, dialogue is the right solution and the resort to force would not be the appropriate solution," he remarked.

Gen. Powell, who fielded questions mainly pertaining to the developments in Iraq and the post-conflict phase, rejected the notion that the Bush administration had some kind of a "list" for regime change or that the U.S. was trying to be the "policeman" of the world.

"We don't wish to be the policeman of the world," Gen. Powell said and added that the agenda of the President, George W. Bush, was one of helping people for a better life; and also an agenda that is "based on principles".

49-11

Pak. offers dialogue on 'new architecture of security'

By B. Muralidhar Reddy

ISLAMABAD, MAY 23. Pakistan says it is ready to formalise the existing moratorium on nuclear testing being observed by India and Pakistan and work on a "new architecture of security" in South Asia.

The offer made by the Pakistan Foreign Secretary, Riaz A. Khokar, while addressing the U.N. Conference on Disarmament and its relevance for South Asia came with the usual rider — Kashmir. He said that "denial of the right of self-determination" to the people of Kashmir was the "acute source of tension" and needed to be addressed urgently.

Mr. Khokar's proposal formalising the moratorium and the offer of dialogue on issues related to nuclear strategic stability are not exactly new.

The dialogue offer agreed to in the Lahore Declaration of 1999 was in fact one of the Confidence Building Measures proposed by the Pakistan Prime Minister, Mir Zafarullah Khan Jamali, recently.

The "new architecture of security" mentioned by Mr. Khokar consists of six specific proposals — (a) Foreswearance of the use or the threat of force

24/5 5:00 AM

in settling disputes. (b) Full respect for the sovereignty and territorial integrity of all States of the region. (c) A permanent mechanism for bilateral dialogue and consultations for dispute settlement. (d) Initiation of result-oriented talks for devising mutually acceptable confidence building measures in the nuclear field. (e) Stabilisation of conventional forces at levels consonant with the legitimate security needs of all States of the region and (f) Renewed commitment to jointly combat the true enemy of South Asia — poverty, hunger, illiteracy and disease.

Mr. Khokar argued that "nuclear realities in our region impose certain obligations and responsibilities on our two countries.

It is, therefore, important for both India and Pakistan to engage in serious discussions for nuclear and strategic stability in our region," he said at the 65-member Conference in Geneva.

Pakistan supported the CBMs outlined in the Memorandum of Understanding signed at Lahore in February 1999.

He hoped that resumption of the dialogue between the nuclear neighbours would enable the two sides to conclude substan-

tive and result-oriented measures for arms restraint and promotion of security in the region.

There were several measures that Pakistan was prepared to discuss and reach an agreement. An agreement on non-deployment of nuclear weapons based on agreed definitions would also be a major factor for stability, he said. A formal agreement to notify each other of ballistic missile tests would constitute an important confidence building measure.

A conventional military balance in South Asia was also critical to prevent the use of force, which could escalate unpredictably, he said.

Preserving the conventional balance in South Asia was also a major responsibility of the states that were large exporters of conventional weapons.

In the context of reports of Israel's readiness to transfer certain type of defence equipment to India, Mr. Khokar said that transfer of anti-missile systems, airborne early warning capabilities and major naval capabilities including nuclear propulsion craft would be viewed by Pakistan with the utmost seriousness and Pakistan would be obliged to take counter-measures.

7-6
19/5

Saarc litmus test for Pak

South Asia

PRANAY SHARMA

New Delhi, May 13: Pakistan's intention of normalising ties with India will be put to test at next month's Saarc meeting, which will try to finalise the draft for a free trade agreement among the seven South Asian nations.

The meeting, scheduled for the first week of June in Kathmandu, will be the first Saarc gathering at the official level since last October when members failed to put in place a preferential trade arrangement — a precursor to the free trade agreement — mainly because of strained India-Pakistan relations.

If an agreed draft on the free trade area is arrived at by officials, it could also pave the way for a year-end Saarc Summit in Islamabad — a possibility which could lead to a meeting on the sidelines between the Prime Ministers of India and Pakistan.

India today formally announced the name of Shiv Shankar Menon as its new high commissioner to Islamabad. Pakistan is yet to nominate its envoy.

Pakistan Prime Minister Mir Zafarullah Khan Jamali had last week announced trade conces-

sions to India on 78 items. But Delhi had found the offer "inadequate."

Agency reports from Islamabad quoted trade minister Humayun Akhtar as saying Pakistan was ready to resume trade relations with India both at the bilateral level and under the Saarc umbrella as soon as talks resumed.

"As soon as dialogue between the two countries starts, we are ready to do trade with India," Akhtar was quoted as having told BBC radio yesterday.

Trade between the two countries never stopped, so it is not very clear what the Pakistan minister meant. It is possible that he was hinting at enhancing trade co-operation. Officials in Delhi said they would wait and see.

South Block officials pointed out that the Kathmandu meeting will be test of Pakistan's intention. Sources in the foreign ministry said Pakistan has in the past been reluctant to normalise trade relations with India.

India has extended tariff concessions on 393 items. But at the last Safta meeting, Pakistan offered only 250 items, of which 146 were on its "negative list".

11 MAY 2003

THE TELEGRAPH

'Dialogue in 24 hours if incursions stop'

Srinagar to you
T-1

Atal repeats Pak talks offer

SEEMAGUHA *2/9*

Srinagar, April 19: Prime Minister A.B. Vajpayee today again extended a hand of friendship to Pakistan, saying he was willing to begin talks within 24 hours provided Islamabad stopped sending in armed infiltrators and dismantled terrorist camps.

Having been misunderstood in some quarters yesterday, Vajpayee clarified his position on Pakistan at a news conference before leaving for New Delhi.

"I have extended a hand of friendship to Pakistan but Pakistan has to also do its bit. Even after Lahore and Kargil I am willing to be friends, so long as cross-border terrorism stops, armed infiltrators are not sent out across the border and their camps are destroyed," he said.

Despite the Prime Minister's entourage repeatedly saying yesterday there was no shift in

India's position, Vajpayee again gave the signal that he had not given up on peace and was willing to give it another try.

At the same time, he threw the ball into Pakistan's court, saying that the failures at Lahore and Agra would not deter him provided there was reciprocity. "India wants to go ahead on the path of friendship and peace. They (Pakistan) have welcomed my speech, now I am waiting for their reply..."

"A new beginning depends on Pakistan, I am waiting to see how they respond," he said.

Vajpayee seemed in the mood to make a fresh attempt at defusing border tension. "India and Pakistan can talk on all issues, including Kashmir. It may take long, 50 years have already passed, and it is time to break the deadlock. Only talks can solve the problem."

Vajpayee said the global situation had changed and what hap-

pened in Iraq was a warning to all countries to resolve disputes across the table. "How long can India and Pakistan continue this deadlock?" he asked.

He said the moment he saw a change in Pakistan's attitude, he would send a senior foreign ministry official within 24 hours to Islamabad to chalk out an agenda for talks.

He said he did not want to keep talking of what happened in the past. Recrimination was not the answer, the need was to go forward. "This is why I did not talk of the massacre of Pundits yesterday. It is not that I don't feel for them. But we have to look to the future. This is why I did not also dwell on Kargil and Agra yesterday... I want a new beginning."

He also took a dig at local newspapers, which dubbed his speech yesterday as the vision of a poet and dreamer. "I am a dreamer, yes. But I also see that my dreams turn to reality."

THE TELEGRAPH

20 APR 2003

Pak eyes Saarc route to talks

Muhammad Najeeb
Islamabad, April 20

ENCOURAGED BY Prime Minister Atal Bihari Vajpayee's offer of the "hand of friendship", Pakistan plans to schedule a Saarc conference to give leaders of the two countries a chance to meet.

A meeting of the South Asian Association for Regional Cooperation was originally scheduled for January in Islamabad but Pakistan postponed it, blaming India for failing to confirm its participation. Under the Saarc charter, a summit cannot be held if even one of the seven members refuses to confirm participation.

Pakistan foreign office spokesman Aziz Ahmed Khan said on Sunday: "We have already welcomed (Vajpayee's) offer and would take every possible step for peace in the region."

45-1 2/4 8/20/03 - ANI
Referring to the Saarc conference, Khan said Pakistan would set a new date for the meeting that could help lower tensions in South Asia.

On Saturday, Vajpayee had repeated his offer of holding talks with Pakistan on the condition that Islamabad stopped exporting terror to India. On Friday, he had offered a "hand of friendship" to Pakistan during a rally at Srinagar, but said it was up to Islamabad to respond.

When asked if the Saarc conference could be used for bilateral discussions between leaders of India and Pakistan, Khan said: "We are ready to hold talks with India anywhere and at any level. We don't want to miss any opportunity provided India agrees."

On Saturday, Pakistan Foreign Minister K.M. Kasuri had said Islamabad would take every step for

normalising relations with India. In an interview with BBC from Riyadh, where he had gone for talks with the Saudi leadership on Iraq, Kasuri said he hoped Vajpayee would attend the next Saarc meeting in Pakistan.

"When the new government came to power in Pakistan, in my very first statement I had said we attach very high priority to improvement of relations with India. But unfortunately we did not receive any response. Now the response has come, and Pakistan welcomes it."

Kasuri said Vajpayee's statement reiterating the need for peace was significant because it showed his remarks were "well thought out" and not just off-the-cuff. "We are prepared for a composite dialogue with India on all outstanding disputes, including Kashmir," Kasuri said.

Indo-Asian News Service

THE HINDUSTAN TIMES

Governments responsible for a limp SAARC, says Gujral

By Haroon Habib

KD *11* *20/4* *Gujral*
DHAKA, APRIL 27. The former Prime Minister, I.K. Gujral, has blamed all the governments of the region for the ineffectiveness of the South Asian Association for Regional Cooperation (SAARC). All of them should take the responsibility for the present state of the seven-nation grouping.

"India, central figure of the SAARC, both for its geographical location and enormity of size, should alone shoulder the major responsibilities for the present state of affairs," he said.

Delegates from four south Asian countries, at a meeting of the South Asia Human Rights (SAHR), of which Mr. Gujral is the chairman, presented a gloomy picture of the human rights situation in their countries when they met here on Saturday.

Addressing the meeting of leading civil society leaders from Pakistan, Sri Lanka, Nepal and Bangladesh, the former Prime Minister stressed the need for a "genuine cooperation" among the SAARC members. He called for inclusion of Myanmar and Afghanistan in the grouping for making it more effective and viable, a proposition earlier floated by Kamal Hossain, also a founder of the SAHR. He also warned the people of South Asia about the impact of an "emerging neo-imperialism" in the world politics.

"The ominous shadow of the post-Iraq war is creeping in our direction and the purpose of neo-imperialism is not only confined to acquisition of oil source alone but also to re-establish hegemony". He urged the people of South Asia to face the emerging threat together.

Mr. Gujral urged all concerned to augment de-

velopment in the region, leaving aside old rivalries and mistrusts, learning from the experiences of ASEAN countries.

The SAHR meeting chaired by advocate Sigma Huda, was addressed by the former Foreign Minister of Bangladesh, Kamal Hossain, the co-chairman of SAHR, Asma Jahangir, the former Finance Minister of Nepal, Devraj Pandey, the Sri Lankan human rights activist, S. Balasingam, and the president of the Bangladesh Supreme Court Bar Association, Rokon Uddin Mahmud.

'Export gas'

The former Prime Minister also reiterated the call of the successive governments in New Delhi to export "gas" in order to mobilise funds for development. "Please export gas and hydro-carbon to other countries, if not to India," he said and pleaded not to be misunderstood for the proposal. He also urged Dhaka to "make proper use of the Chittagong port", saying it had the potential to emerge as the Hong Kong of South Asia.

Ms. Jahangir disagreed with Mr. Gujral on the issue of terrorism. "The fight against terrorism often degenerates into a battle imposed by a powerful country on a weak nation, like the occupation of Iraq by the U.S.-led forces at the global level and suppressing people by the governments in the local level," she argued, recalling some instances of repression by the Pakistan army. The Pakistanis were languishing under the brutality of military dictatorship for the last 50 years with small recess and "we know how precious democracy is for the people and development of a country."

India, Lanka and Bangla launch fisheries scheme

PRESS TRUST OF INDIA

CHENNAI, April 26. — A major initiative for achieving self-reliance in fisheries development and management in the Bay of Bengal region — Bay of Bengal Programme Inter-Governmental Organisation (BOBP-IGO) — was launched here today by India, Bangladesh and Sri Lanka.

Top agriculture and fisheries officials of India, Bangladesh and Sri Lanka signed the document marking the setting up of BOBP-IGO here in the presence of Ms Binoo Sen, Secretary to the ministry of agriculture, Government of India.

The BOBP-IGO is meant to be a permanent organisation to promote fisheries development and management in the region replacing and institutionalising the 24-year-old FAO funded Bay of Bengal Programme (BOBP) which was operative with the active participation of seven countries that included Indonesia, Malaysia, Maldives and Thailand.

Speaking on the occasion, Ms Sen said the new organisation would facilitate important programmes and interventions to benefit small-scale fisheries.

She said Indonesia, Malaysia, Maldives and Thailand, other members of the erstwhile BOBP (who were not signatories today), would join the IGO at the earliest.

The BOBP-IGO could facilitate community management at the local level and cooperation at the regional level and help build bridges of cooperation at the national level between fisheries agencies and other sectors in member countries.

Ms Sen expressed concern at the “fishing pressure” in the region and dwindling fish stocks caused by the pumping of “billions of dollars into expanding fishing fleets”.

Mr P S Yadava, interim coordinator of BOBP-IGO, recalled that over its 24 years of existence, the erstwhile BOBP generated a steady stream of demonstrated and proven ideas, techniques, technologies and methodologies to help small-scale fisher folk in areas like fishing craft, fishing gear, post-harvest fisheries and aquaculture.

BOBP was funded at various times by different donors in the past 24 years, he said.

IGO would be financed by member-governments with annual contributions and would also initiate steps to mobilise funding for special projects.

He said that the IGO planned to undertake a regional project to promote safety at sea for artisans and small-scale fishermen, a regional programme for fish stock management and capacity building and information services in subjects like fisheries management.

Mr P K Patnaik, joint secretary (fisheries), Government of India, Mohammed Abdul Haq, secretary, ministry of fisheries and livestock, Government of Bangladesh and Mr G Piyasena, director-general of fisheries, Sri Lanka, signed the BOBP-IGO document on behalf of their respective countries.

Mr Daniel Gustafson, FAO representative in India and Bhutan was also present at the signing ceremony.

27 APR 2003

THE STATESMAN

'Short-circuiting' Saarc denied by Delhi

SR-A
4/3
Statesman News Service

NEW DELHI, March 3. — Pakistan has called off the meeting of communication ministers of South Asian Association for Regional Cooperation in Islamabad, sources said.

India was ready to send a delegation headed by a minister, but last Saturday Pakistan called off the meeting scheduled for 7 and 8 March. Pakistan, however, blamed India for the postponement as it had earlier done when the summit meeting was called off.

Far from "short-circuiting" or obstructing the Saarc process, as Pakistan claimed, India would have sent a delegation, as it had for the information ministers' meeting when Ms. Sushma Swaraj visited Islamabad.

Mr KC Pant too went to Pakistan for a Saarc ministerial meet last year. In fact, it was Sri Lanka, another Saarc member, which had expressed its inability to attend the ministerial meeting, sources said.

India accused Pakistan today of misusing the Saarc forum to blame New Delhi for Pakistan's inability to fulfil commitments.

The foreign office accused Pakistan of "short-circuiting" the Saarc system by postponing a scheduled meeting of the communication ministers.

The MEA spokesman said India was considering to participate in the meeting but "the entire process has been short-circuited by the announcement of postponement".

"They did the same during the summit — announcing a postponement a month before the event. It serves their narrow political interest... and blame India for them," he said rejecting charges of New Delhi obstructing the Saarc process.

"India's commitment to the Saarc process is well known. It's Pakistan's commitment that has always been in doubt," he said.

The ministerial conference was to have been preceded by an official level meeting on 6 March.

4 MAR 2003

THE STATESMAN

140-11 Pak. blames India for SAARC meet postponement

283

By B. Muralidhar Reddy

ISLAMABAD, MARCH 2. Pakistan has claimed that it has been forced to postpone the second meeting of the South Asian Association for Regional Cooperation (SAARC) Communications Ministers' conference scheduled for March 7 and 8 due to 'non-confirmation' of participation by India.

A spokesman for the Pakistan Foreign Office said that the meeting was to have been preceded by senior officials' meeting on March 6. "It was perhaps for the first time that a SAARC conference at the level of Ministers was put off due to reported

non-confirmation from New Delhi."

"Islamabad is upset over what it terms as the 'attitude' of India even towards the SAARC just because an event is scheduled in Pakistan." A fortnight ago India had decided to stay away from the South Asian Federation (SAF) games scheduled to begin here in the last week of March. Before that, Pakistan postponed the SAARC summit, originally scheduled in the second/third week of January after what it claimed as failure to confirm its participation.

Till it chose to stay away from the SAF games, the position of India was that it would not mix SAARC with Pakistan and take

active part in every forum of the Regional Association. Less than a month ago, India did participate in the conference of state media chiefs here.

Pakistan had proposed to hold the second meeting of SAARC Communications Ministers in Islamabad from December 20 to 21, last year. The Foreign Office spokesman said that while confirmations of participation from the member states were being received, the Indian Government sought a postponement on technical grounds.

"Keeping in line with the SAARC spirit of goodwill and cooperation, Pakistan went along with the Indian request

and postponed the meeting. To allow member states adequate prior notice, March 7 to 8 were immediately announced as the fresh dates for the meeting. It is indeed regrettable that India has yet again decided to scuttle an important SAARC activity."

The spokesman charged that by not participating in the 12th SAARC summit and pulling out of the 9th SAF games being held in Islamabad and its latest decision to withhold participation in the second meeting of the SAARC Communications Ministers, "India instead of promoting cooperation and amity in the region, was actually out to harm the SAARC."

Take 'risks for peace', U.S. tells India, Pak.

DAVOS (SWITZERLAND), JAN. 26. The United States today asked India and Pakistan to take "risks for peace" in the subcontinent and work to normalise relations.

Addressing the World Economic Forum, an annual gathering of over 2,000 political and business leaders here, the U.S. Secretary of State, Colin Powell, said "it is crucial that they both take risks for peace on the subcontinent and work to normalise their relations".

"No American 'hidden hand' can remove the distrust between India and Pakistan. That they must do for themselves."

Gen. Powell said he believed

the U.S. was instrumental in calming tensions between India and Pakistan last year, but added that there was still much to be done.

"The United States has extended a helping hand to both India and Pakistan; we stand ready to do so again."

Iraq 'failed the test'

Gen. Powell said that Iraq had "failed the test" with its weapons declaration and the U.S. was willing to launch an attack on its own if the U.N. Security Council shrank from disarming the Iraqi President, Saddam Hussein. In a speech to muster European support for a

tough line against Iraq, he made few concessions to European doubts about the wisdom of invading the country while U.N. inspectors were still searching for suspected weapons of mass destruction.

He mixed reassurances that the Bush administration would be patient and consult its allies with warnings that time was short and Washington would not wait forever.

"We are in no great rush to judgment today or tomorrow but it's clear that time is running out."

"Multilateralism cannot become an excuse for inaction," he said, referring to opposition

to an early war among key veto-holding members of the U.N. Security Council — France, China and Russia.

"We will work through these issues patiently and deliberately with our friends and allies... Let the Iraqi regime have no doubt, however. If it does not disarm peacefully at this juncture, it will be disarmed at the end of the road. We will not shrink from war if that is the only way to rid Iraq of its weapons of mass destruction. We continue to reserve our sovereign right to take military action against Iraq alone or in a coalition of the willing." — AP, AFP.

THE HINDU

27 JAN 2003

The seven sisters of South Asia

By Lakshman Kadirgamar

THE TITLE of this lecture is not "SAARC: where is it going". With conscious intent I pose the question: "The Seven Sisters of South Asia: where are they going?" The nuance is deliberate. It reflects my view that SAARC — the South Asia Association for Regional Cooperation — comprising seven states is a grouping of legal entities. States are devoid of hearts and feelings. They are permanently locked into a pattern of elaborate political and diplomatic manoeuvre which may or may not, at any given point of time or on any particular issue, reflect accurately, or at all, the interests and aspirations of the people at large whom they are supposed to represent. SAARC is state-led, government-driven.

The metaphor of the sisters, on the other hand, conjures up an image of kith and kin, a shared home in our vast sub-continent, and in the language of the Colombo Declaration at the 10th SAARC Summit in 1998, "heirs to a profound common civilisational continuum of great antiquity which constitutes a historical basis for sustaining harmonious relations among the people of the region". The sisters are mothers. Their children — the peoples of South Asia — are thus, by definition, first cousins. Sisters may suffer estrangement from time to time; more often than not they make up, and family life is resumed. Blood is thicker than water.

The recent rescheduling of the 11th Summit which was to have been held in Kathmandu in 2001 and the indefinite postponement of the 12th Summit which is scheduled to be held in Islamabad in 2003, have raised, yet again, old questions regarding the future of SAARC. One writer holds the view that SAARC is still at the "beginning of the beginning". I do not agree. Much has been accomplished. Certainly, much more remains to be done...

The road from New Delhi to Islamabad is strewn with the boulders of history. Powerful compulsions and influences, domestic and foreign, unpredictable events, seem to render futile the well meant attempts of a few individuals, from time to time, to move those boulders. 1999 began with a brave bus journey to Lahore which lifted the spirits of the entire

sub-continent only to end with the battle in the snows of Kargil which brought the work of SAARC to a near halt for two years. In terms of finding a solution to one of the most complex problems of all time, one cannot reasonably expect a regional organisation to achieve in 17 years what the United Nations has failed to achieve in 57; to think otherwise is to condemn SAARC for failing to accomplish a recognised impossibility...

What are the possibilities open to SAARC?... First, the possibility of member-states allowing SAARC to

dia's prospects of securing a permanent seat in the U.N. Security Council.

Another possibility is that SAARC could function as an umbrella organisation under which some member-states acting together, as with the Growth Quadrangle concept that SAARC has already accepted, or with neighbouring states outside of SAARC, proceed with economic cooperation at a more rapid pace than is possible under SAARC rules of unanimity. The Bangladesh, India, Myanmar, Sri Lanka, Thailand Eco-

before. There is a marked international trend towards the decentralisation of government, the involvement of the private sector not only in economic but in social and cultural activity, the empowerment of various interest groups which have a contribution to make towards improving the quality of life of our peoples. Given the lack of consistent political will, bureaucratic lethargy, institutional deficiencies and lack of funds that Governments suffer from, there is a great deal that Governments cannot, but non-governmental organisations can, do to help the people.

I am optimistic about SAARC... The reason for that optimism is that our cultures are interdependent, deeply common, historically ancient. The links between all seven of us are unfathomable. As ancient as they are, they are deeper than we think. Not only do we look very much alike, we speak languages that have remarkable similarity, our music is common, our culture is common, we are at home wherever we go in this great region of the world. When you have a mass of that kind, a vast number of human beings with enormous potential, potential that is being revealed every day in different areas of life, most recently in the field of information technology, there is surely reason to believe that a bright future awaits our peoples. We are poor but we are full of promise, and when any mass of that kind is full of promise there is hope, there must be hope. Obviously we will meet, periodically, as we have met now, obstacles, difficulties, political problems. That is inevitable in the process of sovereign States trying to work together.

The future of SAARC, I would say, will not lie in the hands of Governments. It will lie in the hands of the people. And it is the people, I am confident, who are going to see to it, who are going to ensure, who are going to insist, that SAARC must be kept alive, functional and positive. It will happen, believe me it will happen. The children of the seven sisters; they will determine the future of South Asia.

(Excerpts from the Tenth Lal Bahadur Shastri Memorial Lecture delivered in New Delhi on January 11 by the writer who is the Sri Lankan President's Senior Adviser on Foreign Affairs.)

The future of SAARC will not lie in the hands of Governments. It will lie in the hands of the people.

"languish into failure" by neglecting its institutional structure, failing to hold meetings, ceasing to fund the Secretariat, the Technical Committees and regional centres, not implementing important agreements in the Integrated Plan of Action, the Conventions on Terrorism and Narcotics and indefinitely postponing a Summit. In this scenario the relationship between India and Pakistan is vital...

An allied possibility is that without dismantling SAARC — and I have not yet heard or read a reasoned case for that drastic step — India becomes indifferent to it. This is a very real danger if India proceeds alone on a trajectory of economic growth or takes the route of bilateral economic agreements, the Free Trade Agreement between India and Sri Lanka being an example. But in today's world bilateral and regional arrangements are not mutually exclusive, and concentric regional groupings are becoming a common feature of international life.

Moreover, I would venture the thought that it would be very much in India's interests to turn SAARC into a viable Free Trade Area and thus make it an engine of economic growth for the region. I would add a further point. If it is perceived that India is deliberately undermining SAARC it would have a very adverse effect on India's standing in the world community, and a very adverse effect on In-

domic Cooperation grouping (BIM-STEAC) established in 1997 is a good example of that possibility. Another example is the Indian Ocean Rim Association for Regional Cooperation (IORARC), an organisation to which Bangladesh, India and Sri Lanka belong, along with sixteen other states.

Yet another possibility is that SAARC will continue to operate in a modest and unspectacular way slowly carrying on with its programmes of activities in the social field, enabling enhanced people to people contacts, increasing intra-regional trade and so on. The trend is certainly against isolation and towards greater cooperation. The most desirable possibility is for SAARC to grow into a fully functional organisation fostering cooperative and even joint action on problems common to the region. For this India is key, for all the obvious reasons that need not be enumerated. If India were to take the lead, since India accounts for about 75 per cent of the land area, population, resources and skills of the region, SAARC could become a regional economic entity of some weight. It is clear that SAARC cannot succeed without India but the other States must help India to participate wholeheartedly. This is where the Gujral Doctrine is important...

The SAARC must adopt a number of new initiatives. It must work much more closely with civil society than

Four Pak staffers told to leave as cold war hots up

■ **STANDOFF** | India cites 'sustained harassment'

EXPRESS NEWS SERVICE
NEW DELHI, JANUARY 22

THE diplomatic standoff between India and Pakistan is threatening to deteriorate. Reacting to a "sustained pattern of harassment" by Pakistani agencies of its diplomats and staffers in Pakistan, India today upped the ante by expelling two diplomats and staffers from the Pakistani high commission here today.

Pakistan's Charge d'Affaires Jalil Gilani was summoned at 6 pm on Wednesday to South Block and told that Mansoor Sayeed Sheikh, a political counsellor in the high commission, and Mian Muhammed Asif, a first secretary responsible for passports, visas and education as well as two staffers, would have to leave the country within the next 48 hours for indulging in activities "incompatible with their status," a euphemism for spying.

MEA spokesman Navtej Sarna, who called in a special briefing this evening, said the diplomats and staffers had been declared persona non grata, adding that he was not at liberty to give any reasons for the act. But government sources said the diplomats had been caught "handing over and receiving documents" as well as transferring funds to people for carrying out activities beyond their job profile. The names of the two staffers are Mohammed Tasneem Khan and Sheikh Mohammed,

the spokesman said.

Jilani told *The Indian Express* that he had not been given "any specific reason" for the decision. "It is obviously a harsh decision," he said, to ask the diplomats to pack their bags within 48 hours, along with their families and school-going children. A notice of seven days is usually given in such cases, he said.

India's decision comes in the wake of the harassment of its Charge d'Affaires in Islamabad, Sudhir Vyas, by intelligence agencies, for the last three-four days. While the treatment meted out to him on Saturday, when his car was "boxed in" and "checked" by other cars on the side, front and back, has been reduced, surveillance of his activities continues, Sarna said.

Government officials gave a detailed brief of the harassment of Indian diplomats and staffers in Islamabad, saying their families had reached "suffocation point" in Pakistan. Constant surveillance was routine, including following diplomats in their private cars bumper-to-bumper, deployment of intelligence personnel for static watch and following mission staff, diplomats and their families into restaurants and shopping expeditions.

On several occasions, mission staff had been followed from Lahore to the Wagah border, the officials said. Routine harassment could take a variety of forms, they said, including disconnecting phones, interfering with the Internet and blank telephone calls.

Setback to SAARC

By K. K. Katyal

Progress was slow from the start at the SAARC but it became jinxed from the end of 1999, from the time of the military coup in Pakistan.

119-10
1371

THE SOUTH Asian Association for Regional Cooperation (SAARC) has run out of whatever little steam it had. It will be unrealistic now to count on it for promoting concrete action programmes or for collective efforts in core areas such as trade and economy, people-to-people contacts, transport and communications. Mutual suspicions and distrust among most member-countries, especially the adversarial relations between India and Pakistan, are responsible for its troubles. Pity that an exciting venture, launched with great fanfare, failed to take off and is now, virtually, grounded. There was considerable potential for joint actions in diverse fields, with the initial enthusiasm giving rise to hopes for steady progress if not for spectacular results. In practice, however, it remained confined to tokenism. The disappointment thus generated led to the emergence of lobbies in some member-countries, India not excluded, virtually advocating the abandonment of the grouping. They will be rejoicing now.

The SAARC may not have had any achievement to its credit in the areas of its operation but, surprisingly, it produced results in the items not covered by its charter. The various summits provided occasions for holding informal discussions on intractable bilateral problems. The declarations at the summits pointedly hailed and commended these contacts on the sidelines of the formal meetings. On at least two occasions, the Prime Ministers of India and Pakistan utilised the summits to address the bilateral stalemate and to evolve modalities for efforts to resolve the outstanding issues. One was in Male in 1997, when the Prime Ministers of the day, I. K. Gujral and Nawaz Sharif, were able to identify the problems that needed to be tackled, and draw up a list in a mutually acceptable form. The second was in 1998 in Colombo, when it was the turn of Atal Behari Vajpayee and Nawaz Sharif to establish a personal rapport. In both the cases, there was considerable promise for advance. It was, however, a different story that things did not work the way the two Prime Ministers had intended. The Male initiative was significant, being the first follow-up

after the Shimla Agreement. The Colombo meeting evoked tremendous interest because it was the first encounter between a Pakistani Prime Minister and his counterpart from the BJP. It was also the first such contact after the nuclear tests by the two countries. No immediate results flowed but that was the beginning of a process that culminated in the Lahore bus journey. That Lahore was scuttled by Kargil is another matter.

Progress was slow from the start at the SAARC but it became jinxed from the end of 1999, from the time of the military coup in Pakistan. The summit scheduled thereafter got postponed because India did not like to be seen in the company of a military usurper. For some two years, New Delhi stuck to that position but changed its stand when it found the people in Pakistan accepting (or made to accept) the army rule and their protests, though widespread, appearing too feeble in the face of the military might. The delayed summit held in Kathmandu a year ago did carry forward the move towards a preferential trade regime but the follow-up action was far from satisfactory. This was primarily because of the untenable position taken by Pakistan which was not keen on promoting trade with India in the absence of a meaningful advance, as Islamabad put it, on the "core issue" of Kashmir. It, thus, administered a hefty blow to the SAARC.

In turn, New Delhi seized upon Pakistan's intransigence in its pursuit of its hard line — especially on the resumption of the bilateral dialogue. For a variety of reasons, the foreign policy establishment was opposed to any engagement with the western neighbour. It did not want to relax the embargoes announced in the wake of the attack on India's Parliament. Though the troops massed along the Pakistani border and along the Line of Control in Jammu and Kashmir as part of coercive diplomacy were withdrawn recently (partly because of international pressure and partly

because the continued mobilisation was proving counter-productive), the curbs in the bilateral field remained. The two sides have yet to appoint high commissioners in each other's capitals (their missions are now headed by the deputy chiefs), the ban on the air flights from one country to the other remains in position, rail and road travel continues to be stalled and visa restrictions have been tightened.

Ironically, for the first time in the SAARC's history the opportunity for informal talks on the sidelines of the Kathmandu summit was not utilised. The Pakistan President, Pervez Musharraf, made some theatrical gestures, primarily for purposes of propaganda, but there was no genuine effort on his part. As for India, there was no sign of willingness to relax its tough posture.

Another irony. For years, Pakistan had been wanting the SAARC to take up its problems with India, especially the Kashmir issue, saying the India-Pakistan crisis came in the way of regional cooperation. New Delhi rightly resisted these moves citing the SAARC charter which barred discussion of bilateral and contentious issues. Pakistan and the others supporting its demand were charged with working against the charter. Has New Delhi not exposed itself to this very charge? Lukewarm about participation in the summit scheduled in Islamabad, India adduced various reasons: one, there was no point in holding the meeting when Pakistan was not serious about the vital issue — promotion of trade and economic cooperation. Two, the Prime Minister would not like to be in Pakistan till that country ceased organising violence in Jammu and Kashmir. It was an open secret that Mr. Vajpayee avoided going to Pakistan lest he should find himself engaging with Gen. Musharraf. Such reservations would not have been expressed had Islamabad not been the venue. Has India not made use of its bilateral problem with Pakistan for delaying

2x
South Asia

the summit — and, thus, causing damage to the grouping?

The possible collapse of the SAARC in its present form, though highly regrettable and disappointing, could be a challenge for devising a new effective mechanism in its place. The sentiment in favour of regional cooperation is strong, though not evenly spread in the region. No responsible person in the region, in the Government or outside, intellectuals or others, could dare make a case against regional cooperation. At the non-official level, commendable efforts have been made to conduct studies to achieve this objective. Like, for instance, the South Asia Centre for Policy Studies (SACEPS), a network of organisations involved in addressing issues of regional concern. Under the SAARC's auspices too, considerable groundwork had been done in devising ways to rid the regional trade from nagging restrictions within prescribed deadlines.

Even as New Delhi took a tough line on the SAARC summit, the External Affairs Minister, Yashwant Sinha, came out, at a New Delhi seminar, with a grand vision of regional cooperation. India, he said, was ready for a free trade arrangement "from tomorrow" (he did not want to go through the time-consuming and circuitous route of preferential trade etc.). He was for a free flow of investment and services and wanted South Asia to act as a trading bloc with a commonality of approach. And finally he favoured a South Asian Union with not only economic but also a political dimension.

This vision is at complete variance with the present-day reality. Let us hope Mr. Sinha's approach helps neutralise the current setback to the SAARC, and put in place a better substitute. Meanwhile something needs to be done about the present-day reality. As Mr. Gujral put it at that very seminar, there was no option but to cooperate. Terrorism, apart from other things, vitiates the atmosphere, creating a climate of suspicion and distrust. Let this situation not be compounded by stopping rail, road and air travel (between India and Pakistan) and creating problems in the way of people-to-people contacts and track II initiatives.

13 JAN 2003

SAARC cannot succeed without India: Kadirgamar

By Amit Baruah

NEW DELHI, JAN. 11. "If it is perceived that India is deliberately undermining SAARC, it would have a very adverse effect on India's standing in the world community and its prospects of securing a permanent seat in the United Nations Security Council," the former Sri Lankan Foreign Minister, Lakshman Kadirgamar, said today.

Delivering the 10th Lal Bahadur Shastri Memorial lecture here, he said India held the key to fostering cooperative and joint action in South Asia. Unlike many others, he was optimistic about the future of SAARC (South Asian Association for Regional Cooperation) and its achievements in the last 17 years. "If India were to take the lead, since India accounts for about 75 per cent of the land area, population, resources and skills of the region, SAARC could become a regional economic entity of some weight. It is clear

that SAARC cannot succeed without India but the other States must help India to participate wholeheartedly," the Senior Advisor to the Sri Lankan President on Foreign Affairs said. He produced an impressive body of evidence to show that the SAARC summits had provided avenues for informal, bilateral discussions on contentious issues between the "seven sisters." "In terms of finding a solution to one of the most complex problems of all time, one cannot reasonably expect a regional organisation to achieve in 17 years what the United Nations has failed to achieve in 57; to think otherwise is to condemn SAARC for failing to accomplish a recognised impossibility," he said.

Mr. Kadirgamar was unsparing in his criticism of Indian and Pakistani officials in creating problems in SAARC and pointed to the issues that arose in the Foreign Secretary-level meeting in Nuwara Eliya in March 1999.

"I have often felt that the officials of India and Pakistan sometimes behave as though they are the true keepers of the dogma; that it is their high national duty to restrain their leaders from straying into good sense and reasonableness. I was astonished sometimes at the fanatical devotion to political religiosity displayed by some of these delegations."

Mr. Gujral, who presided over the lecture, pointed to the speech delivered by the External Affairs Minister, Yashwant Sinha, on Friday, in which he said the "Gujral doctrine" was part of the Government policy and that India was ready for a free trade arrangement in South Asia tomorrow. He said Mr. Sinha's speech was a very big step forward, but hoped it was not "rhetorical." He also suggested that a permanent venue be fixed to hold SAARC summits — say Kathmandu or Thimpu — to avoid the kind of problems that had now cropped up.

THE HINDU

12 JAN 2003

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12 JAN 2003

Upgrade SAARC, says Sinha

By Amit Baruah

40-1
11/1

Sinha Sinha

NEW DELHI, JAN. 10. The External Affairs Minister, Yashwant Sinha, today suggested that the South Asian Association for Regional Cooperation (SAARC) be upgraded into a South Asian Union (SAU). "If Africa can think in terms of a Union, if the Economic Community in Europe could become a European Union, if ASEAN could make progress, if the countries in Latin America could make progress, there is no reason why we in South Asia cannot become a Union of South Asian States," he said.

At a seminar on South Asia, Mr. Sinha said

India was ready to agree to a free trade arrangement in SAARC tomorrow. He embraced the Gajral doctrine of 1996, a policy which brought India considerable goodwill.

Saying that he was putting the idea of a South Asian Union on the table, he said India was interested in negotiating a new agreement to create the SAU, which would not merely be an economic entity. "It will acquire a political dimension in the same manner in which the European Union has come to acquire a political and strategic dimension. This is the direction in which I suggest we move."

Stagnating SAARC: Page 12

THE HINDU

1 1 JAN 2003

SAARC has not moved ahead: Sinha

By Our Diplomatic Correspondent

Sinha *11/1*
NEW DELHI, JAN. 10. The External Affairs Minister, Yashwanth Sinha, said today that South Asian countries have to be aware of and sensitive to each other's security concerns. "And it is quite clear that if those security concerns become overpowering, then many other areas of cooperation are lost sight of temporarily or in the long run..." he said.

In an address at a seminar on South Asia, Mr. Sinha said the region had a shared history. "We have so much in common. We are joined together by geography and, therefore, there is no way we can either ignore each other or not afford to be friendly and cooperative. We must live with each other." He said India's size and population need not be held against it. "There is nothing we can do about it. It is there. I notice that it arouses some apprehensions. I hasten to add that these suspicions and apprehensions are not well-founded. We have no other desire or intention than to be able to live in peace and friendship with our neighbours..."

Making a pointed reference to the presence of the former Prime Minister, I.K. Gujral, at the seminar, Mr. Sinha said it was in 1996 that we heard of the "famous" Gujral doctrine. "India remains committed to the good neighbourhood policy of Mr. (Atal Behari) Vajpayee. India remains committed to the Gujral doctrine and today I would like to say that we are prepared to move further ahead also in the direction of peace, friendship and prosperity to all our neighbours," he said. "Now, when we think of the future, we perhaps have to forget the past. What can be learnt is avoiding the mistakes we made in the past."

"I am extremely disappointed that after having come formally into existence 17 years ago, SAARC has not been able to move or make progress with regard to its primary objective of economic cooperation between the members of SAARC," he said, pointing to the very limited items on offer for preferential trade.

"So what should we do? My specific suggestions are India is ready to enter into a free trade arrangement in SAARC, in South Asia tomorrow... let us look in concrete terms at a free trade arrangement. And, as I said, we will be more than willing to do it tomorrow." Pointing out that a consultant had been appointed on the free trade arrangement, Mr. Sinha said there were too many reports and committees. "What we need is political will to be able to move forward. And I am trying to demonstrate that political will on behalf of the Government of India here..."

He said people-to-people contact would grow once trade moves forward. "On behalf of India, let me tell you that whatever strengths we have built over the years in terms of technology, in terms of human resource development..."

THE HINDU