

Indian foreign policy is too preoccupied with Pakistan and the US

Remember Europe

J.N. DIXIT

The last week of November witnessed important meetings between leaders of the European Union and the government of India, a major event following the Indo-European summit to which the prime minister, Atal Bihari Vajpayee, went last year. The president of the European Commission (former prime minister of Italy), Romano Prodi, and the commissioner for foreign relations, Chris Patten, visited India. The Italian prime minister, who is the current president of the European Union, Silvio Berlusconi, was also supposed to visit India but had to cancel it due to health reasons. Prodi and Patten had not only high-level discussions with the top leaders of the government of India, but also interacted with apex-level think-tanks and business organizations like the Confederation of Indian Industry and the Federation of Indian Chambers of Commerce and Industry.

In a message for this occasion of Indo-European dialogue, Berlusconi asserted that relations between India and Europe are based on shared values. He went on to state that this expanding relationship is because of better communications and knowledge regarding each other, resulting in substantive contacts in the sphere of economy, culture, tourism, development cooperation, science and technology. He concluded by stating that India is a primary partner of the EU, both politically and economically. Romano Prodi in his assessment stated that India's image in Europe is changing towards that of a dynamic trail-blazer in the knowledge-based economy. Europe invites India to work with it to develop a vision of how they can bring together the collective intellectual capacities, entrepreneurial abilities, enhanced mutual prosperity and cooperation.

On all counts, Indo-European relations have stabilized and are developing on positive lines. Whatever assertions there may be about the world having become unipolar with the United States of America as the central prism, the accompanying reality is that of there being other centres of political and economic importance. Europe collectively is such a centre. With the enhanced membership of the European Union which would consist of 25 members, in the near future, Europe is becoming a collective political and economic entity matching India in territorial size. It has a large market for Indian exports and is a source for investment and technological inputs into the Indian economy. Europe is an important political and strategic factor influencing international power equations, affecting major international political and economic developments. The membership of the countries of the EU in the United Nations and other multilateral fora makes it a desirable partner to cul-

tivate (for India) in influencing many dimensions of collective international cooperation in the spheres of security, development and globalization.

The integration of Europe has valuable lessons for India in strengthening regional cooperation in south Asia, despite the tense relationships between India and Pakistan. It is interesting that Chris Patten, in one of his addresses in New Delhi (on November 28), said tongue-in-cheek that India-Pakistan relations could not be worse than those between Germany and France for nearly a hundred years. So there is no need to despair much about slow progress in south Asian regional cooperation.

Formal relations between India and the EU began in 1963, India being one of the first developing countries to

representative for common foreign and security policy have visited India. This was followed by the visit by the European commissioner for trade, and culminated in this latest November visit of Prodi and Patten.

In the political sphere, there is parallelism and convergence of policy orientations between India and Europe—the belief in democracy, human rights, pluralism in civil societies, liberty, having independent media and judiciary, shared between Europe and India as a corner stone for a stable world order. As far as the phenomenon of political and military unilateralism characterizing conflict-management by the US goes, India and Europe have the shared conviction that this should be replaced by effective multilateral arrangements under the umbrella of the



Shared values

set up separate diplomatic relations with the European Economic Community, the Indian Ambassador in Belgium being given separate accreditation to the EEC. In 1968, the European monetary system was created, in 1973 a single market, and in 1993 a single currency arrangement for the whole of Europe. From 1999, India's relations with the EEC expanded, parallel to these developments.

Regular annual discussions between the European presidency and the government of India commenced from 1992. The arrangement got institutionalized at the apex level with annual Indo-Europe summits being held from 2000. High-level discussions between the government of India and the EU officials became more intense from the beginning of 2002. From the beginning of 2002 to the middle of 2003, the European commissioners for enterprise and information, development of humanitarian aid, the commissioner for external Relations and the EU high

UN. India and Europe are strongly opposed to terrorism, subversion and secessionist forces threatening state structures and civil societies. Both also believe in the management and resolution of conflict through peaceful means. This has resulted in growing political relations within the framework of what the EU secretariat considers "a strong and institutional architecture manifested in consultations at various levels from the summit to ministerial meetings, joint commissions, exchange of parliamentary delegations and so on."

Countries of the EU are India's largest trading partner. Bilateral trade has increased to more than twice of what it was in 1990-91. The current volume of bilateral trade is 25 billion euros, which is likely to increase to 35 billion by the year 2005 and 50 billion by the year 2008. Europe is also the largest source for foreign direct investment into India at present.

Economic, particularly commer-

cial, transactions between India and Europe account for 25 per cent of India's foreign trade. EU investments in India have increased from 78 million euros in 1991 to four billion in the year 2003-2004. These investments are particularly important because most of the investment-flows have been in the infrastructure sector of India's economy, namely, power, oil-refineries, telecommunications and transport sectors. The European Commission has agreed to provide resources to India for making elementary education universal, and for building "human capital" and rural development as well as natural resources.

India and Europe are also engaged in a cooperation programme to strengthen civil aviation structures and maritime transport activities. This would include civil air-safety, airlines management, air-traffic management and the building and maintenance of airports. The maritime transport cooperation project has as its objective the improvement of the efficiency of Indian ports and for building electronic data interchange for the port trusts, particularly those of Mumbai, Chennai and Tuticorin.

Similar cooperation agreements have been signed in the spheres of science and technology based on the complementarity of needs. The European community, at present, is engaged in nearly 55 research projects with Indian partners, focused on agriculture, environment, utilization of natural resources and information technology. India is also the largest receiver in Asia of non-governmental funds from the EU. These funds are generated for tribal empowerment projects, educational projects, income generation projects and food security projects.

There are two important issues on which there are some differences between the EU and India. The first is related to nuclear non-proliferation. Although the controversies of 1998 and 1999 have died down, there are reservations about India's nuclear weaponization in Europe. The second issue is the differences of opinion on the management of international trade under the World Trade Organization. Senior figures from the EU have expressed the view that India and Brazil took particularly negative stands at Doha and Cancun. There seems to be some lack of understanding of the social and economic compulsions under which India has to adjust to the process of globalization. One hopes that the continuous interaction between the EU and India on this particular issue will temper the differences, even if there is no complete agreement.

India's foreign policy seems preoccupied with relations with the US, with China and with Pakistan, and with security issues related to India's proximate and extended neighbourhood. What one has to keep in mind is that a good relationship with Europe provides an important equation in the long-term to further India's interests.

WTO backs India in tariff row

OUR SPECIAL CORRESPONDENT

New Delhi, Dec. 2: The dispute settlement panel of the World Trade Organisation (WTO) has ruled in India's favour over the violation of norms by the European Commission (EC) in granting tariff preferences to 12 countries under the 'drug arrangements' window of the generalised system of preferences (GSP) scheme without extending these preferences to other developing countries.

The decision of the WTO dispute settlement panel has come as a major victory for India and is likely to provide some relief to the apparel segment, who are otherwise disadvantaged by duty concessions to Pakistan under the "drug arrangements".

The WTO panel has also ruled that the EC has failed to demonstrate that the drug arrangements are justified under the enabling clause, which otherwise allows the developed countries to grant tariff preferences

to developing countries without allowing the same advantage to developed ones. However, the verdict can be contested at the Appellate Body.

According to commerce ministry, India will seek adoption of the panel report at the earliest, in accordance with the provisions of the dispute settlement understanding.

India's dispute with EC had arisen primarily because the latter had included Pakistan as a beneficiary country under its special tariff arrangement for combating drug production and trafficking under the GSP scheme for the years 2002-04.

The scheme was in operation even in earlier years with the beneficiaries being restricted to Andean and Central American countries. However, India was forced to move the WTO panel when Pakistan was included in the scheme as Indian exports have been adversely affected since January 2002.

The 9.6 per cent tariff preference granted to Pakistani apparel products has been re-

flected in a sudden and significant decline in the flow of Indian goods to EC.

The EC countries have been taking the stand that Pakistan had a crucial role to play in the control of drugs, such as heroin, which is distilled from the poppy grown in Afghanistan and illegally in the north western frontier province of Pakistan. This heroin eventually makes its way to the youth of the western countries and was wreaking havoc with the younger generation.

The WTO decision also comes at a time when India's relations with Pakistan are on the mend with the Delhi-Lahore bus service being restored and the air corridor between the two countries also being thrown open.

India has been championing the cause of the developing countries at the WTO and had also locked horns with the developed countries at the Cancun conference over the contentious issue of the high subsidies that the western countries are paying their farmers.

PM flays

PRESS TRUST OF INDIA

NEW DELHI, Nov. 29. — Cautioning developed countries against imposing non-tariff barriers, Prime Minister, Mr Atal Behari Vajpayee today said popular support for economic liberalisation will collapse if the developmental concerns of the poorer countries are not taken care of.

Addressing the special plenary session of the 4th India-EU Business Summit, Mr Vajpayee made it clear that India would have to take into consideration the livelihood of millions of people while taking decisions on the sensitive agriculture issue at the WTO.

Mr Vajpayee also expressed concern over the mismatch in India's share in European Union's global trade which is less than two per cent and said it should be corrected by a wider consciousness and better understanding of the larger picture of the India-EU partnership.

"We need to look carefully at the unfortunate reality that non-tariff barriers are gradually rising, even as tariffs are falling in response to globalisation", Mr Vajpayee said adding a range of issues from anti-dumping measures to manufacturing standards need to be looked at with a sense of proportion.

"In India, we have been careful to ensure that our liberalisation measures are non-di-

non-tariff barriers

rectional. We do not increase tariffs or raise barriers to target any region or group of countries", he said.

Reforms to get new thrust

NEW DELHI, Nov. 29. — Buoyed by the return of the feel good factor and prospect of a higher seven per cent growth this year, Prime Minister, Mr Atal Behari Vajpayee today said the second phase of reforms would be given a new thrust with an emphasis on infrastructure and agriculture development. "We are in the second phase of reforms, upgrading infrastructure and in the field of agriculture," he said adding "Indian economy is on the move." Mr Vajpayee also sought to allay fears in the developed countries that booming outsourcing of business processes from India was robbing them of their jobs. "That's not true," Mr Vajpayee told reporters at the end of the two day India-EU summit here. In fact through this outsourcing, India was helping the world to develop speedily, he added. — PFI

The Prime Minister also expressed concern over opposition in some quarters to business process outsourcing into India and said failure to allow free movement of persons would

lead to outsourcing. "The emotive arguments about the migration of jobs to countries such as India have missed two basic points", he said adding outsourcing, besides increasing competitiveness, would also serve to bring in younger work force into Europe and America.

"The demographic profile of Europe and America necessarily means that these countries will need the induction of a younger work force from outside in the coming decades.

"If there is a more liberal regime of free movement of businessmen and professionals between India and Europe, this demand can be met within your countries", Mr Vajpayee said.

In the absence of such a liberal regime, outsourcing is inevitable, he added.

Mr Vajpayee said the realisation has still to take hold that with its rapidly growing economy, skilled human resources, expanding market and widening industrial and technological base, India can be a strong economic partner of the EU.

He said India attaches greater importance to trade and economic cooperation with the European Union, which is the largest trading and investment partner, an important source of technology in critical sectors and a major destination for India's service providers.

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EU & India

Living Happily Ever After

By Rashmee Z Ahmed

Brussels: As India and the European Union conduct the fourth of their annual lovefests, this time in Delhi, it may be well to realise early on the terms of engagement: This is no happy couple but a *menage a trois*. The third in the relationship is Beijing. Somewhat lasciviously perhaps, Brussels, Europe's notional capital, is hoping to strike it lucky with an exquisitely harmonious, Oriental eternal triangle. The Chinese dragon plays good wife, while the ponderous Indian elephant is cast only in the role of principal mistress.

The Chinese get 20 euros for each that is invested in India. The Indians get sweet-nothings and preachy promises. So how about it? It is pointless to play Victorian prude. There is no mistaking this for anything other than what it is. We are being propositioned. There can be only one, honourable, response from New Delhi. Name the time and place.

It may be wise for India to get in on the act now. After all, who can say it will have to end, suddenly and in tears? And who, in the age of serial partnerships, would question this certain knowledge: An impermanent alliance is not an affront? There are several reasons for cosying up to the EU. We might do rather well out of it. It might be rather fun. And no-strings-attached is a welcome get-out clause if the relationship is going nowhere. The 15-member EU is already one of our largest trading partners and India's largest source of foreign investment. This can only grow as the EU enlarges to 25.

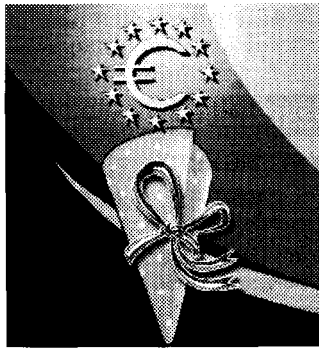
But howsoever important, trade and the world's largest common market are the least of it. Be it mistress or wife, an India destined for ever closer union with Europe will mean a meeting of minds. As EU external affairs commissioner Chris Patten told TOI, both are ethnically diverse democracies. Though both hum the American tune, they are not really genetically programmed to sing hosannas to a hyperpower. Any hyperpower. But particularly one that appears a go-it-alone bully, preaching international rules for others that it will never consent to apply to itself.

Despite our late-blooming and pragmatic fit of realpolitik in dealings with Washington, we are not constitutionally built to sanction an internationally-abhorrent state of US-led permanent war. Despite our strengthening and long overdue bridge-building with Israel, we are not so totally without conscience as to smile on the occupation of a sovereign Arab state without UN permission. Never mind Britain for a moment. It is but a footsoldier

in the cause of the militarily-resurgent, second English-speaking empire.

But our concerns are at least shared by old Europe, which is both jealously and zealously appalled by the proposed new world order of Anglo-Saxon dominance. Just this month, a now-notorious EU survey had 53 per cent Europeans voting the US as the gravest threat to world peace, along with Iran and North Korea. Less than half said they were keen on a strong US global presence. India can identify with some of that. As also with the central argument of a startling recent polemic, *Paradise and Power* by Robert Kagan. He said Europe and the US no longer even "occupy the same world".

That is good for us, victims of past western colonial adventures and resistant to future ones. For us, Europe could be almost a 21st-century, souped-up NAM pared to its irreducible core. It can be a multilateral fig-leaf of consensual dissidence against the X-ray vision and laser reach of American omnipotence. Those who doubt Europe will ever be an impressively muscular partner must know



the vision thing can be pure Viagra. The vision must be that of India. That is the only way it can be, to paraphrase a cliché, by India and for India. The EU, come May, adds some 200 million people to its already-vast common market. It is clearly in no fit state to think. That should trouble us little. The EU's internal divisions, likely only to multiply the bigger it becomes, means a Europe

permanently divided against itself. That, added to its self-acknowledged lack of military muscle, means it is unlikely soon to offer a serious counterpoint to the Americans. But that suits us just fine.

Junk the gender typecasting for a moment and India could well emerge as the resolute male figure in this equation with a 25-strong, if squabbling, European harem. Surely Europe gives us, aspiring permanent members of the UN Security Council, the still-inadequately appreciated most populous democracy, room to fancy ourselves big. "One of the big 10" is how one western diplomat put it to TOI recently. Indeed, Europe's attractiveness comes largely because it allows India the chance of Mormon-like philandering with multiple mates, issue-by-issue. It may be wise not to pledge our troth to Uncle Sam, without being sure this is another American century.

By now, the *menage a trois* metaphor may be wearing a bit thin. After all, relations between states are not the same as relationships between people. But there is the principle of no eternal allies, only eternal interests. It can add up to a sizzling dynamic. But first, we need to say yes.

Sinha seeks dynamic ties with European Union

Handwritten notes: "Sinha", "Nov 28", "11/28/03", "Ramachandran".

By Sushma Ramachandran

NEW DELHI, NOV. 28. Seeking a "dynamic partnership" with the European Union, the External Affairs Minister, Yashwant Sinha, today urged it to engage with the "new India" and its buoyant economy and take note of success stories in the scientific and information technology sectors. He expressed the hope that European countries would have the maturity to deal with the issue of outsourcing of business processes to India in their own interest.

He said that countries which did not take advantage of the human resource available here would end up being less competitive. Referring to the debate over BPO, he said the world had not only to recognise and deal with it but also take advantage of it. After all, foreign corporates were shifting numerous activities to this country because "we are cheaper and better." It was not out of charity that outsourcing was being done, he said, but to attain higher competitiveness.

Delivering the keynote address at the India-E.U. Business Summit, Mr. Sinha conceded that India had a long way to go in terms of reducing tariffs and streamlining

procedures. But he urged foreign investors to discard the old image of India and recognise the vast changes that had taken place over the years.

He said that European investors were still making the same complaints as in the Seventies though the entire scenario of the economy had changed. "India is a happening place now, please recognise the dynamism which infuses the Indian economy today."

In an oblique reference to China and the flood of foreign investment to "that country to the East" — the same way in which the E.U. Commissioner, Chris Patten, had referred to it earlier — he said those who invested in India made more money. Mr. Patten had questioned the rationale of investors overflying India to reach "that country" despite India having a functioning democracy and fair judicial system. He also said "India retains the reputation of a hard country in which to do business."

Mr. Sinha, who contested this viewpoint, said it was not just a case of India being democratic, there was not a single instance where justice had been denied to those seeking it. Besides, it had not reneged on any of its international commitments. As

for high tariffs, he said these were being reduced gradually so as not to cause hardship to domestic industry. "We are on a glide path to have a soft landing, not a crash."

Mr. Sinha said the E.U. should be looked at not as a huge market of 500 million people after its enlargement next year, but as a concept of how nations can live in peace and prosperity with each other. "It is an example for the rest of the world and worth emulating even in this part of the world."

Mr. Sinha along with other speakers at the summit wished the Italian Prime Minister, Silvio Berlusconi, who had to call off his visit to India due to illness, a speedy recovery but gave the assurance that the two-day India-E.U. summit would continue as planned.

Earlier, Mr. Patten argued that Indian exporters were more successful in Europe because the E.U. was one of the most open export markets in the world. European exporters to India, however did not find trade as easy which he attributed largely to tariffs. Conceding that the tariffs had substantially fallen after the economic reforms, he said they were still high by international standards.

Delhi date for fourth Indo-EU summit

Statesman News Service

Patten pointers

NEW DELHI, Nov. 27. — The annual India-European Union summit begins in New Delhi on Friday, with both sides hopeful that it would provide a fresh impetus to political and economic relations between the two. However, in a last-minute development, the Italian Prime Minister, Mr Silvio Berlusconi, scheduled to head the EU delegation, has called off his visit because he is 'unwell.' Italy is in the chair of the EU and Mr Berlusconi was due to come in his capacity as EU president.

Last year's summit, in Copenhagen, was marred by disagreements over the Jammu and Kashmir issue, forcing the two sides to abandon the traditional joint statement, that is normal after such events.

The Business meeting on Friday precedes the political summit on 29 November at which Mr Atal Behari Vajpayee will lead the Indian delegation, that includes the external affairs minister, Mr Yashwant Sinha, and senior officials, at the talks. The EU delegation will now be headed by the European Commission President, Mr Romano Prodi, the EU High Representative, Mr Javier Solana, the EU External Relations Commissioner, Mr Chris Patten, and the Italian Minister of State for Foreign Affairs, Ms Margherita Boniver. Mr Paolo Bonaiuti, minister of state in the Italian PM's office, will represent Mr Berlusconi, officials

CHENNAI, Nov. 27. — The European Union's commissioner in charge of external relations, Mr Chris Patten, today warned of a "real danger" of a major conflict across the world if the USA and European countries were not "more sensitive" in their relationship with the Islamic world.

Speaking on 'Conflict Management and Peace Building,' at the University of Madras here, Mr Patten, who is also the Chancellor of Oxford University, said: "Unless we are much more sensitive to the relationship between the Islamic world and the USA and Europe, the Huntington's thesis (on the clash of civilisations) may be converted into a bloody reality." In macro-political terms, the EU was concerned about conflict prevention and had been "most successful as an institution in conflict resolution" after having witnessed three civil wars in 70 years, he said.

"The reconciliation between France and Germany by sharing of their sovereignty have better protected their national interests. In that sense, the EU is a typical post-modern state," Mr Patten said.

confirmed.

A joint press statement along with the agenda for action will be adopted at the end of the delegation level talks. A paragraph in the joint press statement will highlight the joint collaboration in the development and operation of the Galileo satellite navigation system, signifying the growing complementarities of the India-EU partnership in niche areas of technology.

E.U.-India summit to give boost to bilateral trade

By Sushma Ramachandran

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NEW DELHI, NOV. 27. The fourth India-European Union Summit which begins tomorrow is expected to give a boost to bilateral trade with the two sides having set a target of 35 billion euros of trade flows by 2005. The two-day summit includes a special Business Summit being held in the backdrop of the EU enlarging with ten new members joining the bloc next year.

The EU, already India's largest trading partner is also an important source of foreign direct investment and the summit is expected to push forward the EU-India Trade and Investment Development programme. The technical assistance programme is the outcome of collaboration between the European and Indian business communities, the Indian Commerce and Industry Ministry and the European Commission. In addition, the joint press statement at the end of the summit level talks is expected to highlight the joint collaboration in development and operation of the Galileo Satellite Navigation System, a partnership in a niche area of technology.

The parallel Business Summit organised by the Confederation of Indian Industry and the Federation of Indian Chambers of Commerce and Industry in partnership with the Department of Industrial Policy and Promotion, the European Employers' Federation and Confindustria of Italy is expected to provide a platform to enable industry from both sides to discuss areas for cooperation. According to the External Affairs Ministry, a large number of EU chief executives are expected to take part. Sectoral sessions will be held in tou-

rism, manufacturing, chemicals and pharmaceuticals, food processing and information technology, the areas so far identified for greatest focus, with the aim of building synergy between Indian and EU industry.

The Ministry says the India-EU relationship has assumed "strategic depth and maturity" in recent years with bilateral interaction having been raised to summit-level dialogue since 2000 when the first such summit was held in Lisbon. Both the Italian Prime Minister, Silvio Berlusconi, and the President of the European Commission, Romano Prodi, who will be leading the EU delegation having highlighted the importance of ties with India. Mr. Berlusconi, who described the summit a "new decisive step forward in Indo-European relations," has highlighted India's renewed economic growth and the reduction in poverty levels. Mr. Prodi, in a message, has stressed that the India and EU should together face global challenges such as international terrorism, environment protectionism and respect for democracy and human rights "where India carries significant influence in Asia and beyond." The leading industry chambers on their part are enthused over the enlargement of the EU which makes it the world's largest trading bloc by 2004, accounting for 20 per cent of world trade and contributing over 25 per cent of the world's GDP. Now, the EU is India's single largest trading partner accounting for 21.73 per cent of exports and 20.42 per cent of imports in 2002-3. During 2002-3, trade between India and the EU was valued at \$ 23.86 billion of which India's exports were estimated at \$ 11.35 billion and imports at \$ 12.51 billion.

'By harnessing seas India can be a major exporter'

By Rashmee Z. Ahmed
TIMES NEWS NETWORK

Brussels: The great and the good of the European Union (EU), the world's biggest economic bloc, are soon to come calling on India with big business plans, but at least two more uninvited parties may be at the negotiating table — the spectre of wideawake China and the ghost of a key, unsigned Indo-European maritime agreement.

COUNTDOWN TO EU-INDIA SUMMIT

EU officials here admit the long-hoped for special trading relationship with India has not quite taken off. China gets 20 times more euros for each the EU invests in India. It is telling, say EU officials that Beijing recently signed a maritime agreement with Europe, while New Delhi sat on its hands.

Says Jacques Michaux of the European Commissions Maritime Policy Unit: "I cannot understand why India has not done anything about the maritime agreement we have proposed for

three years despite FICCI welcoming it".

Adds EU external affairs commissioner Chris Patten, just days before he flies to New Delhi for the fourth high-level EU-India summit, "We hope for negotiations on a maritime agreement".

The EU, already as India's largest trading partner and its biggest source of foreign investment, believes the relationship needs more than bonhomie and benign bilateralism. India, it says, needs to harness the high seas.

Analysts say it is a powerful symbolic back-to-the-future call. One of Europe's earliest, most successful Indian adventures began at sea, when Vasco da Gama left Lisbon for India 500 years ago.

Today, warns Mr Michaux, "container shipping is the only way India can start a major exporting process and develop trade. It needs bigger ports, which can handle container ships. India has just one container port. China has seven".

The constant unequal comparisons between India and China come even as Europe admits to a real and rapid trebling of EU-India

trade from just 10 billion euros in 1991. The good news, says Mr Patten, is the customs agreement to be signed at the Delhi summit.

The bad news is Europe remains bitter about Cancun. India played a prominent role at the failed trade liberalisation talks two months ago. The EU found itself on the opposite side of the fence and Richard Carden of the EU's directorate-general of trade, says it was all like "a car crash and one doesn't just drive off again, right away".

If ever. Analysts say the Cancun gulf may be too wide to bridge, with Europe resenting and resisting India and others new move to bilateral trade deals.

Says Mr Patten firmly, "Poorer countries need multilateralism more than others". So no special Indo-European deals then? "We wouldn't consider any trade agreement with India that we wouldn't make with the WTO," replies Mr Patten.

Last year, the EU accounted for 23 per cent of India's exports and 21 per cent of total imports. Mr Patten has high hopes of the customs agreement. "It will help expedite our trade," he said.

EU to permit more textiles imports

Business Standard

NEW DELHI, Nov. 19. — The 15-member European Union has decided to permit the import of additional 3,500 tonnes of Indian textiles in 2003.

The decision was taken this week, ahead of the EU-India Summit later this month. Officials said that with the latest quota flexibility, 8,000 tonnes of additional quotas have been provided to India. Senior government officials told Business Standard that the decision comes after weeks of negotiations and the EU decided to delink multilateral matters with bilateral issues.

Exporters, particularly from the textiles sector, have been complaining of the adverse effect of appreciation of the Indian rupee to the dollar. Data compiled by the textiles ministry points to higher realisation from quota exports, though quota utilisation has dropped by 5.35 per cent in three principal markets — Canada, the United States and EU.

During January-October 2003, utilisation of export quotas to these three countries was estimated at 87.28 per cent of the agreed level, compared to 92.21 per cent in the corresponding 10-month period last year.

Quota utilisation by Indian exporters to the EU was estimated at 99.11 per cent during January-October this year compared to 99.19 per cent in the correspond-

ing period last year while realisation from the export of these items is estimated to have risen 18.87 per cent to \$ 4.22 billion. Export of items like sweat shirts, blouses and gents shirts witnessed significant increase.

The maximum decrease was witnessed in case of the US, with quota utilisation dropping to 83.35 per cent during the first 10 months of 2003, compared to 92.52 per cent in the corresponding period last year, representing a 9.91 per cent decrease.

Quota exports to the US were estimated to have increased by 5.56 per cent to \$ 4.75 billion during January-October 2003 compared to \$ 4.5 billion in the corresponding period last year.

Officials said that the decrease in exports could be attributed to unusually lower temperatures in the US during summer months resulting in a lower export of cotton garments. Besides, some least developing countries, which have received duty-free access, have affected India's exports.

Export of jackets, sweaters, trousers and shorts have, however, increased during the period. Trousers and shorts exports to the US have increased by 21 per cent during the 10-month period.

In case of Canada, quota utilisation dropped to 52.24 per cent during January-October 2003 compared to 55.4 per cent during the corresponding period last year while realisation rose 4.25 per cent to \$2.21 billion.

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India and EU countries may ink terror pact

HT Correspondent
New Delhi, November 13 2003

INDIA AND EU are likely to sign a joint treaty on terrorism during the India-EU summit later this month. "A declaration on terrorism is likely to be signed by Italian premier Silvio Berlusconi and Prime Minister Atal Bihari Vajpayee," Italian Ambassador Benedetto Amari said on Wednesday.

He said other issues that are likely to dominate the summit include the socio-political situation in Iraq and Afghanistan and process of European union integration. Before the India-EU summit, the EU will also engage India with cultural diplomacy with EU countries showcasing the best of European culture in cooperation with the Indian Council for Cultural Relations (ICCR).

An EU-India business summit will also be organised to discuss tourism, food processing, chemicals and pharmaceuticals and information technology. "To emphasise the importance of cultural dimension of EU-India relations, we decided to hold this festival which would see the participation of nearly 143 artistes from 11 countries," the Italian envoy said.

Swiss President backs PM's peace moves

By Mahesh Vijapurkar

MUMBAI, NOV. 11. The Swiss President, Pascal Couchepin, today backed the Prime Minister, Atal Bihari Vajpayee's 12-point confidence building measures with Pakistan as being "in the right direction" because when things are done "step by step, it means more peaceful relations".

Addressing a press conference at the end of his five-day visit to India, Mr. Pascal said the "demobilisation of the aggressiveness was the best way" to normalise relations between India and Pakistan "which is very important to the world". Pakistan should go more towards democracy, he said.

Switzerland, he said, "was open to the idea of wanting to help" the two countries improve their relations but made no specific offer of mediation.

Today, Mr. Pascal met Mr. Vajpayee, the External Affairs Minister, Yashwant Sinha, and the Disinvestment Minister, Arun Shourie, in New Delhi and said "the logic of the situation is it will and has to improve."

President Couchepin was op-

timistic about India — the growth has been steady and it has been moving steadily forward on the economic and scientific and technological front. "I am struck by this and think you have a great future. But the rural areas where 70 per cent of your population lives is still lagging behind," he said.

Pat for Naidu

By Our Special Correspondent

MUMBAI, NOV. 11. The Andhra Pradesh Chief Minister, N. Chandrababu Naidu, got a pat on the back from the Swiss President, Pascal Couchepin. "I visited the same part of Hyderabad after one year and now I cannot recognise it," he told a press conference here today

"I have met Mr. Naidu four times — twice in Switzerland and twice in Hyderabad. Hyderabad has completely changed," he said after his visit to the city on November 7 when he inaugurated the new centre of the Tata Consultancy Services.

India, Bulgaria agree to fight terror jointly

Sofia: Condemning terrorism and religious extremism, India and Bulgaria on Friday agreed to explore the possibility of forming a joint working group to further cooperate in combating terrorism.

The agreement was reached during the talks between President A.P.J. Abdul Kalam and his Bulgarian counterpart Georgi Parvanov. During the extensive discussions that Mr Kalam had with Mr Parvanov and other Bulgarian leaders, including Prime Minister Simeon Saxe-Coburg Gotha, they agreed that every state had the duty to refrain from organising, instigating, assisting or participating in terrorist activities within its territory.

"They supported early adoption and implementation of a comprehensive convention on international terrorism," the statement said.

They also reaffirmed the need to uphold the principles of international law, and the provisions of the UN charter in regard to international relations.

They noted the importance of politico-diplomatic methods of settlement of international conflicts.

The two nations also stressed on the need to strengthen the role of the UN in the fight against international terrorism, cross-border criminal activity, illegal traffic of narcotics and in resolving other pressing problems of the modern world. The statement reiterated the importance of the Indo-Bulgarian joint commission on economic, scientific and technological cooperation.

The two sides had detailed exchange of views on regional and international issues of mutual interest which showed a close proximity of viewpoints, noting the high level of interaction and cooperation between Bulgaria and India at the UN, the statement said.

It was a pleasant moment for Mr Kalam on the concluding day of his two-day visit when he drove to the Rila monastery, 117 km from here, evincing keen interest in the historical and spiritual aspects of the place, considered to be holy for the Bulgarians. PTI

EU fears Indo-Pak nuclear conflict

HT Correspondent
Srinagar, September 4

THE EUROPEAN Union has expressed fears that the Kashmir issue can give rise to a nuclear conflict between India and Pakistan. The issue had international repercussions, but "it needs to be resolved by the two countries bilaterally," said Italian Ambassador Benedetto Amari.

Talking to journalists at the conclusion of a five-day visit of the Troika delegation of the EU ambassadors, Benedetto said here on Thursday that the situation in J&K has considerably improved. "We found better ambience in all sectors, and the majority of the voices we heard suggested that the situation had improved. The figures also prove that," he said.

Asked about Mufti Mohammad Sayeed's plea to withdraw the EU tour advisory asking people not to visit J&K, the Italian ambassador said he would be sending a detailed report to the Union. "The ultimate decision will be taken by the governments," he said.

He said the free and fair Assembly elections held last year and Prime Minister Atal Bihari Vajpayee's April 18 offer of friendship to Pakistan contributed greatly to the improvement in situation. "The poll turnout was reasonably good — more than 50 per cent," Amari said.

The delegation during their stay in the state held meetings with the chief minister, Governor Lt-Gen (Rtd) S.K. Sinha and leaders of the NC, Congress and Hurriyat Conference. Regarding the meeting with Hurriyat leaders, he said: "They expressed their own point of view. We feel enriched by their views."

He condemned the stepped-up terrorist activities in J&K. "Terrorism is an evil, not only in Kashmir, but everywhere in the world. We condemn these acts," Amari said.

India strikes aggro note on agri trade

Joins hands with China to counter US, EU

By Priya Ranjan Dash
TIMES NEWS NETWORK

New Delhi: The battle to protect farmers has been joined. In Geneva on Wednesday, India, China and 12 other major developing nations formed a formidable coalition against the European Union and the United States when the group of 14 tabled a counter-proposal against the US-EU plan to protect the interests of their farm sector.

The joint proposal of the India+13 grouping has far-reaching implications, according to trade diplomats here, but its immediate impact could be to halt the powerful US-EU combine from running away with the WTO farm negotiations.

No sooner than Brazil and China had introduced the joint paper in Geneva on Wednesday afternoon, than commerce and industry minister Arun Jaitley announced its content in a news conference in New Delhi. He explained how the latest move was aimed at protecting the interests of India's 650 million farm population against the US-EU plan.

The deal marks a change in India's strategy on trade in farm goods, said a former Indian trade negotiator. He said India had so far been on the defensive—primarily worried about protecting its food security and livelihood of farmers by keeping imports out. Now, it seems to be adopting a more aggressive stance of trying to pry open overseas markets for its farm exports by seek-

ing a substantial reduction in developed countries' farm subsidies and import tariffs.

"We are seeking to fully safeguard India's food security and livelihood of our large farm-dependent population. We are also seeking to substantially reduce the subsidies the rich countries give on farm products so that our farmers are able to export their produce," he said.

The list of co-sponsors, Mr Jaitley said, was growing by the hour. "There were 13 countries which had joined the coalition till an hour ago. Now I am told Paraguay has joined, making it 14," he said, obviously feeling elated. "Our effort will be to bring many more of the 144 WTO member-countries to support this approach," he said.

Trade diplomats too attached a great deal of significance to the grouping of 14 behind the proposal. The list reads like the who's who of the developing world: India, China, Brazil, Argentina, Chile, South Africa, Mexico, Columbia, Costa Rica, Bolivia, Guatemala, Peru, Thailand and Ecuador.

The significance of the grouping also lies in the fact that 10 of the 14 are members of the so-called "Cairns group" of one-and-a-half-dozen major agricultural exporting countries.

Trade diplomats said China, which joined WTO some 20 months ago, can be a source of strength for the developing countries in the WTO negotiations.

Enlarged EU will benefit India, says Italian envoy

By Meenakshi Shedde
TIMES NEWS NETWORK

Mumbai: The enlargement of the European Union (EU) from 15 nations to 25 will create new job opportunities for immigrants from non-EU nations, said Italian ambassador Benedetto Amari. Italy has the current presidency of the European Union Council that runs from July to December.

The forthcoming enlargement of Europe will include mainly former East Bloc and south-eastern European nations.

"With the exception of Poland, many of the new nations have small populations and their economies will practically have to start from scratch," Mr Amari, who was in the city recently, said. "Many Indians see the en-

11-10 91 8 India-Europe
'Fiat will stay in India. The fact that it has new models coming out of its Kuria plant indicates our confidence in India'

largement as a threat, with new members bringing more problems and closed borders. But with more resources going to the new nations, they will enjoy higher GDP and trade. Indian companies are already investing in them. In fact, I imagine there will be more opportunities for Indians in Hungary than with Indian companies in the UK," he added.

The fourth Indo-EU summit is scheduled for November. EU president and Italian Prime Minister Silvio Berlusconi, minister of for-

eign affairs Franco Frattini and European Commission president Romano Prodi are expected to attend the meet. Indo-Italian bilateral trade currently stands at \$2.5 billion, but investments have been slow.

This, according to Mr Amari, is because "the Indian government takes two steps forward and one backward".

"Nonetheless," Mr Amari said, "despite global restructuring, Fiat India will stay in this country. The fact that it has new models coming out of its Kuria plant is an indication of our economic confidence in India."

He added that the priority areas for Indo-EU trade were pharmaceuticals, chemicals, manufacturing, food processing and information technology.

Lisbon court rejects plea for Monica Bedi's extradition ✓

By Our Special Correspondent

NEW DELHI, JULY 18. A Portuguese court has turned down India's request to extradite Monica Bedi, companion of Abu Salem, who is a key accused in the 1993 Bombay serial blasts case. This has come as a jolt to India's efforts to get the duo extradited in a short span of time.

The court decision was conveyed to the Central Bureau of Investigation about a week ago and the agency has requested the Prosecutor-General of Portugal to file an appeal against the Lisbon court's order.

Ms. Bedi has two cases against her in India relating to "conspiracy and cheating with a view to obtaining a forged passport".

Highly-placed CBI sources said the Extradition Court in Lisbon had said that Ms. Bedi could be tried there for "travelling on forged documents" but the CBI is said to have ad-



Monica Bedi

vised the Prosecutor-General that conspiracy and cheating parts of the case with a view to obtaining a forged document were of a more serious than a simple case of forgery. The CBI has little choice but to wait for the appeal to be heard.

Abu Salem and Ms. Bedi, Bollywood actress, and Syed Haider were arrested in Lisbon by the Portuguese police on Sep-

tember 18 last year for staying in that country on the basis of 'forged documents'.

She had allegedly obtained a passport in the fake name of Samiya Mallick Kamal. She also faces a charge of forgery in Madhya Pradesh for procuring a passport in the name of Fauzia Usman. Disputing her pleas before the Extradition Court in Lisbon, the CBI had said India was a democratic country where there was no discrimination on the basis of religion, caste, creed or sex. The Government had already taken a decision not to award the death penalty either to Salem or Ms. Bedi.

Sources said Salem's extradition case was also being heard by the same court and that he is learnt to have advanced several arguments such as the possibility of his being harassed if sent back to India. A reply to the Lisbon court has already been sent by the CBI.

India raises dispute over E.U. 'preferences' to Pakistan

By Amit Baruah

HO 11 22/5

MUNICH, MAY 29. The Commerce Minister, Arun Jaitley, said today that India was raising a dispute with the European Union at the World Trade Organisation (WTO) over "preferences" given by the E.U. to Pakistan in return for measures taken by Islamabad to tackle the menace of narcotics.

Talking to presspersons on board the Prime Minister's special flight from Berlin to Munich, he said that such a measure led to a "trade diversion" from India to Pakistan. India's dispute was with the European Union and not Pakistan.

On bilateral issues with Germany, Mr. Jaitley said that Berlin was positive about giving visas to Indian information technology professionals. His comments came after a meeting with the German Economy and Labour Minister, Wolfgang

gndk Baruah

Clement.

He said the special visas announced in 2001 by Germany for IT professionals were to end in July this year and Germany was considering new legislation dealing with the issue of visas and work permits. India wanted an interim arrangement till the new law came into existence.

There was discussion on E.U.-related issues. India wanted German support on the issue of anti-dumping and anti-subsidy measures that the E.U. has taken against New Delhi. Though India had been accused of frequently resorting to anti-dumping measures not a single one of the 153 inquiries raised by India had been challenged or upset on grounds of not being WTO-compatible. Simultaneously, a very large percentage of the measures taken against India had been set aside for not being WTO-compatible, Mr. Jaitley added.

THE HINDU

30 MAY 2003

EXPECT AN APPROPRIATE RESPONSE TO VAJPAYEE'S OFFER : SCHROEDER

Germany prods Pak on peace

India - Europe

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The German Chancellor, Mr Gerhard Schroeder, greets Mr Atal Behari Vajpayee in Berlin on Wednesday. — AFP

Press Trust of India

BERLIN, May 28. — Germany today asked Pakistan to make an appropriate response to Mr Atal Behari Vajpayee's "third and last" peace initiative. "I am very happy to emphasise and welcome the (Indian) Prime Minister's efforts to achieve constructive resolution of the issues of cross-border terrorism and Kashmir. Any time I am prepared to say in public that I do expect an appropriate response (from Pakistan)," Chancellor Mr Gerhard Schroeder said in a joint press conference here with Mr Vajpayee. The Chancellor, scheduled to meet Gen. Pervez Musharraf here next month, was asked what he would tell the Pakistani President.

Envoy approved

NEW DELHI, May 28. — India has agreed to the appointment of Mr Aziz Ahmed Khan as the Pakistani High Commissioner to India. Presently, Mr Khan is the foreign office spokesman and is due to retire later this year.

Blackwill on Indo-US ties: In Mumbai, US ambassador Mr Robert Blackwill said there was no US roadmap for peace between India and Pakistan because the former didn't favour interference in Indo-Pak issues. Nor is there any US plan to have military bases in India, he said. — SNS

opinion that such efforts are laudable and everybody should support it."

When Mr Vajpayee was asked what India expected of Germany to do in persuading Pakistan to stop cross-border terrorism, he said: "Yeh teda *surwat hai* (this is a question with a spin)." India and Germany, he said, have similar views on terrorism. Germany is a member of the anti-terror coalition and has raised voice against violence in Kashmir.

"When President Musharraf meets Chancellor Schroeder I would like him (the Chancellor) to say that there has to be an end to cross-border terrorism and convey India's readiness to discuss all issues with Pakistan, including Kashmir."

The Prime Minister rejected the demand for a plebiscite in J&K. To a German reporter's question why India was hesitant about holding a referendum in the state despite a UN resolution to the effect, Mr Vajpayee said India was a democratic country and elections had been held in the state from time to time.

Talks on Iran: Amid growing US threats to Iran, India and Germany today expressed the hope that all issues would be resolved through dialogue. "India and Germany hope that whatever the issue in Iran, it will be resolved through talks," Mr Jaswant Sinha said.

down on river linking

Hillary hits out at

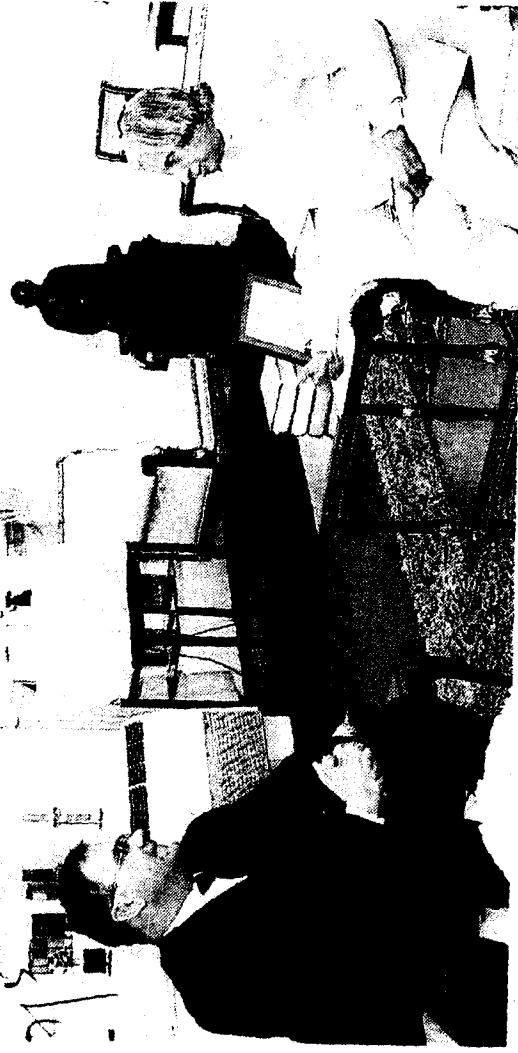
Bosnia takes 'neutral position' on J&K issue

By Our Diplomatic Correspondent

Handwritten: 12/5/03

NEW DELHI, MAY 6. The Foreign Minister of Bosnia and Herzegovina, Mladen Ivanic, called on the President, A.P.J. Abdul Kalam, at the Rashtrapati Bhavan today.

Dr. Ivanic, the highest-ranking Bosnian to visit India in the last 11 years since the two countries established diplomatic relations, told this correspondent that one reason for this lack of high-level contact could be because Bosnia was in the "middle of a war" for some years. He was candid enough to say that all these years Bosnia had been looking to the United States and the European Union, especially for financial support. Dr. Ivanic, who will call on the Prime Minister, Atal Behari Vajpayee, and hold talks with the External Affairs Minister, Yashwant Sinha, stressed that Bosnia was not a "Muslim" State. While ethnic Muslims made up 45 per cent of the federation, a little over 50 per cent were non-Muslims. The Minister, who will travel to Islamabad from New Delhi, conceded that a "little bit" of the balancing factor did come into play in his visit to India. In the past, Bosnian Ministers had visited Pakistan but not travelled to India. "There will be a



The Foreign Minister of Bosnia and Herzegovina, Mladen Ivanic, with the President, A.P.J. Abdul Kalam, at the Rashtrapati Bhavan on Tuesday.

balanced approach now." On the Jammu and Kashmir issue, his country had a "neutral position".

Mr. Ivanic repeatedly stressed that it was for India and Pakistan to decide on the issues that concerned them.

Bosnia, which had observer status in the Organisation of Islamic Conference (OIC), was not contemplating taking full membership of the OIC. However, the Federation, that was

invited as a "guest" to the last Non-Aligned Movement summit in Kuala Lumpur in February, had applied to become an "observer" in NAM.

Pointing out that the situation in Bosnia and the rest of South-East Europe had improved dramatically, Mr. Ivanic said the future lay in regional cooperation.

Last year, Bosnia, Croatia, Slovenia, Serbia and Montenegro, Macedonia, Bulgaria, Tur-

key and Romania, had agreed to a free trade arrangement. This was to be built into a free trade area. Pointing out that the future of his country lay with the European Union, he stated that a feasibility study on Bosnia linking up with the EU would begin this year.

"We hope the study will have a positive outcome. Our goal is to become a member of the European Union by 2009," he added.

India protests arrest of IT professional

By Our Special Correspondent

India Europe

NEW DELHI, MARCH 28. India today strongly protested to the Netherlands Government the arrest of the i-flex Solutions Chief Executive Officer, Senthil Kumar, in London and the detention of other employees in the Netherlands for alleged visa violations terming it "grossly unfortunate, objectionable and patently unwarranted."

New Delhi's serious concern over the incident was conveyed to the Dutch authorities by India's Ambassador at The Hague, Shyamala Kaushik, and to the Dutch Ambassador here, P.F.C. Koch, by the External Affairs Ministry. "They had valid business visas and they are from a highly reputed firm," the Foreign Office spokesman told presspersons in response to a volley of questions.

"Such treatment was absolutely unwarranted and humiliating and their personal effects were confiscated and passports seized. Most of them have left or

are in the process of leaving the Netherlands," he said. The i-flex CEO was arrested in London at the behest of Dutch authorities and the Indian High Commission in London has taken it up with the British authorities, he added. The British Foreign and Commonwealth Office said Mr. Kumar's arrest was carried out at the instance of the Dutch authorities and after alerting the Interpol. The spokesman said Mr. Kumar had a "perfectly valid U.K. visa. His arrest was not intimated to our High Commission. He was refused bail. So far, he has not been given consular access. We are told it will be on April 1 but again we have taken up the issue." Mr. Kumar is in judicial custody and so it is not an administrative matter and the hearing will come up next week, the Indian mission in London was told.

The spokesman said, "We do feel that such action, although it is painted as visa fraud, actually smacks of economic protectionism. It is a sort of neo-non-tariff

barrier." He pointed out that i-flex was not a "fly-by-night operator". Asked about the motive for such action, he said, "I don't know. It is mystifying. They hold valid Schengan visas. This is not the first time they have visited the Netherlands and the purpose of the visit had been clearly stated. Now to say that they had business visas and they should have working permits is not justified."

Asked whether Indian IT professionals were being specially targeted abroad, this being the second instance after the ill-treatment they faced in Malaysia, the spokesman said, "This has happened in two different countries in two different circumstances. We cannot draw a strict parallel."

The IT Minister, Arun Shourie, said in a separate interaction with the media that his Ministry would work closely with Nasscom to provide necessary guidance on visa-related matters to IT professionals.

New twist: Page 11

29 MAR 2003

THE HINDU

Centre May Purchase 6 Scorpene Submarines

France keen on closer defence ties with India

Our Political Bureau
NEW DELHI 28 APRIL

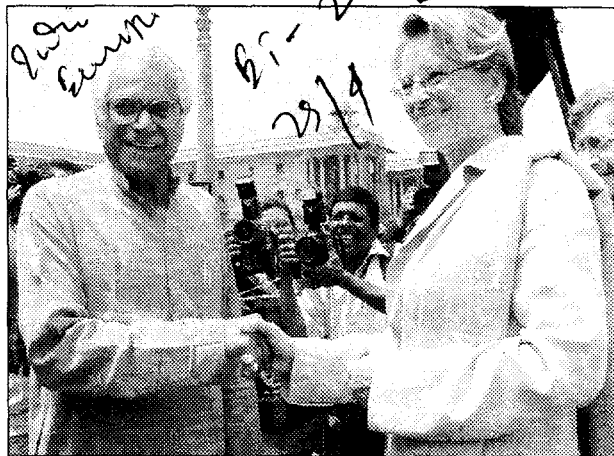
INDIA'S relation with France is set to reach a higher plane after the Iraq war. The Indian government may finalise a deal to purchase six advanced, diesel-propelled Scorpene submarines from France by the end of this year. And, more such high-profile exchanges are likely to follow suit to seal a long-term pact between the two countries.

France is one of the western powers which has been consistent in its support to India. While almost the entire world imposed sanctions on India in the immediate aftermath of the nuclear tests, in 1998, France stayed away.

With the US defying repeated pleas of allies like France and Germany to avoid the war in Iraq, France has been left with no option but to scout for support from the other countries in an attempt to move away from a unipolar world. It was against backdrop that the French defence minister, Ms Michele Alliot-Marie, came calling, leading a high-level delegation to New Delhi. She held talks with the Indian establishment, including deputy prime minister L.K. Advani and defence minister George Fernandes.

If there were any doubts that the French would rethink their position on the US attack on Baghdad, Ms Allot-Marie dispelled it. Still smarting under the US snub, the French defence minister made out a case for a multi-polar world.

With the US emerging as the sole super power after the war, it is evident that France sees in India an important and reliable partner with which it can have long-term defence ties. "But let



FRENCH OPEN: Union defence minister George Fernandes with his French counterpart Michelle Alliot-Marie in New Delhi on Monday. — Reuters

us not delude ourselves. A country can be heard only if it has a credible defence. Thus, defence relations between India and France are important," Ms Alliot-Marie said, while briefing reporters about her talks with her Indian counterpart on Monday.

The French defence minister made no bones about the fact the her country considered India to be important in its scheme of things. "We attach the greatest importance to India in this region. Our partnership is unique because of its intensity, diversity and its successes," she said.

An important component of this relationship was the ever-expanding defence ties. "Armament partnership between us has existed at a very important level for many years," she said. "New contracts are at various levels of discussion. All this is happening to the satisfaction of both the countries," she added.

The contracts, she said, had been managed in an atmosphere

of trust. This was possible because there was certainty that the contracts would be honoured and also because the sale of the best equipment was part of the deal.

On the sale of its upgraded Mirage 2000-5 fighter aircraft to India, along with technology transfer and production facilities, the French defence minister said they had made a proposal which was being studied by India. Paris has also offered thermal imagers for the Russian-made T-72 and T-90 tanks, which were in India's possession, and angular determination system for its artillery.

The French minister chose to dwell at length on her country's stand on Iraq. "I think the situation created there demonstrates the need for the international institutions, especially the UN, to re-assert themselves. If we want to avoid war, countries have to respect international law and this can be achieved only through international organisations such as the UN," she said.

29 APR 2003

The Economic Times

'France appreciates India's stand against Iraq war'

By Our Special Correspondent

HYDERABAD, APRIL 14. The French Government appreciates the stand taken by India against the war on Iraq by the U.S.-led coalition forces, as it is very similar to what France had been saying all along.

Talking to presspersons here today, the French Ambassador, Dominique Girard, said India had expressed anguish over the war at the very outset and described it as unjustified.

It would be illogical to expect India to take a more formal position since it was not a member of the U.N. Security Council.

Mr. Girard made it clear that France did not want a role in the post-war reconstruction of Iraq, leave alone trying to make money out of it.

"We are only fighting for a principle, not a gratuitous one at that, with an international vision and not vying for a piece of the reconstruction cake," he said.

The envoy, while reiterating his country's disapproval of military action against Iraq without the U.N. backing, said France never defended Saddam Hussein's regime since it was totalitarian.

Now, it wanted the U.N. to get back its legitimacy and not be reduced to a rubber stamp.

Mr. Girard welcomed the statement issued during the Bush-Blair summit that the U.N. would have a vital role in the post-war reconstruction, a stand that could not have been imagined earlier.

While the statement lacked full clarity, it showed that the U.S. and the U.K. were contemplating different options.

Spelling out the French stand on the issue of reconstruction, he said it wanted the U.N. to be the 'central actor' and play a pre-eminent role.

France was in close contact with Russia and Germany to press for this policy and was

ready to be part of any reconstruction activity starting with humanitarian assistance like supply of food and medicines.

The French envoy said he attached no significance to speculation that Ahmed Chalabi would be installed as a leader of Iraq.

People of Iraq wanted a Government which was legitimate and was not a puppet of any country. Only the U.N. could bestow legitimacy on such a regime after discussions with the international community.

To a question why the onus on reconstruction of Iraq should not be left to the U.S. and the U.K., he said this proposition was right in moral terms but any effort without the U.N. involvement was politically impractical.

Asked why France had failed to prevent the United States and Britain from starting the war, he quipped, 'because we played by the rules of the (U.N.) game'.

15 APR 2003

THE HINDU

'Indo-French ties not ^{9/9} up to potential'

By Sushma Ramachandran

NEW DELHI, APRIL 8. The new global alliances in the wake of the U.S.-led war on Iraq war could herald closer India-France economic relations, but much would depend on the political will and determination of both the countries.

Looking forward to such closer ties, the first French recipient of Padma Shri, Francis Dore, president of the Franco-Indian Chamber of Commerce, felt the "redeployment" of international relations could bring India and France closer.

Mr. Dore, who set up the Paris-based chamber to promote the development of investment and trade ties between Indian and French companies, traces his association with India back to the 30s when his parents lived in Patiala.

Honoured for his fervent promotion of India in his home country, he regretted that bilateral economic ties have not lived up to their potential. In an informal chat with *The Hindu*, Mr. Dore, a lawyer by profession, felt that the Iraq war could be the catalyst to strengthen the European Union's economic relations with Asian countries. Currently 80 per cent of France's investment and trade ties were with Western Europe and North America.

9 APR 2003

THE HINDU

Be patient when dealing with Pak.: Germany

HD-11

By Our Diplomatic Correspondent *Judith...*

NEW DELHI, MARCH. 4. The German President, Johannes Rau, said today that India should remain steadfast and patient when it came to dealing with Pakistan.

Dr. Rau, who was addressing a press conference, said he never made any public comments or gave advice on relations involving other countries. Howev-

er, he did point to the fact that Europe was a divided continent till the end of the 1980s. Very few people believed at the time that this situation could change. But, he stressed, there was a united Germany and united Europe in place. The Indian side, he said, voiced its concerns and disappointment relating to Pakistan and referred to its attempts at bridge-building with Islamabad. On Iraq, Dr. Rau said his feeling was that both In-

dia and Germany felt that the activity of the U.N. weapons' inspectors would fulfil the goal of eliminating Iraq's weapons of mass destruction. "We need to do everything to avoid a military conflict," he added. Asked about his meeting with the Congress president, Sonia Gandhi, and her position on Iraq, Dr. Rau said she had assured him that there was a consensus-oriented approach on foreign affairs.

9/10/02
Sudershan

India, Germany share views on Iraq

By Our Diplomatic Correspondent

NEW DELHI, MARCH 3. The German President, Johannes Rau, held talks with the President, A.P.J. Abdul Kalam, and the Prime Minister, Atal Behari Vajpayee, on the first day of his official visit.

Briefing presspersons, the Foreign Office spokesman said there was an "exchange of views" between Dr. Rau and Mr. Vajpayee on the entire gamut of bilateral relations.

Earlier, addressing a lunch meeting organised by the FICCI and the CII, Dr. Rau said that everyone was watching the situation in Iraq with concern. "India and Germany share the view that everything must be tried to fully implement the relevant (U.N.) Security Council resolutions using peaceful, political means. Only in this way can the economic and political stability of the region be maintained," he said.

There was a difference of opinion on the best means of preserving peace and stability, but not on the objective. "The point is sometimes lost in the heat of the debate. It is the aim of us all to eliminate Iraq's weapons of mass destruction and to make Iraq comply strictly with the terms of (Security Council) Resolution 1441."

Preserving peace in one's own country was often less diffi-



The President, A. P. J. Abdul Kalam, looks on as the Prime Minister, A. B. Vajpayee, welcomes the German President, Johannes Rau, at the Rashtrapati Bhavan in New Delhi on Monday — Photo: V. Sudershan

cult than ensuring that states remained at peace with each other. "With the end of the East-West conflict, we had all hoped that the use of force and war would disappear from the arsenal of politics. This hope has unfortunately not been re-

alised," Dr. Rau maintained.

Germany would be delighted if more Indian software experts came to his country. Sadly, the United States seemed to be the more attractive destination, Dr. Rau said.

He said that scientific coop-

eration between India and Germany was exemplary.

"There are more than 40 cooperation projects between German and Indian higher education institutions and some 1,500 Indo-German scientific publications..."

German President sees huge potential for trade ties

By K. K. Katyal

NEW DELHI, MARCH 2. Valuing India as a major partner, the German President, Johannes Rau, now here on a five-day visit, proposes to focus on steps to promote economic exchange with India and cooperation in science and technology. Seeing vast untapped potential, he advocates dismantling of trade and investment barriers for better results.

Dr. Rau dealt with bilateral and global subjects in a "written" exclusive interview — replying to some 10 questions sent to him. It was a rare case of a head of state choosing not to shy away from sensitive matters — such as Germany's stand on Iraq and his country's relationship with the U.S.

Approvingly noting that vastly different peoples, cultures and religions lived together peacefully in India, he was pained to see

"religiously-motivated violence" flaring up time and again. He was, however, confident that India's secular democracy could solve these problems.

Dr. Rau regarded India as a "natural candidate" for a permanent seat in the United Nations Security Council. And he was categorical on his country's opposition to "terrorism in all its forms" and spoke of Germany's support to the draft comprehensive convention on combating terrorism sponsored by India in the U.N. At the same time, he was for fighting the "root causes" of terrorism and tackling the environment in which it flourished.

As regards Iraq, he did not think that war was inevitable while stressing that it could only be the last resort. Germany, he warned against accepting its inevitability, he said while stressing that it could "only be the very last resort". In his view, the point of

no return had not been reached in the case of Iraq.

Conceding that there were "irritations" in German-U.S. relations he was sure that this would not do any lasting damage to the trans-Atlantic bond. He was not happy with the talk of "new" and "old" Europe. Those using these terms, according to him, could not be thinking of and certainly not aiming at a new division of Europe.

On globalisation, Dr. Rau cited the views of the Nobel prize winner, Amartya Sen, that the quality of life in a given country could not be gauged from its growth rate or prosperity but rather from the degree of freedom it offers. The "Agenda for Indo-German partnership for 21st Century", he said, had proved its worth as a valuable foundation for cooperation in partnership in a globalised world.

Details on Page 12

THE HINDU

3 MAR 2003

Indian
sample

'India a major partner in a fast-changing world'

By K. K. Katyal

The German presidential visits seem destined to coincide with the crises in the Gulf region. The last trip by a President was undertaken in February 1991 by Richard von Weizsacker just after the end of the Gulf war. The visit by the current President, Johannes Rau, comes at a time when strenuous diplomatic efforts are on to prevent a Gulf war, an attack on Iraq. During the 1991 visit, however, the stress was on the development of bilateral ties, slated to be the main theme now. Though a constitutional head, Dr. Rau

market economy: this belief is also professed by the Indian economist, Amartya Sen, who won the 1998 Nobel Prize for economics. The poor and the dispossessed of this world could wish for no more knowledgeable champion of their rights than Amartya Sen. He believes that the quality of life in a given country cannot be gauged from its growth rate or prosperity but, rather, from the degree of freedom it offers. Freedom means recognising the incredible wealth of talent and diversity that characterises mankind. Sen's optimism is catching. He maintains that in the pursuit of liberty and democracy mankind has found a universal ideal. There is no alternative to the One World. Globalisation makes us all citizens of the world — and as such, we should all be free.

ship for the 21st century", which was agreed by our Foreign Ministers in May 2001, is and remains the framework for further enhancing our bilateral relations. It has proved its worth as a valuable foundation for cooperation in partnership in a globalised world. The "Asia-Pacific Weeks" take place in Berlin every two years. Since their launch in 1997, they have emerged as an important forum for political, economic, scientific and cultural exchange between Europe and Asia. I am happy that India will be the focus country of the "Asia-Pacific Weeks" in Sep-

Germany has taken a firm position against any military action in Iraq and has advocated the exploring of all possible options to resolve the crises by peaceful means. How does it propose to follow this line — to its logical conclusion — in the crucial period ahead?

"It is painful to see that religiously motivated violence flares up time and again. We are convinced that India's secular democracy can solve these problems."

Germany has strongly warned against accepting war as inevitable before every other avenue has been exhaustively explored. The Federal Government has made it clear time and again that war can only be the very last resort in order to remove an imminent danger that cannot otherwise be averted. We believe that this point of no return has by no means been reached in Iraq's case.

had been an active politician in the past. He was the Chief Minister of the country's biggest state, North Rhine Westphalia, for 20 years — till 1998, a year before he was elected President.

The following are replies to questions put to him in an exclusive written interview:

Question: During the visit here, what will be your main focus in the bilateral framework? What could be the new areas of cooperation in the field of economy (trade and investment) and science and technology, apart from political matters?

Johannes Rau: My visit to your great country highlights the traditionally close relations between India and Germany. We value India as a major partner which is playing an increasingly important role in a fast-changing world. India has demonstrated how vastly different peoples, cultures and religions can live together peacefully. Yet it is painful to see that religiously motivated violence flares up time and again. We are convinced, however, that India's secular democracy can solve these problems.

Of course, we will discuss bilateral questions and also international issues such as the Middle East crisis. But at the top of my agenda are issues which matter a great deal to future generations. Thus cooperation in the fields of science and technology as well as the promotion of economic exchange between our two countries will be the focus of my talks.

Trade and investment have taken a positive turn over the last few years, yet there is much untapped potential on both sides. If, as both countries wish, economic cooperation is to be enhanced, we need to improve the overall framework. This includes dismantling trade and investment barriers.

Germany showed tremendous interest in the field of information technology here. What are the chances of similar interest in bio-technology, another strong point for India?

Indo-German cooperation in the field of science and technology is a very good example of how the two countries stand to benefit from joint efforts. In fact, there is a lively interest in Germany in Indian information technology. But biotechnology, too, is bound to be a scientific field with great potential for the century ahead of us. We fully appreciate India's achievements in this field. Thus the Indo-German Committee on Science and Technology defined biotechnology as the focus of our future cooperation.

During the visit of the Foreign Minister, Joschka Fischer, the two sides signed the Indo-German partnership agreement. What, in your opinion, are to be its parameters? And what is the significance of the Asia-Pacific Week, to be celebrated in Berlin later this year, with India as its theme? Any suggestions for the functioning of the Indo-German Consultative Group?

The "Agenda for Indo-German partner-

tember 2003. I am convinced that this will make India even more attractive for Germany and the Germans.

What is Germany's stand on India's claim for a permanent seat in the United Nations Security Council?

There is consensus among the members of the United Nations that the Security Council needs to be reformed. Its current set-up goes back to the 1960s. At that time, the U.N. only had 113 members, while today there are 191. This greater number means the Security Council has become

INTERVIEW

even more exclusive. Germany would like to see the Security Council reflect global changes. The question of who should be added as a new permanent member is particularly tricky. I believe that, given the role India plays in today's world, your country is a natural candidate for a permanent seat in the Security Council. However, the ultimate decision on the reform package will have to be taken by the General Assembly.

"I believe that, given the role India plays in today's world, your country is a natural candidate for a permanent seat in the Security Council."

And on terrorism, especially the trans-border type?

Germany condemns terrorism in all its forms. There is no justification for terrorism. Germany is in the front line of the fight against terrorism and its root causes. It supports the draft comprehensive convention on combating terrorism which India has sponsored. Just like India, Germany has signed all 12 existing U.N. conventions against terrorism. I am convinced that terrorism can only be defeated in the long term if we fight its root causes and tackle the environment in which it flourishes: poverty, oppression, violation of human rights. I believe that India bears a particular responsibility in the region to promote stability, peace, respect for human rights and the principles of an open society.

In one of your public addresses last year, you spoke of the importance of securing and promoting freedom and justice for all in the age of globalisation. Is this worthy objective not lost sight of in the mad rush of market forces?

On the contrary: where market forces rule unchecked they destroy the market. Where only the strongest survive, there is no competition and thus no market. Without rules, there can be no market, and a market without rules means that injustice and arbitrariness reign supreme.

That, by the way, is not only a basic conviction held by the German economists to whom we owe the concept of the social

European Union in Athens, the division of Europe will finally be overcome. On June 1, 2004 the European Union will grow from 15 to 25 members. The member states will remain sovereign countries yet belong to the European Union, the first truly supranational organisation in the world. In the European Union, all member states, whether big or small, enjoy the same rights.

It comes as no surprise to me that particularly on such an important issue as the Iraq crisis there are different positions. All present and future member states of the European Union are convinced that Saddam Hussein must be disarmed. Differences exist on how to achieve that goal.

How do you see the evolution of the ties between Germany and the U.S. in the near future? This relationship took a difficult turn — first at the time of federal elections in Germany and now during the current intense diplomatic activity on Iraq?

Germany owes America a lot. I cannot emphasize that enough. At the moment, there are irritations on both sides, and in some cases words were spoken that I would not have used. However, I am convinced that German-American relations rest on a solid foundation and are so firmly anchored in the hearts and minds of people on both sides of the Atlantic that the current irritations will not do lasting damage to the transatlantic bond.

India, Poland sign defence agreement

TIMES NEWS NETWORK

New Delhi: India and Poland on Monday signed an agreement on defence cooperation on the occasion of the visit of Polish Prime Minister Leszek Miller.



The two sides also signed an extradition treaty and an agreement on cooperation in combating organised crime.

Speaking on the occasion, Prime Minister A.B. Vajpayee described Poland as a reliable partner in defence cooperation and said the agreement was an evidence of this.

Mr Miller said the accession of Poland to the European Union (EU) would increase opportunities for economic cooperation as India would cooperate with the entire EU through Poland.

Mr Vajpayee also announced the setting up of a joint economic commission with Poland to discuss the possibilities of cooperation in trade and commerce.

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THE TIMES OF INDIA

Indo-French ties scale new high

HT-4 (10) Julia George

Partha Majtra

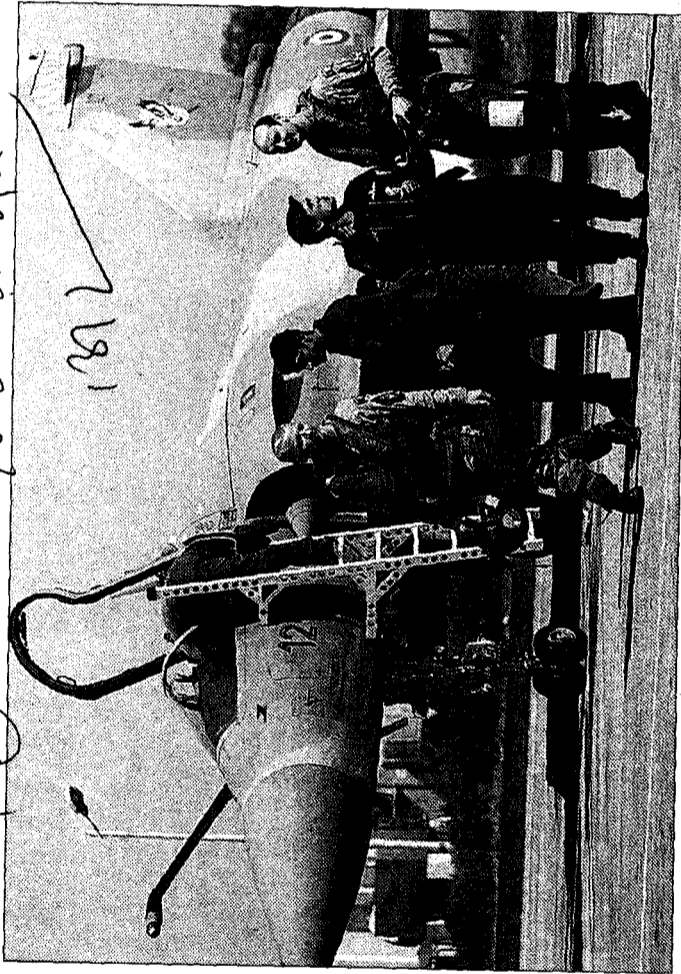
Gwalior, February 12

THE JAGUAR swoops as the escorting Indian Mirages keep the enemy aircraft at bay. The two French Mirages fail to intercept the Indian strikers as a dogfight continues mid-air over the Gwalior air base, home to two Mirage 2000 squadrons or Tigers. As the Jaguar sorties return, the second mission begins with MiG-27 fighters as Indian Mirages surge into the air to provide cover.

This is no war zone, but the ongoing Indo-French air exercise code-named Garuda, which significantly is the first combat manoeuvre wargame conducted by the Indian Air Force. After the biggest-ever naval wargame with France in the Arabian Sea two years ago, the current air exercise has provided a new dimension to Indo-French military cooperation.

Speaking to reporters, French ambassador to India Dominique Girard said several contracts on equipment purchase were signed during the Aero-India show in Bangalore and the submarine deal is in the final stages.

The combat exercise has also helped Indian pilots to gain first-hand experience



SHOWTIME: Indian and French pilots during the joint air force exercise dubbed 'Garuda' in Gwalior. VIPIN KUMARI/HT

in air-to-air refuelling from their French counterparts. This is significant as the IAF expects to boost its air prowess with the delivery of its first air tanker IL-78 from Uzbekistan next month for mid-air refuelling.

With the French Mirages having upgraded radar capa-

bility for swifter kill, the Indian and French pilots have shared tactics on Beyond Visual Range (BVR) combat.

Squadron Leader H.S. Basra said, "While the French enlightened us with their war experiences in Kosovo, Afghanistan and their operations with Nato,

we shared our experiences in Kargil. We've also learned how they conduct international operations and use precision-guided missiles." Moreover, the ground crew of both countries are exposed to maintenance practices, while understanding the basic con-

Brahmos tested successfully

SUPERSONIC anti-ship cruise missile Brahmos was successfully test-fired from a warship stationed in the Bay of Bengal on Wednesday.

Jointly developed by India and Russia, the cruise missile, with a range of about 300 km, was fired from Indian Navy's destroyer Rajput. "The missile was successfully test-fired, followed the predicted trajectory and accurately hit the target," defence minister George Fernandes said. Brahmos can carry 200-300 kg payload of conventional warhead mass depending on the version.

PTI, Balasore

cepts of fighter operations through presentations.

Talking about Indo-French ties in the post-September 11 scenario, the French air chief Richard Wolsztynski said sharing intelligence assets could be the basis of cooperation between the two countries.

Indian, French pilots in skill show

SUJAN DUTTA

Air Force Station, Gwalior, Feb. 12: Diving out of the blue and roaring over the airfield from the northeast to the southwest, the two Jaguar deep penetration strike aircraft — bombers — of the Indian Air Force fly low, 'drop' their deadly payload, record a 'hit' and climb away in a flash of orange after-burner.

From the roof of the observation post, it is as if the Jaguars are coming straight at the forehead at supersonic speed, the roar following them like the black smoke they trail behind.

But before that, the six-foot-something Captain Franck 'Terra' Moly of the French Air Force in his Mirage 2000 has locked-in in his radar one of two IAF's Mirage 2000s escorting the Jaguars, recording a 'kill' from beyond visual range.

Here, in Air Force Station, Gwalior, home to the IAF's Tactical Air Combat Development Establishment, TACDE, 'claims' and 'kills' are simulated and recorded on 16-mm film and French onboard video cameras. This is where lessons from Kargil and Kosovo are being learnt and shared.

It is the Indians, with their last real combat experience during Operation Safed Sagar — the Kargil war of 1999 — who share skills in high altitude weapons delivery and close combat; the French impress with their knowledge of Nato exercises and air defence during the Kosovo war.

This morning, the Gwalior station — the base for the IAF's two Mirage squadrons, No. 1 Tigers and No. 7 Battleaxes — was the designated target for the two Jaguars. Two Mirage 2000s were tasked to escort the Jagu-



A Mirage 2000 fighter jet takes off in Gwalior during the joint exercise. (Reuters)

ars across an imaginary border and attack the airstrip. The 'Battleaxes' saw action last year, too, when they were tasked to 'take out' a Pakistani intrusion in the Gurez-Macchil sector near the Line of Control. Two Mirages from the French Air Force's Tiger Squadron based in Cambresis, Northern France, were put on CAP — Combat Air Patrol — jargon for aircraft whose duty it is to protect static strategic installations.

The French Mirages were to intercept the Indian formation, primarily targeting the Jaguars. The Indian Mirages were to pro-

tect the Jaguars so that they complete their mission.

In the second mission, the roles for the escorts and CAP are reversed. The Jaguars, temporarily flown in for TACDE from their home in Gorakhpur, continue in the deep strike role. This time the French escort the Jaguars, the Indian Mirages are tasked to intercept.

It is day four of Exercise Garuda, the first exercise involving fighters from two air forces in India in 40 years. The level of the exercise is being steadily ramped-up. On day one, the Indians were given a demonstration of

air-to-air refuelling; day two saw two aircraft in strike formation familiarising with the area and on day three, two escorts were pitted against two interceptors.

"It is their international experience that we lack. Also, it is their ability to lock-in and fire from beyond visual range," says Squadron Leader N.K. Choudary. The Mirages of both air forces are loaded with similar weapon systems. The Indians have also innovated by marrying the Russian R-73 missiles to the French-built Mirages. But the advanced radar of the French allow them to fire at aerial tar-

gets from ranges upto 20 km.

"In close combat, we are generally better. But you need to get close enough to combat," says a flight lieutenant with the IAF's Tigers.

In its immediate security environment, the IAF's Mirages are equipped A4M, fighter-pilot jargon again for "all aspect air to air missiles", just as much of the Pakistani aircraft is. The French make BVR (beyond visual range interceptions) and programme their missiles to fire on locking-in.

"We are not here to assess the performance of the IAF's pilots," says Captain Sebastion 'Dodi' Vallette, the badge on his overall pocket reads "Nato Tigers". "We're here to understand."

In the five presentations each side will be making to the other, pilots and fighter ground crew will exchange notes on their experiences in Kargil and Kosovo, Air to Air Refuelling, BVR combat and precision guided missiles.

"We have come here to exchange information and build capacity," says the chief of French air staff, Richard Wolzyski. "There is no other purpose." In the medium-term, the Indian Air Force will be replacing its MiG 21 fleet — the mainstay of its air defence. A possible induction of more Mirage 2000s from France is being considered but there are other aircraft, too, in competition for the segment such as the US-made F-16s.

"Our experience with the Mirage 2000s have been very good and almost fault-free," says Air Marshal Ajit Bhavnani, senior air staff officer, Central Air Command, who was coordinator for the IAF's Mirage programme since the Dassault Aviation built multi-role fighters were first inducted in 1985.

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THE TELEGRAPH

French set for touchdown in Kashmir

SUJAN DUTTA

New Delhi, Feb. 10: The chief of the French Air Force will be given a taste of Kashmir this week even as fighters from France exercise with the Indian Air Force to begin learning tactics of concealment and mid-air refuelling during strategic missions.

Exercise Garuda will be the first of its kind involving fighter aircraft from the two air forces in India since Exercise Shiksha with the US 40 years ago in 1962.

France's chief of air staff, Richard Wolsztynski, will be flown to Leh and given a briefing on security considerations in the Ladakh region. The briefing would touch upon the stand-off at Siachen. French aircraft may also begin preliminary work for an exercise from the sensitive air force station at Leh.

This is the second time in recent months that a top military official from the West is being taken to Kashmir. Last year, the chief of the US Pacific Command was also taken to Leh. Last week, the defence establishment was also considering a guided tour of Kargil for the US army chief, General Eric Shinseki, who "stopped by" in New Delhi en-route to Philippines. However, the programme could not be slotted into his itinerary. General Shinseki was given a briefing by the army in the operations room at the army headquarters.

Against the backdrop of nose-diving India-Pakistan relations, successive visits by top military officials from the US and France, is as close to acknowledgement by the West as ever that the Pakistan dimension to the Kashmir dispute is of serious concern.

The India-France Exercise Garuda has two objectives. This is the first time that the Indian Air Force would begin training on refuellers, Refuellers, or tanker aircraft, pump fuel into fighters in mid-air.

The IAF has contracted for six refuellers from Uzbekistan, the first of which is scheduled to reach India by the end of the month. The refuellers, originally from Ukraine and reassembled in Uzbekistan are on the IL-78 transport aircraft platform.

The focus of the exercise on refuelling suggests that the IAF is preparing for contingencies in which it will conduct operations from deep in the hinterland. Recent additions to the IAF's inventory are configured to refuel in mid-air. Also, some of the older aircraft — like the Jaguar deep penetration strike aircraft — have been reconfigured with

ability to refuel. The Sukhoi 30, the Su 30 mki and the Mirage 2000s can refuel in mid-flight.

The idea behind arming the IAF with refuellers in India's immediate security environment despite sharing a long common border with the principal adversary is to conceal strike power. For instance, refuellers will give IAF aircraft the ability to fly from Thiruvananthapuram in the deep south for missions up north and return to home base.

The refuellers will not only enable the aircraft to fly longer, they will also allow aircraft to be loaded with more arms. The payload capacity of aircraft are indirectly proportional to their fuel-carrying capacity — the more fuel they carry, the less they can be loaded. Without refuelling, aircraft fly shorter sorties and become more detectable during landings and take-offs.

IAF sources said during Garuda, Mirages of the French Air Force will give demonstrations on refuelling from the KC-135.

Mirages of the IAF are not configured to "dock" with the French refueller. The French Air Force contingent has flown to Gwalior or directly from Dillibouti, Africa. They refuelled thrice en-route.

The second objective of Exercise Garuda is to familiarise the IAF with French procedures and French aircraft. The IAF has two squadrons (about 40) of the French-built Mirage 2000 multi-role aircraft based in Gwalior — where Exercise Garuda will be conducted.

Another 10 Mirage 2000H are to be inducted into the IAF from September. Negotiations for an additional 130 aircraft are in the preliminary stage.

India is also in talks with the Americans for the Lockheed

Martin produced F-16 Fighting Falcons and with the Russians for the upgraded MiG 29-MCR for the same segment in its inventory.

The French are in Gwalior with 4 Mirage 2000s, a refueller on a KC-135 and a transporter DC8. A total of 80 French Air Force personnel and 120 from the IAF are participating in Exercise Garuda. The Indian contingent for the exercise will include 10 Mirage 2000s, MiG 21s, MiG 27s, AN32 and Mi17. More than 100 sorties are to be flown in a week. The composition of the aircraft suggests that the exercise will touch upon not only refuelling and airlift but also on interception and air defence.

The French Air Chief, who is here to oversee the exercises, today met Air Chief Marshal S. Krishnaswamy. "We now have a presence in Central Asia and we

have also flown during Operation Enduring Freedom. Post-September 11, air defence is a major concern and we hope to benefit mutually," France's chief of air staff Richard Wolsztynski said after the meeting. Asked if he had begun talks on transfer of more French aircraft to the IAF, he said: "I don't sell aircraft but I can say that the Mirage 2000-V (the aircraft that the IAF is considering) is a good fighter."

"The French have a lot of experience on the Mirage which are similar to the aircraft in our force but there is a difference in onboard equipment and avionics because the two air forces relate to their specific environments," Air Chief Marshal S. Krishnaswamy said. "Air-to-air refuelling is part of the operational exercise of the French Air Force and we hope to share the knowledge."

India, France discuss trade issues

By Our Special Correspondent

NEW DELHI, FEB. 7. India and France today discussed market access issues, especially regarding seafood exports, and concerns over the anti-dumping actions against Indian textile products in the European Union. The issues were raised along with the need to expand bilateral trade at a meeting of two French Ministers — the Finance, Economy and Industry Minister, Francis Mer, and the Trade and Commerce Minister, Francois Loostwo — with the Commerce and Law Minister, Arun Jaitley.

After the meeting, Mr. Jaitley said they were also worried about India's project preference policy in favour of public sector companies and sought a reversal

of this stance. While discussing bilateral trade, Mr. Jaitley took up market access issues, especially regarding Indian seafood exports to France. He also highlighted India's concern over the continued anti-dumping actions against Indian bed linen in the European Union as textile products have a large weightage in the export basket to the EU market.

Mr. Mer expressed concern over certain market access issues, particularly in the wine sector, where he sought further reduction in customs tariffs. Mr. Jaitley assured him that the tariff levels have been coming down.

Multilateral trade issues in the context of the ongoing WTO negotiations also figured in the discussions. The French Minister expressed disappointment that

the U.S. had not joined the consensus on TRIPs and public health and hoped that the matter would be resolved soon.

According to an official release, the French Ministers said that their country recognised that poor countries must have access to medicines even while protecting patent rights. They said that negotiations in services, especially liberalisation of financial services, were very important for France as it accounted for 70 per cent of the country's GNP.

Both sides noted that the present level of bilateral trade, estimated at \$ 1.71 billion in 2001-02 was way below the actual potential, notwithstanding the 16 per cent growth registered in the first seven months (April-October) of the current fiscal.

1 8 FEB 2003

India, E.U. play down rights divide

By C. Raja Mohan

NEW DELHI, JAN. 22. India and the European Union have managed to put behind them their recent divisive debate on human rights and are looking ahead to more intensive consultations on wide-ranging political issues.

The discussions late last week between the External Affairs Minister, Yashwant Sinha, and the E.U. leadership in Athens, official sources here said, had helped restore mutual confidence and created a positive atmosphere for future engagement.

New Delhi was put off by the high-handed European approach to the discussion of human rights problems in recent months.

The mood in the capital darkened further with the way the

third India-E.U. summit was handled in Copenhagen late last year.

As two of the world's leading democratic forces, India and the E.U. have now come around to the view that they should not be expending their energies on examining each other's record on human rights and picking holes in them.

The conversations between Mr. Sinha and his interlocutors — Javier Solana, High Representative of the E.U., and Christen, Commissioner for External Relations — have helped create a more conducive atmosphere in which issues relating to human rights can be discussed in the coming years.

There has been a delayed, but welcome recognition in the E.U. that it cannot talk down to India on human rights and democra-

cy. It also appears to have understood that the negative tone and high profile it had adopted in criticising India had been counterproductive.

The rights question remains a high priority for the E.U. and is unlikely to disappear from its agenda.

As the world's largest democracy, India believes it has no reason to be either defensive or hesitant in discussing the issues with anyone.

The two sides have come to see that mutual respect, avoiding strident statements and public posturing are necessary conditions for a sustained and productive discussion.

Greece, which currently holds the E.U. presidency, has had excellent political relations with India over the decades. Athens seemed to have

played an important role in calming the recent tensions between India and the E.U.

At a moment when the collective European voice has emerged stronger on international security issues, both sides have recognised the urgency of substantive and freewheeling discussions on various political questions.

Observers here said that the clearing of the air on human rights should pave the way for a serious effort to inject strategic content into the relations.

Although they had proclaimed a strategic partnership, the observers said, the two sides needed to identify visible cooperative projects in the area of high technology and undertake tangible political coordination on key issues of mutual interest.

Terrorism tops Advani's talks

By Anjali Mody

PARIS, JAN. 23. Terrorism dominated the discussions the Deputy Prime Minister, L.K. Advani, had on the first day of his three-day official visit to France. But India's concern about Pakistan-sponsored terrorism and the international community's continuing support for Pakistan, including the sale of arms, received only non-committal responses from the French.

Responding to the questions from the media after their meeting, Mr. Advani and the French Premier, Jean Pierre Raffarian, refused to be drawn on what they had discussed with regard to terrorism. Mr. Advani was asked whether he had raised the question of Pakistan's support to terrorism with Mr. Raffarain. He said he had explained India's position on terrorism to him. Asked what this position was, he replied that "in respect of global terrorism" the approach of India and France "are the same".

Earlier, Mr. Advani had a meeting with the French Defence Minister, Michelle Alliot-Marie.

The French Minister spoke of France's concern that terrorism was a major threat to stability. Mr. Advani told her about India's continuing experience with terrorism and Pakistan's support to terrorist activity in India. India believed that no government that supported terrorism should receive the support of the international community, he told her. Ms. Alliot-Marie, whose government has had a history of arms sales to and military exchanges with Pakistan, appreciated India's position. However, according to officials, she did not make any categorical statement of agreement.

Ms. Alliot-Marie asked for more frequent and comprehensive exchange of information and intelligence between her country and India. She

also suggested the institutionalisation of these exchanges.

Defence cooperation

The Deputy Prime Minister also told Ms. Alliot-Marie that India hoped to raise the level of defence cooperation with France, from buyer and seller to one of a partnership, in design and co-production. Ms. Alliot-Marie responded positively to say that Indian research competence was something that could certainly be the basis of such cooperation. The meeting also underlined the similarity of views of India and France on Iraq. Both Mr. Advani and the French Defence Minister reaffirmed their views that no unilateral action against Iraq was acceptable, and that the arms inspectors report should be scrutinised and any further decision mandated by the U.N.

Meeting cancelled

A scheduled meeting with the French Minister for Transport, Gilles de Robien, was cancelled at the last minute, with Mr. Advani pleading exhaustion. However, reliable sources suggested that the decision not to hold the meeting was dictated by concerns that the French Minister, who is to visit India along with the Prime Minister in February, would raise the issue of Airbus sales, which is now under consideration. Mr. Advani also discussed the ongoing negotiations for defence purchases from France. It is reliably learnt that India is interested in buying mirage 2000-5 aircraft from the French manufacturers. These advanced jet fighters will vastly increase India's nuclear deterrence capability. The negotiations to purchase 6 Scorpene SKK was also discussed and the contract is expected to be finalised by mid-February.

A non-Embassy affair: Page 12

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Europe 'READY TO WAIVE CAPITAL PUNISHMENT'

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India, France sign extradition treaty

By Anjali Mody

PARIS, JAN. 24. The Deputy Prime Minister, Lal Krishna Advani, concluded his official visit to France today with the signing of a bilateral extradition treaty.

Speaking to the media soon after signing it, Mr. Advani and the French Justice Minister, Dominique Perben, said the treaty was a reflection of the strengthened legal and judicial understanding and the relationship of trust between the two countries.

Mr. Perben was asked what his country's position was on extradition of persons who might face the death penalty. He said this was an issue that France had dealt with earlier in relation to extraditions to countries including the United States. France would not, he said, extradite a person to a country where he was likely to face the capital punishment unless the Government of that country gave a "formal undertaking" that this would not happen.

Mr. Advani clarified that India too had dealt with this divergence in law, most recently in the case of Portugal. India, he said, would give France the same undertaking not to award capital punishment when seeking the extradition of an accused, just as it had to Portugal.

France does not extradite French nationals. Mr. Perben was asked how the extradition treaty with India impacted on this. He said it did not as this was "almost a constitutional provision". But, he clarified, in case a French national was wanted in connection with crimes committed in another

country, there were provisions in French laws to prosecute him in France.

Later, at a press conference, Mr. Advani said that if America could make Pakistan a democracy, it would make it a lot easier for India to deal with Pakistan. He was responding to a question on the attitude of countries such as France and the U.S., which saw the Pakistan President, Pervez Musharraf, as an important part of any solution to the problems in the region. He said that contrary to the view abroad India did not see Gen. Musharraf as the problem. It was Pakistan's "anti-Indian mindset" that was the reason for the problems.

Mr. Advani was asked about the divergence and convergence of views between India and France. He said there was no divergence. There was a convergence of views on terrorism, financing of terrorism and the need to be firm with those supporting terrorism. France as chair of G-8 countries had raised the issue of dealing with the financing of terrorism.

Asked what had led to the

Gesture to AIDS patient

PARIS, JAN. 24. In a humanitarian gesture, New Delhi had decided to release a French national serving a prison term in India, as he has been suffering from AIDS. The Deputy Prime Minister, L.K. Advani, told newsmen here that the decision has been taken on humanitarian grounds. — PTI



The French Justice Minister, Dominique Perben (right), with the Deputy Prime Minister, L. K. Advani, after signing an extradition agreement in Paris on Friday. — AP

killings and violence in Gujarat, Mr. Advani said that since independence "periodically something or other took place leading to riots and communal violence". In February last year, there was a ghastly tragedy at Godhra, Gujarat, when a train was attacked and innocent citizens were killed. This triggered a phase of communal riots in that State. While it took some time for the Government to control riots, it had taken stern action, including shooting to death of some 200 people. Yet, "a campaign of calumny" was unleashed against the Government there, particularly against the leader there, "which I believe is unfair". The elections,

which returned the Modi Government to power, were a backlash against this campaign.

To a question on India's deal to buy nuclear weapons technology from Russia even while supporting the elimination of weapons of mass destruction in Iraq, Mr. Advani said the Government in 1998 had decided that India must have a minimum nuclear deterrent. By and large, the world accepted that India's stance was justified. Asked about India's views on North Korea's acquisition of nuclear technology, he said India was also concerned that North Korea was taking steps which did not help the cause of world peace.