

European security meet ends in discord

Associated Press

separatist movements supported from Moscow.

With Russia isolated, it was the first time in three years that the annual meeting of the Organisation of Security and Cooperation in Europe (OSCE) fell short of a consensus on a concluding statement.

Delegates from Russia, the USA and from the OSCE leadership sat through the night in a futile effort to break a stalemate over the draft statement, diplomats said.

MAASTRICHT (The Netherlands), Dec. 2. — A 55-nation European security conference closed in deadlock today over Russian involvement in Georgia and Moldova.

US Secretary of State Gen. Colin Powell, in a speech critical of Russia, called for a swift withdrawal of Russian forces from the two former Soviet Republics, each wracked by

The talks broke down when the USA rejected language that watered down support for Georgia, and Russia insisted on a reference to its aborted peace plan for Moldova, said the diplomats on condition of anonymity.

Dutch foreign minister Mr Jaap de Hoop Scheffer, the OSCE president, read a statement revealing deep divisions that blocked a consensus, saying "most ministers" supported Georgia's territorial integri-

ty and called for a multinational peace force in Moldova.

Russia's deputy foreign minister, Mr Vladimir Chizhov, rejected the president's statement and said it "does not consider itself bound by the recommendations and considerations" in the document.

But Mr Scheffer said Russia was left isolated, finding "no allies" for its stance among other OSCE members, which include many former Soviet or Soviet-bloc nations.

NORTHERN IRELAND POLL / DEADLOCK OVER GOVT. FORMATION ✓

Peace process suffers setback

By Hasan Suroor

LONDON, NOV. 29. The fragile Northern Ireland peace process faces an uncertain future with hardline Unionists and Republicans emerging as the largest groups after elections to the 108-member Provincial Assembly, results for which were announced on Friday.

Moderate Unionism suffered a huge blow as David Trimble's Ulster Unionist Party (UUP) was overtaken by Ian Paisley's hawkish Democratic Unionist Party (DUP) which wants the 1998 Good Friday Agreement renegotiated on the plea that it is loaded in favour of Republicans.

On the other side of the sectarian divide, Sinn Fein — the political arm of the IRA — pushed out the Social Democratic and Labour Party (SDLP), which represents the softer face of Republicanism. The emergence of Sinn Fein as the dominant Republican voice was seen as an indication of how much the party, once associated with guns and bullets, has changed in its bid to become more widely acceptable.

Immediate prospects of the formation of a new government looked remote as the DUP reiterated that it would not work with Sinn Fein until the IRA was disbanded.

Rules require the largest Unionist and Republican parties to form a coalition in order to provide representation to both communities, but with the



UNCERTAIN FUTURE: The Stormont Parliament Buildings, home of the disbanded Northern Ireland Assembly, in Belfast. — Reuters

DUP refusing to "talk" to Sinn Fein, a political deadlock loomed. "I am not talking to Sinn Fein and my party's not talking to Sinn Fein, and anybody that talks to Sinn Fein will be out of my party," Mr. Paisley said as his party claimed that its "victory" showed that Unionists had lost faith in the way the peace process had been implemented under the UUP leadership.

Mr. Trimble was under pres-

sure from his own party hardliners who blamed his policies for the UUP's poor performance.

"I never thought I would live to see the day that the Ulster Unionist Party, once the largest and the strongest party in Northern Ireland, would end up in third place.... The Good Friday is dead in the water," said the party hawk, Jeffrey Donaldson.

Even as the British Prime

Minister, Tony Blair, and his Irish counterpart, Bertie Ahern, made clear that the "fundamentals" of the Good Friday Agreement were "not open to negotiation", efforts were being made to find a middle path.

The Northern Ireland Secretary, Paul Murphy, who embarked on a series of meetings with leaders of various political parties to break the deadlock, said the situation was "difficult but not impossible".

Blair, Chirac meet to soothe war nerves

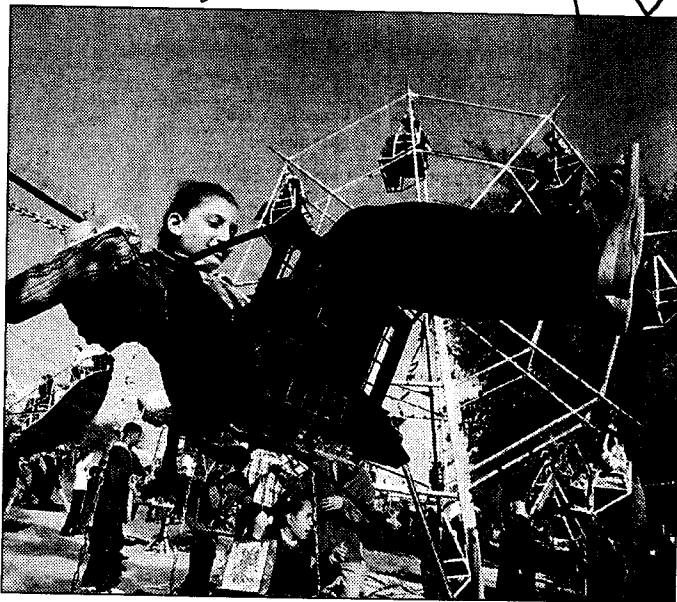
London, Nov. 24 (Reuters): Britain's Tony Blair and French President Jacques Chirac sought to soothe the acrimony generated by the war against Saddam Hussein at a one-day summit today expected to focus on Iraq's reconstruction.

Chirac was welcomed to London with a ceremonial guard of honour before heading into the Prime Minister's Downing Street office for some three hours of talks. French Prime Minister Jean-Pierre Raffarin will also take part in discussions.

The Anglo-French summit comes just three days after a state visit by US President George W. Bush and analysts say it will test to the limit Blair's claim to be able to act as a bridge between Europe and America.

Chirac was the most implacable opponent of the US-led conflict in Iraq and Anglo-French relations reached a low in the build-up to the war when London accused Paris of scuppering a UN resolution authorising military action.

Fences have been partially mended since then but tensions remain over Iraq and other issues, not least Franco-German plans for EU defence that Washington fears could rival rather



An Iraqi girl plays at a park in Baghdad during Id ul-Fitr. (AFP)

than complement Nato. Blair's spokesman handed out an olive branch of sorts. "At times we act together, at times we speak together, at times we have to speak bluntly about our differences," he said, adding that the Prime Minister valued Chirac as an ally.

Blair had always been in favour of closer EU cooperation, the spokesman said, but would

only accept a defence capability that would be "compatible but not compete" with Nato.

France and Germany want a planning and operational military headquarters for an EU force, independent of Nato, a move Britain opposes. British Defence Minister Geoff Hoon will hold talks with his French counterpart Michele Alliot-Marie.

Baghdad, Nov. 24 (Reuters): Since guerrillas used donkeys to outwit the high-tech defences of the US military in Iraq, the life of the beast of burden has never been so miserable.

Attackers used donkey carts to launch Katyusha rockets at the oil ministry and two fortified Baghdad hotels on Friday. Two other donkey carts were stopped — one carrying more rockets, the other a donkey-bomb wired up with explosives. Every donkey in Baghdad is suddenly under suspicion as US President George W. Bush wages a global war on terror.

In a crackdown on an animal that already suffers multiple daily whippings, US soldiers with automatic rifles regularly stop and search donkey carts for weapons. Donkey owners say petrol stations have been refusing to sell them kerosene for re-

Donkey's life miserable in Iraq

sale since the rocket attacks. The animals salivate and wheeze with exhaustion as they pull their owners and heavy loads across the potholed streets of the Iraqi capital in a desperate search for kerosene.

"I have five daughters to feed. I used to make 7,000 dinars (\$3.50) a day. Now I earn only 2,000 since the Americans started pressuring us after the rocket attacks," said Jabar Mahdi.

"We ask the petrol station managers for kerosene and they refuse. What did we do to get treated like this?"

Even before the rocket attacks, donkey cart drivers were some of the least respected people in Iraq, living on the fringes of society in teeming slums.

Some fear Iraqis will now look down on them even more as they navigate their battered, bloodstained donkeys through chaotic traffic.

"When they see us ride by they call us terrorists. They accuse us of being Saddam's guerrillas and causing all the security problems in Iraq," said Hikmat Sabeeh, 30.

The attacks could not have come at a worse time for donkey cart owners, who can barely afford to buy newspapers to read about the rockets and bombs that have shaken Baghdad. US troops are pounding the country in major operations designed to root out guerrillas who have killed 185 of their comrades.

An alternative union in Europe?

By Vaiju Naravane

✓ 10-10 2/11

FRENCH AND German officials have gone public with the idea that their two countries could contemplate a union if the European Constitution fails to win approval. Officials in Paris and Berlin have said that if negotiations over the European Constitution, now under way, were to run into a stalemate, the Franco-German duo, constituting Europe's two largest economies that have long been the locomotive pushing European integration, would move towards a union in the spheres of foreign policy, defence, education and economic and social reform.

Such a scenario however is being evoked with a caveat — that France and Germany would seek fusion only if Europe's prospective 25 members failed to reach any agreement on the constitution. The tone was set recently by the French Prime Minister, Jean-Pierre Raffarin, who said: "If a Europe of 25 fails, what will be left for France? The initiative of Franco-German rapprochement."

Political observers say these statements are essentially intended to put pressure on countries like Poland and Spain, regarded as the major stumbling blocks to an early agreement on a Constitution for the European Union. Both countries won significant advantages in terms of voting rights during the Nice treaty negotiations three years ago which they are now loath to give up.

Under the draft Constitution, which aims at streamlining structures and systems in order to avoid institutional paralysis, the E.U.'s decision-making process would call for a majority vote representing at least 60 per cent of the Union's population. That would effectively enable larger states such as France or Germany to block legislation coming from a group of smaller states. For while smaller states might be in a majority in terms of the number of votes, they would fail to carry the motion if large member states decided to withhold support. Spain and Poland which have substantially smaller populations compared to France, Germany or Britain, are bargaining hard to keep special voting rights they won in parleys three years ago.

The E.U. nations failed to reach agreement on the issue in Rome last October and there is every likelihood of their failing to compromise at the Inter-Governmental Conference next month.

The draft Constitution drawn up by a specially appointed Convention headed by the former French Presi-

While the noises about a possible Franco-German union are essentially early warning shots aimed principally at Poland and Spain, they are also a pragmatic setting-out of scenarios for possible future action if the E.U. Constitution fails to win acceptance in its present form.

dent, Valéry Giscard 'Estaing, has also drawn criticism from several countries for its markedly secularist tone. The fact that Europe's "Christian roots" find no mention therein has drawn forth howls of protest from countries like Poland and Italy, where Silvio Berlusconi, who currently heads the E.U.'s rotating presidency has pledged to have a "religion clause" inserted in the final document.

Respected commentators like economist Jean-Paul Fitoussi also deplore the failure of the document to address the question of what basic economic principles should underlie and govern a future European federation. In order to reach a consensus, Europe has gone from one bad compromise solution to another, shoving the real problems under the carpet of obfuscation from year to year. This desire for compromise is likely to make Europe less, not more governable, Mr. Fitoussi argues. In the circumstances, he says it is perhaps right that Europeans recognise the many issues that separate them, rather than go down the path of an illusory unity. It is better not to venture beyond the idea of a common market if there is no real homogeneity of views within Europe.

The French and the Germans are fully aware of the divisive nature of the debate within Europe today. And while the noises about a possible Franco-German union are essentially early warning shots aimed principally at Poland and Spain, they are also a pragmatic setting-out of scenarios for possible future action if the E.U. Constitution fails to win acceptance in its present form.

The Franco-German relationship has never been this close. Last month, the German Chancellor, Gerhard Schroeder, asked not his own deputy but French President Jacques Chirac to represent him at a speech before the European Council in Brussels. And the French Foreign Minister, Dominique de Villepin, described the strengthening of the Franco-German relationship as "the one historical challenge we cannot afford to lose."

Such declarations would not have

been possible without the spectacular impetus given to ties between the two countries by the 2002 election of Chancellor Schroeder in Germany and the re-election of President Chirac in France. Another factor that played a crucial role in bringing the two countries even closer was the Iraq crisis in which France and Germany found themselves on the same side of the fence. France has had a long history of "principled" opposition to the United States. For Germany, however, which has been a political dwarf under the U.S. thumb for over half a century, speaking out publicly against the U.S. was groundbreaking. Another unifying factor is the realisation that both countries face similar economic and social problems.

Almost 10 years after the Germans first proposed a mini-federation within Europe — a strong inner core — comprising France, Germany and the Benelux countries, the French have begun to see the wisdom of the proposal. At the time, in 1994, when Christian democrats Karl Lammer and Wolfgang Schauble made the proposal under Chancellor Kohl, the French rejected it as an imposition of the more centralist France. The angry French also saw it as an attempt to cut their ties with Latin southern Europe.

Today the idea of a Franco-German Union is being seriously considered by experts and politicians, although it is still too soon to launch a proper public debate on the subject. Pascal Lamy, the brilliant French Commissioner to the E.U., says a Franco-German "Bund" or federation should concentrate on spheres not adequately dealt with by the European Union or by the German Landers. Which would, in substance, mean defence, foreign policy, economic and social policy and research for which a special federal budget should be constituted. For Mr. Lamy, this would also mean common armies, diplomatic corps and a sharing of France's United Nations Security Council seat.

So how could a public and democratic debate be launched? Despite

their convergence of views, France and Germany are founded on two very different societal models, one centrist, the other federative. Gunter Verheugen, Germany's chief negotiator at European enlargement parleys, has suggested a confederation at the inter-governmental level that would include the populations of the two countries but which would not lead to the creation of new institutions.

Commissioner Lamy has proposed a congress with an equal number of French and German representatives, a Franco-German Commission to administer the Bund. While Green Euro MP Daniel Cohn-Bendit feels a union would only work if it is the fruit of joint parliamentary elections.

There are, of course, many opponents to the idea on both sides of the Rhine. Despite the adoption of the Euro, an integration of social and fiscal policy still raises eyebrows. The teaching of French or German as a second language in schools in both the countries has seen a decline in recent years with a marked preference for English. French or German music, television shows, books and cinema find little favour across the Rhine. Cultural reticence with eyes on both sides fixed firmly on the Anglo-Saxon world could be one of the biggest hurdles to Franco-German fusion.

Several leading Germans while favouring joint defence forces say they should be firmly anchored within NATO. The French on the other hand dream of creating a purely European defence alliance completely independent of, and as a counterweight to, NATO. Germany has backed the plan for a separate European defence initiative but recently, bowing to pressure from Washington, said it would not press for a separate E.U. defence headquarters — yet.

Washington thoroughly disapproves of any possible Franco-German union. Richard Perle, senior U.S. defence adviser, earlier this month urged Germany to stop following France on the international political stage saying the Franco-German relationship was harming ties with the U.S. He said the depth of the Franco-German partnership was further damaging the E.U.'s already strained ties with the U.S.

The idea of a Franco-German union has also sent alarm bells ringing across Europe. Several countries, especially Italy, Spain, Poland and Britain see this as a dangerous evolution that could break the E.U. To which the French and Germans smartly reply: We are all for European unity. But not on your terms.

LANKA TALKS | We'll wait for crisis to end before resuming discussions: Dy Foreign Minister

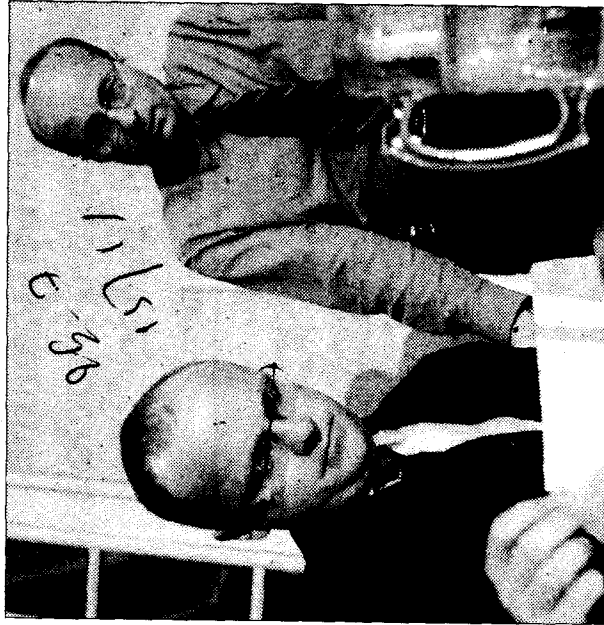
Power tussle puts Norway off

SCOTT McDONALD
COLOMBO, NOVEMBER 14

NORWAY stunned Sri Lanka by suspending its role as a peace broker on Friday, saying it would return to the process only when a power struggle between the island's President and Prime Minister ended.

Norwegian Deputy Foreign Minister Vidar Helgesen called the feud a serious threat to the peace process, but added the government and Tamil Tiger rebels had assured him they were committed to the ceasefire now holding in the 20-year war.

The move puts further pressure on President Chandrika Kumaratunga and Prime Minister Ranil Wickremesinghe to end a political crisis that erupted when the President sacked three cabinet ministers and suspended Parliament last week.



Norwegian Deputy Foreign Minister Vidar Helgesen (left) and Ambassador to Sri Lanka Hans Brattskar at a news conference in Colombo on Friday. Reuters

"The resumption of peace talks is seriously impeded by the political crisis," Helgesen told reporters. He said the talks, which stalled last April, could have resumed "tomorrow" had there been "clarity on who holds political authority and responsibility on behalf of the government to ensure

continuation of the ceasefire agreement and resumption of peace negotiations".

"Until such clarity is established, there is no space for further efforts by the Norwegian Government to assist the parties," he said.

"We will go home and wait... We have no intention of abandoning the peace process, but there are limits to what we can do," Helgesen said. Fighting in the war that has killed 64,000 has been on hold since Norway brokered a truce in February 2002, but Helgesen said the political crisis could put it under strain.

"We need to make clear that the ceasefire will be much more difficult to sustain in a political vacuum," Helgesen said. He said the Sri Lanka Monitoring Mission (SLMM), which oversees the ceasefire and includes officials from Norway and other Nordic countries, would continue.

"There is no change to

SLMM activities. We are here to monitor the implementation of the ceasefire," said spokeswoman Agnes Braegdotir, adding there were no reports of unrest or truce violations in the North and East since the crisis began.

Norway's move comes a day after the reclusive leader of the Tamil Tigers also said the power struggle made it impossible to sit down and talk peace, but Velupillai Prabhakaran added that he had no plan to return to war.

Wickremesinghe had no comment and Kumaratunga's office issued a statement saying "she reiterated that the ceasefire agreement continues to be in place and that negotiations between the government and the LTTE should continue". She did not comment on Norway suspending its role.

They met Helgesen on Thursday after he held talks with Prabhakaran in Kilinochchi. —Reuters

15-Nov-2002

Old Europe to Bush: We told you so

Gr A
19/11

Paris, Nov. 13 (Reuters): Was France right about Iraq all along?

US President George W. Bush's new rush to hand power back to the Iraqis was seen in Paris and other "old Europe" capitals today as proof Washington cannot cope with the aftermath of a war they advised it not to wage. But while Bush's call for a faster handover of sovereignty goes some way to meeting European demands, he should not expect them to jump in with offers of troops or cash to help the US out of a mess they contend is of its own making.

"France has been right for months," said Paris-based analyst Francois Heisbourg of its staunch opposition to the US-led war and subsequent demands that Iraqis be put back in charge of their own affairs as soon as possible.

"But to think that 'old Europe' is going to jump into the same hole that the Americans are trying to get out of — that's fantasy land," said Heisbourg, who heads the French Foundation for Strategic Research policy institute.

Since a US-led coalition top-

pled Saddam Hussein from power in April, events appear to have gone just how Paris, Berlin and other anti-war nations derided by US defence secretary Donald Rumsfeld as "old Europe" predicted they would.

The existence in Iraq of weapons of mass destruction — the threat cited by Washington and London to legitimise the war — is still unproven.

The creation of a US-controlled governing council with no timetable to cede power smacked to Iraqis of US "occupation". A CIA report has warned that support on the streets for Iraqi insurgents against US rule is growing. With US combat deaths since the official end of major combat now outnumbering those in the initial conflict, Iraq looks like the trap that France always warned it would be. All this as Bush gears up to run for re-election next year.

"The French Were Right", ran the headline of the influential Washington weekly *The National Journal* this week.

Far from all European nations opposed the US line on Iraq. Apart from Washington's leading ally Britain, there was

support from Italy, Spain, Poland and some other countries. But whether the European critics are right or wrong, the question is: What are they willing and able to do to help?

"An unstable Iraq is not just an American problem," warned Irina Zvyagelskaya at Moscow's Institute of Oriental Studies, referring to the fear that a US failure in Iraq could result in the country becoming a base for international terrorism.

Yet Japan's move today to rule out any rapid dispatch of forces to Iraq in the wake of fresh violence underlined the reluctance among many countries to send soldiers to help out. Government sources in Berlin stressed Germany wanted Iraqi sovereignty to be restored quickly under a realistic "road map".

France reaffirmed today it wanted a handover by the end of the year and the appointment of a UN official in Iraq to shadow US administrator Paul Bremer.

French foreign minister Dominique de Villepin skipped a question on whether France could ever offer troops — a move Paris would find near impossible to sell to a French public.

Ulster Unionists won't sign deal

The Times, London & AP

LONDON/BELFAST, Oct. 22. — Mr Tony Blair's carefully choreographed attempt to restore the power-sharing executive in Northern Ireland backfired suddenly last night as the Ulster Unionists unexpectedly refused to sign up to a deal.

An orchestrated operation involving the Prime Ministers of Britain and Ireland and the leaders of the main political parties fell apart because of lack of detail over the biggest ever IRA act of disarmament.

With everyone ready to endorse an agreement that would have led to elections on 26 November, Mr David Trimble, the Unionist leader, was astonishingly presented with a deal that he could not accept.

The reason was that a report from General John de Chastelain, head of the decommissioning body, failed to spell out just what arms the IRA had destroyed.

Nobody argued that a significant disarmament had occurred but there was little in the way of detail for Mr Trimble to present to his party.

Outside his party headquarters Mr Trimble declared: "I am sorry to have to say that in view of the failure of the commission to create the necessary confidence... as a result of what the IICD has done we probably have less confidence in the process than we had an hour ago."

The hitch was a big blow to Mr Blair who had flown to Belfast only two days after a heart scare. He had fully expected to be in a position to announce a breakthrough that would have allowed the polls to proceed.

The British Prime Minister told the House of Commons today that Britain wants to release more details of the Irish Republican Army's latest disarmament but can't do so. He said the province's major Protestant party, the Ulster Unionists, needed to know more about the

Spoilsport



The Ulster Unionist leader, Mr David Trimble

The Ulster Unionists want a detailed report on the IRA's disarmament before proceeding with the peace plan

cuss whether they could resolve their arguments before the 26 November election for the province's idle legislature.

The election, which Mr Blair announced yesterday after months of delays, would determine whether power-sharing has a chance of revival.

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To safeguard the interest of the Debentureholders from inherent risks of fraudulent encashment/misappropriation in transit, the holders are advised to intimate the Bank Account Number with full name of the Bank and Branch and the nature of Account, on or before November 12, 2003 to enable us to print the same on the interest-cum-redemption warrant.

i) In case of holdings in physical form, the said details should be sent to :-

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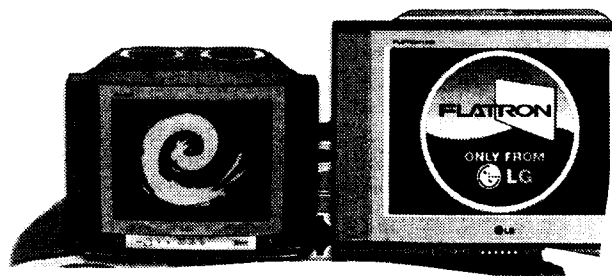
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Bring
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IRA, Britain endorse deal for peace

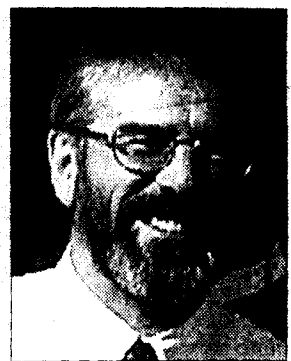
Associated Press

BELFAST, Oct. 21. — Britain set an election date in Northern Ireland and the Irish Republican Army swiftly responded by agreeing to get rid of more of its weapons today, but Protestant leaders rejected the IRA move as inadequate to revive a power-sharing government.

In a day of carefully choreographed announcements, Mr Tony Blair's office said the long-delayed elections for the Northern Ireland Assembly would be held on 26 November. That could pave the way for restoration of a Catholic-Protestant administration for the British province.

An IRA statement that followed five hours later confirmed that the outlawed group had agreed with John de Chastelain, the retired Canadian general overseeing disarmament in Northern Ireland, to "decommission" more weaponry.

However, as in keeping with two previous IRA disarmament moves in October 2001 and April 2002, the IRA offered no detail on the volume of



MASTERS OF THE GAME: (From left) Mr Tony Blair, Irish Prime Minister Mr Bertie Ahern and Sinn Fein leader Mr Gerry Adams

Mr Blair on Tuesday announced the date for elections to the Northern Ireland Assembly, paving the way for restoration of a Catholic-Protestant administration for the British province. The Irish Republican Army swiftly responded by agreeing to get rid of more of its weapons

weaponry discarded, nor on its method of disposal. Protestant leaders complained that such secrecy would undermine Protestant support for reviving power-sharing.

As part of a concerted push to revive power-sharing, the central goal of the Good Friday peace accord of 1998, Mr Blair and Irish Prime Minister Mr Bertie Ahern were traveling to Northern Ireland to announce more details of their joint plans.

In its statement — which came a decade after the British and Irish governments launched efforts to coax the IRA-linked Sinn Fein party into normal political life — the IRA did not offer some of the specific promises sought by other parties to the 1998 deal.

In particular, the Ulster Unionists, the major Protestant party that agreed in 1999 to form an administration including Sinn Fein, has insisted that the

IRA must stop a specific list of activities before they revive power-sharing. The Ulster Unionists' demands, enjoying support of Mr Blair and Ahern, want the IRA to cease recruiting and training, gathering intelligence on potential targets, and beating up criminal opponents within its hard-line Catholic power bases. Their leader Mr David Trimble planned to make a formal response to today's statements from the IRA.

Europe ^{Europe} Big 3 split on Iraq

Berlin, Sept. 21 (Reuters): Europe's Big Three powers failed to resolve differences on Iraq at a weekend summit, casting doubts on whether talks with the US this week will make progress on a UN resolution to rebuild the ravaged country.

Despite a show of unity on European issues, the leaders of France and Germany, opponents of the US-led war that toppled Saddam Hussein, stood firm on Iraq in the talks with Britain's Tony Blair, demanding a fast handover of power to the Iraqis.

The disagreements with US ally Blair were so evident that analysts said meetings in New York this week between President George W. Bush, France's Jacques Chirac and Germany's Gerhard Schroeder will fail to break much ice. "Our views are not quite convergent," President Chirac said after the summit in Berlin. "On the technicalities and timetable, we are still not fully agreed."

France and Germany are both members

¹⁻⁹ of the UN Security Council, where Washington is seeking a fresh resolution to persuade other countries to share the financial and military burden of stabilising and rebuilding Iraq.

Bush, under growing pressure at home as US troops suffer almost daily casualties from guerrilla attacks, wants a new UN resolution creating a multinational force for Iraq.

But France and Germany say a US-written draft resolution does not cede enough control to the UN nor transfer Iraqi sovereignty to its people quickly enough.

Chirac repeated yesterday that France wants the US to hand sovereignty to the Iraqis within months. Washington has warned a speedy power transfer would lead to failure and has recast the draft to help bridge the differences.

Bush meets Chirac on Tuesday and Schroeder on Wednesday on the sidelines of the UN General Assembly in New York.

It will be the first substantive meeting between Bush and Schroeder in 18 months. There have been signs of a thaw for several weeks as Bush has praised Germany's role in Afghanistan and Germany has committed more troops there.

But Frank Umbach, security analyst at the German Council on Foreign Relations, said: "I'm sceptical that personal relations between Bush and Schroeder can be repaired. Too much has been wrecked on a personal level."

Bush is said to have been deeply disappointed that Schroeder attacked US policy on Iraq in his 2002 re-election campaign, and that he failed immediately to remove a cabinet minister for comparing Bush's political tactics to those of Hitler.

Meanwhile, Russian President Vladimir Putin, preparing for a summit with Bush, yesterday said that Russian troops would not serve in any international force in Iraq.

Sweden says no to euro

Associated Press

STOCKHOLM, Sept. 15. — In a day of voting overshadowed by grief over the killing of foreign minister Anna Lindh, Swedes yesterday overwhelmingly voted against the euro, dashing hopes the country would increase its stake in the European Union.

Despite the setback, the second since 2000, the European Commission reiterated its faith in the euro and held out hope Sweden would adopt it.

In a statement, the EU said: "We are confident the Swedish government will choose a way forward to keep the euro project alive in Sweden."

With 100 per cent of the Scandinavian country's 5,967 precincts counted, 56.2 per cent of the more than 5.4 million ballots cast were against the euro, while 41.8 per cent voted in favour of it. Two per cent cast blank ballots. Turnout was 81.2 per cent, normal for Swedish elections.

The results ran contrary

to opinion polls in the final days leading up to the vote, which showed likely support for the "yes" side in the wake of Lindh's death.

Prime Minister Mr Goeran Persson said: "I think we read the opinion polls too optimistically. I can only establish that we have an election result

The Swedish vote was a blow to the common currency and a boost to euro opponents in Britain and Denmark, the other EU members who are not participating fully in the European Monetary Union

that is very clear and a turnout that is very high."

A staunch supporter of the euro, and one of the campaign's most visible campaigners, Lindh died on Thursday after being stabbed the day before in a downtown Stockholm department store.

The "no" side was bol-

stered by support from the country's vast swath of rural area while euro supporters had looked to the urban centres like the capital, Stockholm, and Goteborg for support.

The Swedish vote against the euro was a blow to the common currency and European integration and a boost to euro opponents in Britain and Denmark, the other EU members who are not participating fully in the European Monetary Union.

Mr George Eustice, director of the "no" campaign against British entry, said Sweden's referendum highlighted "the huge difficulty that the government would have winning a vote in Britain, where opposition is even higher".

Also yesterday, Sweden's Baltic neighbour Estonia overwhelmingly approved joining the EU in a referendum. Next year, the 15-member EU will expand with 10 new members, the Czech Republic, Poland, Hungary, Lithuania, Malta, Slovenia, Slovakia, Latvia, Estonia and Cyprus,

THE STATESMAN

16 SEP 2003

16 SEP 2003

Sweden evenly split on euro

Europe 9-3 179

Stockholm, Sept. 12 (Reuters): The murder of Swedish foreign minister Anna Lindh has prompted some Swedes to consider a sympathy vote on Sunday for her campaign to swap the crown for the euro, but markets today were still betting on a "No".

Police have arrested no suspects in their hunt for Lindh's killer two days after she was stabbed in a crowded Stockholm department store, but they said the shop might have recorded pictures of him on a video surveillance camera.

Flowers piled outside the department store where she was stabbed on Wednesday in a case that revived bitter memories of the unsolved 1986 assassination of Prime Minister Olof Palme.

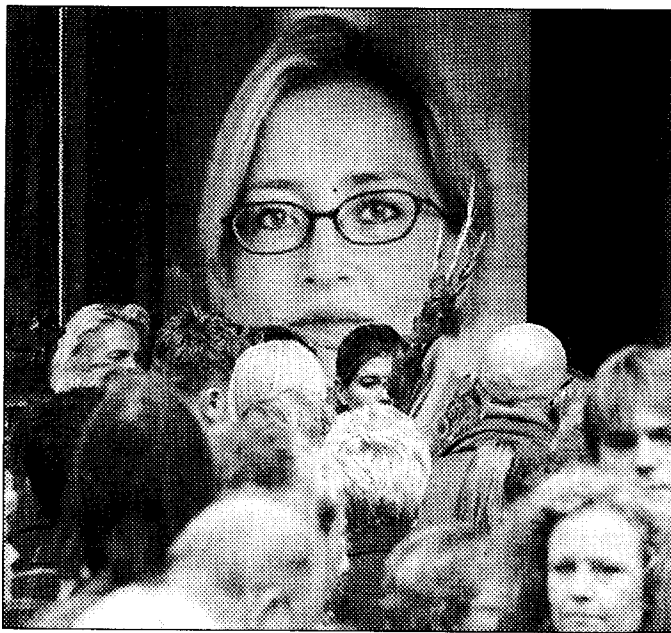
One man was questioned yesterday before being released. Prosecutor Agneta Bildberg, who is now leading the Palme investigation, was assigned the Lindh case.

The foreign ministry said that Lindh, 46, was sent an e-mail on August 27 threatening her and her family and denouncing her for teaming up with big business in favour of the EU's single currency.

Mourners placed thousands of red roses in giant piles on the pavement outside the store, a few blocks from where Prime Minister Olof Palme was gunned down in 1986 in a still unsolved assassination. "Our best minister," one tribute read.

In an apparent surge of sympathy for Lindh, a Skop institute

Surge of sympathy for Lindh, suspect may be on video



Mourners stand in line to pay their respects to Anna Lindh in Stockholm. (AFP)

poll today showed the "Yes" side in the vote on joining the EU's single currency had leapt to a 50-50 tie with the "Nos". The poll surveyed 792 voters after Lindh died.

But the Swedish crown slipped from three-month highs when investors placed more trust in a Sifo survey, also taken after her death, showing the "No" campaign had widened its lead to 50-38 per cent from 49-39.

The sample was just over 1,000.

"Investors have already priced in a 'No' with, say, 90 per cent certainty," Handelsbanken equity strategist Mattias Isakson said. Financial markets doubted the Skop poll, which shifted from previous format by omitting undecideds.

Even so, some Swedes planned a sympathy vote. "Yesterday I said to myself I don't care, I don't want to vote. But

now I am going to vote 'Yes' because of her," said Lisa Bjornestig, a 62-year-old office cleaner at a memorial in the town of Soderstalje about 40 km from Stockholm. But Yaldez Onssi, a 55-year-old teacher, said: "I will still vote 'No'. It's too early for Sweden to take this step."

Stockholm police commissioner Leif Jennekvist said surveillance cameras in the NK department store where Lindh, 46, was stabbed might have images of the killer. "You see a lot of people moving and among that group of people we are screening one particularly interesting person who has caught our eye," he said, noting that the sequence had been filmed before the attack on Lindh.

Prosecutor Agneta Bildberg, who is now leading the Palme investigation, was assigned the Lindh case. Experts said the killer's identity might sway voters.

"There is great potential for a sympathy vote that will turn this one," said politics professor Bo Bjurulf at Lund University. "Obviously if it's politically motivated the sympathy vote would be stronger."

The "Yes" side has trailed in polls since April despite its high-profile campaign backed by mainstream politicians and big business.

The "No" side has tapped into a deep vein of mistrust of the EU, especially among women, the left and those dependent on Sweden's cradle-to-grave welfare system.

Chaos in France as strike continues

By Vajju Naravane

PARIS, MAY 15. Chaos reigned in Paris and several major French cities for the third consecutive day as talks between the right wing government and striking workers over reforming the country's pension system broke down. The transport system remained paralysed disrupting traffic and leaving commuters stranded, with promises of tougher days to come.

Wildcat strikes by transport workers caught commuters on the wrong foot. At mid-morning there were still 260 km of traffic snarls around the capital with no end in sight. The scenes in the streets of Paris are reminiscent of the crippling strikes that paralysed France in 1995 when the then Prime Minister, Alain Juppe, had to abandon plans to reform the pension system.

Talks between the country's

major trades unions and the Government continued far into the night but were broken off in the early hours of the morning without agreement. The Government called the strikes illegal and said it had gone as far as possible in the concessions it is prepared to make.

"Now the union leaders have to assume their responsibility," said the Social Affairs Minister, Francois Fillon. But Jean-Marc Thibault, leader of the main CGT trade union said: "We have not been given satisfaction on the mandate given us by the strikers and protesters... We must now amplify and enlarge our mobilisation."

France has a generous pension system under which the contributions of workers pay for the preceding generation of retired people. This scheme has unravelled because of changing demographics and high unemployment rates. Retired people

are also living much longer, with life expectancy up from 63 when the scheme was introduced in post-war France, to over 80 years.

The Government of Prime Minister, Jean-Pierre Raffarin, has made reform of the country's costly "pay-as-you-go" pension system a top priority, arguing that without change it will become unsustainable as the population continues to age in the coming decades.

At the moment two people in work pay for the pension of every retiree but the ratio will sink to one-to-one by 2020 when the post-war baby-boom generation has retired, and without reform the annual deficit for the system will then be 50 billion euros.

The bill's key proposal is to extend the number of years people must work to qualify for a full pension. Public sector employees will be made to

work 40 years — the norm in the private sector — instead of 37.5 years at present, and all will see the contribution period extended to 42 years by 2020.

Unions accept that the existing system will go bankrupt without rapid change, but they believe the Government's proposals place too much of the burden on employees, who will have to work longer for smaller pensions.

Opponents of the pensions bill were boosted by Tuesday's protests, which brought more than a million people onto the streets. They drew parallels with a campaign of demonstrations in 1995 which scuppered similar reform plans introduced by the then Prime Minister, Alain Juppe.

While support for the strike was strong on Black Tuesday — May 13th when the country came to a standstill and almost 2 million demonstrators poured

into the streets, support for continuing the strike appears to be dwindling. "I am fed up of these transport workers. They are not even concerned by the strike since the set of rules giving them retirement at 50 and other benefits is not being touched.

Holding the general public and private sector workers to ransom is just churlish," said shop girl Marie Therese who walked eight km to work. The unions say the Government's proposals ask the employees to make all the sacrifices without taxing profits. Employers claim France levies the highest professional taxes in Europe which makes France unattractive to foreign industry and investors.

EU

E.U. to revamp executive wing

By Batuk Gathani

HD-19 413
BRUSSELS, MAY 3. The European Union is moving closer to having an elected President, with the approval of plans to transform its executive arm, the European Commission, into a two-tier meritocratic body.

This timetable, which was agreed upon, is rated as an epoch-making move, which will define the parameters of the expanded E.U. The deal was informally agreed upon between the European Commission and parliamentarians. The 15-member E.U. with a population of 375 million, is in process of admitting 25 more members with a population of over half a billion, by end of current decade.

Last night, the President of the European Commission, Romano Prodi, persuaded the 19 Commissioners or Ministers, to

back a plan which would make the Commission more like a national government. The Commission will also have the authority to promote or sack "junior" commissioners, who are responsible for implementation of the policies laid out by the E.U. According to Mr Prodi, smaller member states may also have one commissioner each. He argued that a Commission of 25 or more members could work if a powerful president had the right to organise the team with a strong inner executive taking key political decisions. Some of the 19 present Commissioners representing 15 member states have argued that such a body could be "too unwieldy" but in the end, they agreed to back the plan.

The E.U. is in the process of drafting a new Union Treaty. This is being done by the Eu-

ropean Convention led by the former French president, Valéry Giscard d'Estaing, who has also submitted plans for election of the president. This has caused resentment among the smaller member states but according to observers, a consensus has now been reached.

Policy makers are also trying to ensure that a firm figure on the number of Commissioners is agreed upon, in order to ensure that smaller countries are not "over represented" in proportion to their population and contribution to the Union's budget. There is also a proposal for a permanent bureau to run the "European Council". Only last month, the struggle for power and influence in an expanded E.U. seemed divisive in the background of the on-going rumpus among both smaller and larger member states.

THE HAN...

EW

Berlusconi trial embarrasses E.U.

By *hump* *8/5* **Batuk Gathani**

BRUSSELS, MAY 7. The Italian Prime Minister, Silvio Berlusconi, who also happens to be country's richest man and a powerful media tycoon with extensive business interest, is currently giving the European Union the jitters with the goings-on at his current trials and tribulations.

Mr. Berlusconi and his close associates are facing criminal and bribing charges in the Italian High Court. The main charge against Mr. Berlusconi is related to bribing of judges to facilitate a smooth take-over of state-owned companies in 1980s, before Mr Berlusconi entered politics four years ago, and last year emerged as the country's Prime Minister. A Milan court on April 29 sentenced Sesere Privati, one of Mr. Berlusconi's closest aide, to 11 years in jail.

Although, Privati's lawyers have filed an appeal, the final outcome of the current Berlusconi trials could become a source of deep embarrassment for the European Union.

Italy is to take over the six-monthly rotating presidency of the European Union at the end of June, when Mr. Berlusconi as the Prime Minister of Italy, will also head the European Union Council. The other Italian figure in the European

Union is Romano Prodi, also a former Prime Minister, who is currently the President of the European Commission. The two leaders would hold the two most powerful offices in the European Union from July 1. But both of them are bitter political rivals. Mr. Berlusconi has often made critical remarks about Mr. Prodi. He charged that his rivals and adversaries conspired to trigger his current trials. Mr. Berlusconi has argued that he has always acted in the Italy's national interests. He has also opted not to develop close working relationship with the European Commission in Brussels and his personal feelings about Mr. Prodi are an 'open secret' in informed and influential European circles.

Meanwhile, senior European Commission officials last night tried to 'calm down' the Berlusconi controversy. Mr. Prodi's spokesman said that the Italian Presidency would continue and that European Commission was prepared to work with the Government headed by Mr Berlusconi.

Mr. Berlusconi's primary aim is to host a summit of the European Union Heads of Government in Rome at which the E.U. leaders will sign the Union's new Constitution — 46 years after the Treaty of Rome, which paved the way for the launch of the European Common Market.

08 MAY 2005

Bosnia takes 'neutral position' on J&K issue

By Our Diplomatic Correspondent

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.

07 MAY 2003

A-I, IA taken off disinvestment list

New Delhi: The government on Tuesday gave a formal burial to plans for privatisation of Air-India (A-I) and Indian Airlines (IA) by striking them off the disinvestment list even as it decided to privatise profit making Rashtriya Chemicals and Fertilisers (RCF).

The decisions were taken at the meeting of the Cabinet Committee on Disinvestment (CCD), chaired by Prime Minister A.B. Vajpayee, which also decided on fresh bids for the Shipping Corporation of India (SCI) to attract foreign entities besides setting the guidelines for workers to participate in the privatisation process.

Announcing the decisions taken at the CCD meeting, disinvestment minister Arun Shourie said 51 per cent equity in fertiliser PSU Rashtriya Chemicals and Fertiliser would be sold to a strategic partner.

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"Civil aviation minister (Shahnawaz Hussain) proposed that IA and A-I should be taken off the disinvestment list and the finance ministry has also suggested it to enable fleet expansion in the two carriers," Mr Shourie told reporters adding that the proposal was accepted as his ministry was not doing any work on these PSUs.

Heeding to the long pending demand from workers of PSUs that are being privatised, the government announced guidelines for employees to bid for the companies put on the block which among other things stipulated that such bids could be considered only if these are within 10 per cent of the highest bid.

Stating that such a demand was first made in case of A-I where the Pilot's Guild sought to take over the airline, Mr Shourie said employees could now form a

consortium or a special purpose vehicle, alongwith a bank, venture capitalist or a financial institution for bidding for government equity in a public sector firm.

"However, employees will not be permitted to form a consortia with other companies," he said.

Regarding SCI, he said though there were two bidders—Essar and Sterlite—still in the race, the CCD decided to seek fresh bids for 51 per cent stake in the company for which any foreign company could participate in line with 100 per cent FDI allowed in the shipping sector.

The CCD approved a formula for the sale of ITDC hotels built on land given by the state government. As per the new norm, 75 per cent of the bid price would be treated as the value of land and 25 per cent would be the worth of the building and the business. PTI

Swedish foreign minister stabbed to death

London, September 14

A SENIOR member of the Swedish government died on Thursday from stab wounds sustained when she was attacked by a man in a Stockholm department store. Anna Lindh, the country's Foreign Minister, was operated on for most of Wednesday night following the attack, which happened in the afternoon.

The 46-year-old suffered severe internal bleeding and liver and stomach injuries after being stabbed in the chest, stomach and arms, doctors said.

Police sources had initially indicated that her wounds were not "life-threatening". However, in the early hours of Thursday, after Lindh had been on the operating table for eight hours, doctors described her condition as critical.

Police, who are still hunting the attacker, said there were no clues about his motives. He stabbed Lindh several times before escaping unchallenged.

Officers from across Sweden were rushed to Stockholm to help in the search. Officials would not say whether the foreign minister had received any threats. Police said they were looking for a man around 6ft tall. They found his army jacket, cap and knife, and were analysing video footage from the shop's security cameras.

The stabbing has shocked the relatively crime-free country, whose politicians, with the exception of the Prime Minister, generally walk around without body

guards. The incident echoes the unsolved 1986 murder of Prime Minister Olof Palme. Palme was shot dead on his way home from a cinema only a few blocks away from where Lindh was stabbed.

"The attack on her is an attack on our open society," the Swedish prime minister, Goran Persson, said.

Late on Wednesday, Persson told a news conference that he had ordered increased security for King Carl XVI Gustaf, leading politicians and major government buildings.

Lindh, who was married with two children, became foreign minister in 1998 after a stellar career in the Social Democratic party, which has ruled Sweden for six of the last seven decades.

One of the country's most popular and respected politicians, she has been campaigning for the country to join the euro. Opponents of membership of the EU's common currency have led opinion polls on the issue since April.

Leaders of the main parties were to meet later to decide whether to go ahead with Sunday's key referendum on Swedish membership of the currency.

In Britain, the foreign secretary, Jack Straw, paid tribute to his counterpart, whom he described as a close friend who represented everything that was "wonderful" about Sweden and Europe.

"It is a terrible tragedy, and I convey our shock and our condolences to her family and her friends," Straw said.

The Guardian



A September 5 photograph of Swedish Foreign Minister Anna Lindh.

AP

Voters sign up for poll on Berlusconi



The Times, London

ROME, Sept. 10. — A referendum to revoke a law granting Mr Silvio Berlusconi immunity from prosecution for corruption appears certain to go ahead after over half a million Italians signed a supporting petition.

If the referendum wins a majority, the Italian Prime Minister would again become open to prosecution on charges which he maintains are politically motivated. This, in turn, could threaten his hold on power and undermine his intention of being the first person since the war to govern Italy for a full Parliamentary term. The next elections are due in 2006. The referendum would be held next year if it were approved by the Court of Cassation, Italy's highest court, which will consider the issue on 25 September. To be valid, the referendum would need to attract

a 50 per cent turnout, which few do. The most recent one, on labour laws, achieved only a 25 per cent turnout in June.

A few Centre Left leaders fear the referendum will backfire, because if it failed Signor Berlusconi would be vindicated and his hold on power strengthened. They also fear that he will use his media power to sway voters. The referendum will be on a law rushed through Parliament in June, shortly before Italy assumed the Presidency of the EU Council of Ministers, which granted Signor Berlusconi immunity as long as he holds office. A trial at which he was accused of bribing judges over a 1980s privatisation was suspended. The Left accused him of using his power since he was elected over two years ago to pass laws to benefit himself. Antonio Di Pietro, the Centre Left senator and former anti-corruption magistrate who has campaigned through the summer for the repeal of what he calls an immoral law, said he expected to have a million signatures by the end of the month.

The Centre Right yesterday protested after former President Mr Oscar Luigi Scalfaro, in a speech criticising the Berlusconi immunity law as "an erosion of the Constitution", recalled in the same breath that Benito Mussolini had come to power by democratic means but had gone on to "trample the Constitution under foot".

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THE STATESMAN

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Ms. Anna Lindh

Sweden's foreign minister stabbed

Associated Press

STOCKHOLM, Sept. 10. — Swedish foreign minister Ms. Anna Lindh, one of the country's most admired politicians, was slashed with a knife today, apparently as she shopped at an exclusive department store in downtown Stockholm.

Police said they didn't believe it was politically

motivated and were searching for a man wearing a camouflage jacket who fled the store.

Ms. Lindh (46) was inside the Nordiska Kompaniet department store blocks away from the parliament building when she was stabbed just before 4 p.m., eyewitnesses said.

"There is nothing pointing at a political motive

right now," police spokesman Mr. Bjoern Pihlblad said. Ms. Hanna Sundberg, who was shopping at the store, said she saw the incident. "(Lindh) came flying into the Filippa K shop at NK. She laid on the floor and it looked as if a tall man, wearing a peaked cap, was hitting her," she said.

"But when he ran away, he threw away a knife."

Ms. Sundberg said Lindh told her: "God, he has stabbed me in the stomach!" Then, Ms. Sundberg said she saw blood.

A foreign ministry spokesman said Ms. Lindh was taken to Karolinska Hospital for treatment. Ms. Lindh, a member of the Social Democrats, has been head of the foreign ministry since 1998.

France-German jolt to US plan

Baghdad, Sept. 4 (Reuters): France and Germany, renewing a diplomatic face-off with the US over Iraq, have rejected American proposals for a UN resolution enlisting international help for the battered nation.

They said the resolution did not cede sufficient power quickly enough to Iraqis or to the UN.

US secretary of state Colin Powell, speaking as defence secretary Donald Rumsfeld made an unexpected visit to Iraq and urged allies to send an extra 15,000 troops to the country, said Washington would consider the criticism of its Nato partners.

French President Jacques Chirac and German Chancellor Gerhard Schroeder, who vociferously opposed the US-led invasion of Iraq, signalled a continuing rift with America as it suffers almost daily casualties in Iraq. "We are ready to examine the proposals but they seem quite

far from what appears to us the primary objective, namely the transfer of political responsibility to an Iraqi government as soon as possible," Chirac told reporters after meeting Schroeder in the eastern German city of Dresden.

He said the proposals showed movement in the US position but did not go far enough. Iraq, suffering a wave of guerrilla shootings and bombings, needed stability and democracy.

"Such a perspective can only develop if the UN takes over responsibility for the political process and if an Iraqi administration is installed," Schroeder said.

The resolution, which Washington would like to see endorsed this month by the 15-member Security Council, would authorise a multi-national force under unified command to contribute to "the maintenance of

security and stability in Iraq". The US, however, would retain overall military command.

It invites the America-backed governing council to provide, in cooperation with the US-led coalition and a UN representative "a timetable and programme for the drafting of a new constitution and... the holding of democratic elections".

The draft marks something of a policy reversal for the Bush administration, which had resisted UN involvement after the Security Council's refusal to approve the war that toppled Saddam Hussein. But there are still substantial differences to be bridged.

Powell, speaking at a news conference in Washington, said he had not had time to study the detail of what Schroeder and Chirac had said, but added: "I don't sense from their statement that they said exactly what they

are looking for or who they would turn it (responsibility for running Iraq) over to if we were turning it over right away."

In Paris, France's foreign minister Dominique de Villepin said the US resolution must give Iraqi authorities real power to run the oil-rich country's economy.

He said Washington should rapidly hand over civil and financial control to the provisional Iraqi administration — headed by US diplomat Paul Bremer — and set elections soon.

"We must quickly transfer to the current Iraqi authorities the reality of power, that is to say the civil and financial administration of the country," Villepin told the daily *Le Figaro* in an interview due to be published on Friday.

Rumsfeld in Iraq

In Baghdad, Rumsfeld said neighbouring Syria and Iran

were not doing enough to help stop a wave of guerrilla attacks in the last month, including four car bombings that have killed 120 people, among them the chief UN envoy.

Rumsfeld met military commanders and soldiers and discussed a deteriorating security situation.

"We are unhappy about the fact that people come across the Syrian and Iranian border," Rumsfeld told reporters on the flight to Baghdad.

"They know we are unhappy about it," Rumsfeld said.

Asked if Syria and Iran were exerting efforts to stop infiltrations by militants, Rumsfeld said: "It's intermittent, uneven."

In a reminder of the daily dangers in Iraq, US troops fought Iraqi guerrillas who fired mortars near their base, then raided homes to detain suspected

bomb-makers in a night of drama around Saddam Hussein's hometown of Tikrit. Iraqis then fired rocket-propelled grenades at a patrol.

There were no American casualties, but US commanders said at least one Iraqi may have died in the fighting witnessed by a Reuters crew accompanying the military.

Some 20,000 to 22,000 non-US soldiers are deployed in Iraq and Rumsfeld said he would like that number to go up by another division — about 15,000 soldiers.

He also said efforts should be made to bolster the size of the Iraqi security forces.

Radical Iraqi Shia Muslim leader Moqtada al-Sadr said in remarks published on Thursday that US-led forces in Iraq must leave, hinting that declaring a jihad against them might be a future option.

Berlusconi apologises for Nazi remark

By Batuk Gathani

BRUSSELS, JULY 4. The Italian Prime Minister and President of the European Union, Silvio Berlusconi, on Thursday apologised for likening the German Member of the European Parliament, Martin Schulz, to a Nazi concentration camp guard.

The German Chancellor, Gerhard Schroeder, touched off a diplomatic crisis earlier on Thursday when he demanded an apology from Mr. Berlusconi for his remark. After speaking with Mr. Berlusconi over the phone on Thursday night, Mr. Schroeder said, "I told him the matter was closed after he expressed his regret about the choice of this expression and comparison".

After a barrage of criticism in the European media, Mr. Berlusconi apologised for his remark, saying he was sorry for the incident if it offended anyone. The qualified apology, however, has put a question mark on Mr. Berlusconi's credibility as the leader of the E.U., especially as the affair continues to arouse strong passions and criticism across the continent's political establishment.

European leaders have been making efforts to ensure that the incident does not escalate into a full-blown political crisis. The European Parliament on Thursday night stepped back from its threat of non-



The Italian Premier, Silvio Berlusconi (left), and the European Union Commission President, Romano Prodi, in Rome, on Friday. — AP

mediately." The Foreign Minister of Sweden, Anna Lindh, said, "If we had an elected chairman of the European Council, we would not have had Mr Berlusconi as Chairman. Unfortunately, he has six months in the Chair ahead of him."

A prominent German newspaper *Frankfurter Rundschau* wrote: "Mr. Berlusconi's statement was indeed extraordinarily tasteless, but its real significance lies in the terrifying realisation that the E.U.'s current highest representative quickly loses his self-control and partially takes leave of his senses. This poses a real risk for the entire European Union, for how will he react when he is really stressed, for example in international crises?"

The President of the European Commission, Romano Prodi, met Mr. Berlusconi in Rome on Friday to discuss the E.U.'s agenda under Italy's six-month presidency.

The European Commission has refused to be drawn into the row.

Mr. Prodi is a former Prime Minister of Italy and a bitter political rival of Mr. Berlusconi.

With the "Nazi row" behind it, the content is now faced with the prospect of Mr. Berlusconi's presidency of the E.U. The issue has thrown up many questions in European forums about the competence and credibility of the new leader.

cooperation with Mr. Berlusconi's presidency. The British Prime Minister, Tony Blair, one of Mr Berlusconi's closest allies, refused to comment on the incident.

The Prime Minister of Holland, Jan Peter Balkenende said: "Given the major sensitivities involved, it would have been better for Mr Berlusconi to withdraw the remark im-

Berlusconi faces EU House ban

The Times, London

BRUSSELS, July 4. — Mr Silvio Berlusconi will not be welcome in the European parliament if he does not apologise to MEPs for the controversial remarks he made in Strasbourg this week despite his expression of regret.

The leaders of the institution's political parties yesterday decided to give the Italian Prime Minister one last chance by backing a move by Mr Pat Cox, the parliament's President, to try to defuse the row in the next few days. But they did not hide their anger.

"It was not said, but there was a very clear feeling that Mr Berlusconi should not come back again to the parliament," a source close to the meeting said.

The MEPs cannot penalise Mr Berlusconi for saying that Mr Martin Schulz, a German Socialist member, would make a good concentration camp commander, or that MEPs were "tourists of democracy". They could, however, take the unprecedented step of making it clear that the Italian Prime Minister would not be welcome to address them later in the year on the outcome of the two European summits that he will chair.

After yesterday's meeting of the parliament's most senior members, Mr Enrique Baron, the leader of the Socialist group, said: "Mr Berlusconi has caused a major crisis unlike any other in EU history. We cannot continue with 'business as usual' as if nothing has happened. To do so would create a precedent."

In a related development, after a day of frantic diplomatic activity, Mr Berlusconi telephoned German Chancellor Mr Gerhard Schroeder and "expressed regret" for comparing a German MEP to a Nazi concentration camp guard. The telephone apology, the Chancellor said, had now "put an end to this affair". Insiders said that the conversation had been "crisp and to the point".

THE STATESMAN

L 5 JUL 2003

WAR CRIMES / PRESSURE FROM U.S.?

6/22/03
M9-15
29/6
Belgium to amend law

PARIS, JULY 23. Belgium, apparently bowing to American pressure, said on Sunday that it would change a law that has been used to charge U.S. officials with war crimes.

The Prime Minister, Guy Verhofstadt, said the law would be amended to make it harder to abuse the statute, under which the first President, George Bush, and several members of the current Bush administration have been charged with crimes.

Earlier this month, the U.S. Defence Secretary, Donald H. Rumsfeld, threatened to withhold American financing for a new North Atlantic Treaty Organization headquarters in Belgium if the country did not scrap its law. The United States, he said, would have to reconsider sending top officials to Belgium if they risked being the target of nuisance lawsuits.

The former President, Bush, and the retired Gen. H. Norman Schwarzkopf as well as the Vice-President, Dick Cheney, and the Secretary of State, Colin L. Powell, are among the Americans who have been the target of lawsuits under the law, which now allows virtually anyone to use Belgian courts to bring war



The U.S. Secretary of State, Colin Powell (left), and the Vice-President, Dick Cheney, who face war crimes charges, in this May 19 file photo.

crimes charges against virtually anyone else, regardless of where the supposed crimes were committed. The law was amended in April to allow the Belgian government to dismiss politi-

cally motivated cases by transferring them to the defendants' home country. But the U.S. said it was not satisfied with case-by-case resolutions and wanted the law rescinded. — AP

HINDI

24 JUN 2003

Ship carrying explosives seized in Greek waters

11-10
29/6

Athens: Greek officials were investigating on Monday whether 680 tonnes of explosives found on a ship seized off the coast and bound for Tunisia were destined for a terror organisation.

Bomb experts started examining the cargo and the *Baltic Sky*'s seven crew were due to be questioned by a public prosecutor later in the day, officials said.

Authorities were checking paperwork to see whether the cargo was registered as explosives or labelled as something else.

"We need to check if the cargo is legal or if it was bound for any terrorism group," a Merchant Marine ministry official told Reuters. "The army's bomb squads are checking the explo-

sives found on the ship and the crew members and the captain will go to the public prosecutor later today to testify."

The crew comprised five Ukrainian nationals, including the captain, and two Azeris.

Elite troops stormed the Comoros-flagged *Baltic Sky* sailing in western Greek waters late on Sunday after receiving a tip-off it was carrying suspicious cargo in its holds.

A police spokesman said the ship was carrying ammonia dynamite, an explosive widely used in mining, as well as detonators and fuses. Tunisia has a significant mining industry.

The discovery comes amid heightened security after a series of bombings in Saudi Arabia and Morocco, and a fresh terror warning in Kenya. Al-

though it is not yet clear whether the cargo is legal or illegal, authorities hailed the operation as a major success.

Greece has increased collaboration with international police forces ahead of the 2004 Athens Olympics and has beefed up coast guard patrols off its shores to stem a growing flow of illegal immigrants.

NATO forces have also been boarding ships in the eastern Mediterranean over the last few months as part of the US-led "war on terror." The Comoros flag is considered a flag of convenience.

Shipping sources said the *Baltic Sky* began its journey in the Black Sea in early June and had been heading towards the Tunisian port city of Gables. Reuters

Britain not to join euro regime for now

By Hasan Suroor

LONDON, JUNE 9. In a move that is likely to increase its isolation in Europe, Britain today ruled out joining the single currency euro regime in the foreseeable future, but kept the door open for a referendum, possibly after the next general elections in 2006, though no time-frame was indicated.

In one of the Government's worst-kept secrets, the Chancellor, Gordon Brown, today announced that the economic conditions were not yet right for Britain to go into the single currency but to placate the Europhiles, led by none other than the Prime Minister, Tony Blair, he agreed to join a campaign to make the case for greater integration with Europe.

"Tony Blair and I have decided... that we should put the pro-European case. I believe we can unite the British people around a pro-European consensus, which I believe, is vital for the future of this country," he said before announcing his "not yet" verdict.

He emphasised that "in principle" he was for joining the single currency but only when it was in Britain's economic interest to do so.

His remarks were aimed at playing down his differences with Mr. Blair on the issue, which has dogged their rela-



'POUND'ING HEARTS: An anti-euro protester in Westminster, London, on Monday. — Reuters

tions ever since Labour came to power in 1997.

Nevertheless, Mr Blair's dream of being remembered for putting Britain at the 'heart' of Europe lay in tatters today after Mr. Brown emphatically asserted his authority over the timing of a decision on adopting the euro.

Mr. Brown's long-awaited, but predictable, announcement in Parliament that Britain had not yet met the five economic tests laid down in October 1997 as a condition for adopting the euro, came even as the pro-Eu-

rope business lobby stepped up pressure to adopt the single currency, saying uncertainty was not good for Britain-based companies.

A number of multinational companies have threatened to move their European headquarters out of Britain if it continues to stay out of the single-currency regime — a threat, which could result in massive job losses.

Richard Branson, head of the Virgin group of companies, said Virgin Mobiles had just lost £3 millions on a transaction be-

cause of currency differentials. He feared that the "loss in currencies movement will cost jobs in the long run."

The pro-Europe MPs, clearly dismayed by the decision, called for a "road-map" outlining a time-scale for a referendum.

The former Foreign Secretary, Robin Cook, wanted a "gear change" in the Government's approach to swing the public opinion in favour of the euro.

"We need a gear change. We need to move into a different approach. We need to say, whereas in 1997 we were so far away from meeting the conditions we couldn't contemplate entry, we are now so near to fulfilling conditions that entry is going to happen as soon as possible," he said.

But Eurosceptics seized on a new poll, which showed that public opinion against abandoning the pound had hardened in recent months.

Scare stories about a sharp rise in prices in the euro-zone have added to the anti-euro mood.

Mr. Brown is unveiling the Treasury's assessment of the five economic tests, which he set in October 1997 for potential membership of the single currency, in a statement to the House of Commons this evening.

10 JUN 2003

THE HINDU

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Far-right makes inroads

By Batuk Gathani

BRUSSELS, MAY 21 Some seven and half million Belgian voters have given the Prime Minister, Guy Verhofstadt's centre-right Free Market Liberals and the Socialist Party coalition Government a mandate for four more years. The Belgian general election has been a routine affair except that the far right anti-immigrant Flemish nationalist party has made impressive gains at the cost of centre-left Greens or environmentalists. According to analysts, the Greens' losses were as remarkable as the gains of the far right Flemish Bloc.

Nearly 53 per cent of Belgium's population of over 10 million is Dutch-speaking while some 32 per cent is French-speaking. The north African Muslim Arab population is about two per cent and has been steadily rising in recent years. Hence, the ethnic minority factor in Belgium has become a sore and politically divisive issue.

The Flemish far right political groups have called for expulsion and restriction of Belgium's Muslim population. Interestingly, according to a



President of Flemish Bloc, Frank Van Eecke

survey by the European Commission, the majority of the Belgians regard themselves as "racists".

In the European Union countries, centre-right parties have made impressive gains in the recent months. The rise of the far-right party also poses a problem for Mr. Verhofstadt, who is currently holding a round of talks with prospective coalition partners to form a Government later this week.

The free-market liberals and socialists will dominate the new Belgian Government which has a liberal agenda.

1 4 MAY 2003

THE HINDU

Russia-NATO defence pact for Europe

By Vladimir Radyuhin

MOSCOW, MAY 13. Russia and NATO have agreed to jointly build a missile-defence shield for Europe. A Russia-NATO council meeting at Ambassadors' level in Moscow on Tuesday approved the first phase of a cooperation programme to deploy a non-strategic anti-missile defence in Europe, the Itar-Tass news agency said quoting the

NATO Secretary-General, George Robertson. Speaking at a news conference after the meeting, Mr. Robertson described the missile-defence project, proposed by Russia, as "maybe the flagship programme in the NATO-Russia council," whereas a year and a half ago it was "one of the most divisive issues."

The NATO chief said Russia and the Atlantic alliance had worked together on "an agenda

of solid concrete and productive cooperation," which covered the fight against terrorism, peacekeeping operations, and the evaluation of threats of proliferation of weapons of mass destruction, particularly nuclear. The Russian Foreign Minister, Igor Ivanov, said the Russia-NATO Council, set up a year ago should strive to "achieve a security architecture of the Euro-Atlantic type" with a stress on

multilateral arrangement. He called for a Russia-NATO dialogue on Afghanistan in the context of the alliance's growing peacekeeping role in post-war reconstruction of Afghanistan. Russia's relations with NATO, strained over the alliance's expansion into Eastern Europe, improved rapidly after Moscow backed Washington in its post-11/9 global war on terrorism.

Berlusconi trial embarrasses E.U.

By Batuk Gathani

BRUSSELS, MAY 7. The Italian Prime Minister, Silvio Berlusconi, who also happens to be country's richest man and a powerful media tycoon with extensive business interest, is currently giving the European Union the jitters with the goings-on at his current trials and tribulations.

Mr. Berlusconi and his close associates are facing criminal and bribing charges in the Italian High Court. The main charge against Mr. Berlusconi is related to bribing of judges to facilitate a smooth take-over of state-owned companies in 1980s, before Mr Berlusconi entered politics four years ago, and last year emerged as the country's Prime Minister. A Milan court on April 29 sentenced Sesere Privati, one of Mr. Berlusconi's closest aide, to 11 years in jail.

Although, Privati's lawyers have filed an appeal, the final outcome of the current Berlusconi trials could become a source of deep embarrassment for the European Union.

Italy is to take over the six-monthly rotating presidency of the European Union at the end of June, when Mr. Berlusconi as the Prime Minister of Italy, will also head the European Union Council. The other Italian figure in the European

Union is Romano Prodi, also a former Prime Minister, who is currently the President of the European Commission. The two leaders would hold the two most powerful offices in the European Union from July 1. But both of them are bitter political rivals. Mr. Berlusconi has often made critical remarks about Mr. Prodi. He charged that his rivals and adversaries conspired to trigger his current trials. Mr. Berlusconi has argued that he has always acted in the Italy's national interests. He has also opted not to develop close working relationship with the European Commission in Brussels and his personal feelings about Mr. Prodi are an 'open secret' in informed and influential European circles.

Meanwhile, senior European Commission officials last night tried to 'calm down' the Berlusconi controversy. Mr. Prodi's spokesman said that the Italian Presidency would continue and that European Commission was prepared to work with the Government headed by Mr Berlusconi.

Mr. Berlusconi's primary aim is to host a summit of the European Union Heads of Government in Rome at which the E.U. leaders will sign the Union's new Constitution — 46 years after the Treaty of Rome, which paved the way for the launch of the European Common Market.

BRUSSELS MEET / MOVE MAY TRIGGER TENSIONS

'Old Europe' plans to overhaul defences

By Batuk Gathani

BRUSSELS, APRIL 30. The four anti-Iraq war European powers, led by France and Germany, unveiled plans last night to set up a central European military headquarters in 2004. At a summit meeting here they also agreed to set up an autonomous European defence organisation which may some day either rival or come in conflict with the more than five-decade-old western NATO. It is ironical to note that the four — France, Germany, Belgium and Luxembourg — are also members of the military alliance.

The project has been immediately dismissed as "divisive and unconstructive" by the American and British officials, though the dissident European leaders said their decision to set up an independent defence organisation means no harm to the U.S. or NATO. However, according to European analysts today, the leaders are seen risking new tensions with the U.S. and Britain. Emotions on both sides of the Atlantic are running high. The Belgian Prime Minister, Guy Verhofstadt, who hosted the brief and controversial "European summit", said his Government's purpose was to strengthen NATO's "European

pillar". A British official called the summit "extremely unhelpful" and privately described it as a "coalition of the unwilling".

The German Chancellor, Gerhard Schroeder, said there was "very little Europe" within the NATO decision-making process which is seen dominated by the U.S. Implying veiled criticism at the Bush administration he said: "This is why we want a change." The seven-point strategy of the four NATO dissidents includes the establishment of a "nuclear collective capacity for planning and conducting operation for the European Union", which in effect may mean setting up a separate and independent planning headquarters, which will be set up in a Brussels suburb. The Franco-German brigade would be expanded and this may give a big push to European Union's 60,000-strong rapid reaction forces, which may be in operation by the middle of this year.

The four said they expected some of the E.U.'s soon-to-be 10 new member states to support their initiative and invest more in military equipment, but did not specify any monetary obligations. The heart of the matter is about the definition and parameters of the so-called "one polar world".

In a recent statement, for example, the British Prime Minister, Tony Blair, described France's desire for a "multi-polar world" concept as leading to rivalries and instability and suggested that Europe and the U.S. must work as "one polar world". The French President, Jacques Chirac, last night referred to Mr. Blair's remark and said: "For balance to exist there will have to be strong Europe and a strong United States linked together by a strong cultural pact. That means relations between the European Union and United States will have to be relations of complimentary and partnership between equals. Otherwise, it will be a different world which is not what France observes and wants."

In another dramatic development, the Russian President, Vladimir Putin, snubbed Mr. Blair, who was in Moscow to plead the U.S. case for removing U.N. economic sanctions against Iraq. The Europeans have long suspected that such a move would give Americans and British a "free access" to Iraq's oil resources, which are second largest after Saudi Arabia. Mr. Putin insisted that U.N. the sanctions be maintained until an independent government in Iraq was established.

Anglo-French ties under more strain

By Vaiju Naravane

PARIS, MARCH 19. A full-fledged row has broken out between Britain and France after France said it was "shocked and saddened" by the British Prime Minister, Tony Blair's attempts to hold Paris responsible for the break down of diplomacy over Iraq.

This marks a further worsening of already strained relations between Britain and France on the eve of a major European summit meeting in Brussels.

Europe The French Foreign Minister, Dominique de Villepin, called the British Foreign Secretary, Jack Straw, to express French displeasure over remarks against France during the debate in the House of Commons on Tuesday during which Mr. Blair said France had blocked the possibility of a second U.N. Security Council resolution on Iraq.

"We understand the domestic pressure placed on the British government.

However, these remarks are not worthy of a friendly nation and a European part-

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273 ner," the foreign office said. Diplomats are expecting a stormy meeting between the French President, Jacques Chirac, and Mr. Blair at the summit in Brussels on Thursday.

The two leaders have never hit it off and there has been a distinct cooling in the Anglo-French relationship, with meetings between the two leaders being put off at least twice before finally being held in a frosty atmosphere last month.

20 MAR 2003

THE HINDU

Ulster peace talks collapse

By Hasan Suroor

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LONDON, MARCH 5. The keenly-watched Northern Ireland peace talks have collapsed which means that the Provincial Government and the Assembly, which were suspended last October following allegations of IRA spying, would remain in deep freeze. Also, the local elections, scheduled for May 1, have been put off until May 29 to allow more time for Republicans and Unionists to come to an agreement. Another round of negotiations is expected next month.

The British Prime Minister, Tony Blair, and his Irish counterpart, Bertie Ahern, spent two days in Belfast trying to persuade the two sides to resolve their differences but threw up their hands late Tuesday night as no accord seemed in sight despite official claims that some progress had been made.

The main sticking point remained the terms and time-frame of IRA decommissioning with the Unionists insisting on visible destruction of weapons by IRA within a specific time limit.

They also demanded that any agreement must provide for sanctions against Sinn Fein if the IRA, which is its armed wing, does not deliver on decommissioning.

The Republicans have indicated the IRA's willingness to make a bold gesture on decommissioning but they are opposed to the idea of sanctions. There is also opposition to the Unionist demand that any act of decommissioning should be filmed. The Sinn Fein president, Gerry Adams, who is credited with having persuaded the IRA to agree to disarm, ruled out agreeing to sanctions.

"We will accept no sanctions or any diminution of rights of many thousands of people who have made our party the largest nationalist party in the six counties," he said.

Trimble firm

David Trimble, leader of the main Unionist group, the Ulster Unionist Party, insisted that there was no question of his party returning to power-sharing with Sinn Fein until IRA disarmed completely. "No promises this time, it's got to be action and then we'll decide our response," he said.

Despite the continuing gulf in the republican-unionist positions, the official line was that the "way forward" was still open. Mr. Blair said a basis for a breakthrough had been reached, and he was hopeful of a positive outcome in the next few weeks.

"We are through negotiating, we believe we have got a good way forward. We believe that the proposals, we have, offer that lasting and durable way forward," he said.

Over the following weeks, the political parties would study a set of proposals given to them by Mr. Blair and Mr. Ahern. These include a series of concessions which the British Government is willing to make to the republicans in exchange for IRA decommissioning.

6 MAR 2005

THE HINDU

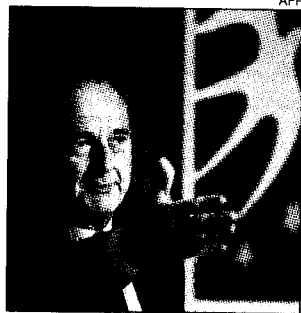
Chirac's outburst mars EU summit on Iraq

Brussels: French President Jacques Chirac sparked outrage on Tuesday after a tirade against East European candidates, who took a pro-American stance on Iraq, marred an EU summit which united to send a final warning to Baghdad.

In a tougher than expected final statement, the 15 EU leaders declared for the first time that war could be used as a last resort and warned Iraq that UN arms inspections could not go on indefinitely. The 13 aspiring members were not admitted to Monday's emergency European Union summit on the Iraq crisis but they were invited to Brussels on Tuesday for a briefing from Greek Prime Minister Costas Simitis, holder of the rotating EU presidency.

Many were seething at Mr Chirac's charges at a closing news conference on Monday night that their joint statements siding with Washington were "childish and irresponsible" and could damage their prospects of joining the bloc.

The French leader, who has led diplomatic resistance to what he sees as a US-British rush to war, said the candidates had "missed a



French President Jacques Chirac addresses a press conference in Brussels on Monday.

great opportunity to shut up". He said they should have consulted the EU before issuing statements in support of the US.

A joint statement issued after the four-hour summit said: "War is not inevitable. Force should be used only as a last resort. It is for the Iraqi regime to end this crisis by complying with the demands of the Security Council. "Iraq has a final opportunity to resolve the crisis peacefully," the leaders said.

Anti-war Germany went along with the statement even though Chancellor Gerhard Schroeder has insisted Germany would not support

or participate in military action even if the Security Council backed it.

Meanwhile, Turkey warned the US on Tuesday not to take for granted its support in a war against Iraq, backing which Washington needs to open a "northern front" against Saddam Hussein. The Nato allies have been negotiating a deal to allow tens of thousands of US troops on Turkish soil to be able to strike from the north should the US attack Iraq for allegedly building weapons of mass destruction.

Tayyip Erdogan, leader of the ruling Justice and Development Party (AKP), told his deputies Turkey had not yet committed itself to allowing the US to use its bases.

Turkey has permitted US engineers to upgrade bases and sea ports, and Washington had expected parliament to open the military facilities to US soldiers during a Tuesday vote. But Turkish political leaders said on Monday that would have to wait until agreement was reached on billions of dollars in US aid and on the role Turkey's army could play in any war. Reuters

19 FEB 2003

THE TIMES OF INDIA

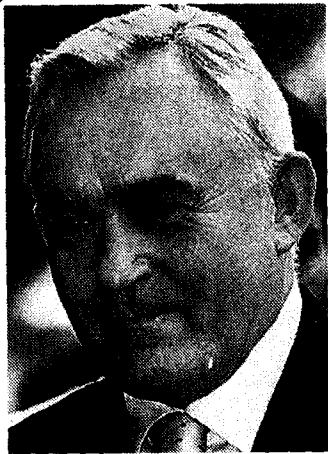
Polish PM plays down divisions in Europe on Iraq issue

By K. K. Katyal

NEW DELHI, FEB. 17. Poland does not like any division of Europe — between old and new. "Europe did not overcome divisions to be divided again. We have to maintain unity," says Poland's Prime Minister, Leszek Miller, here on a visit.

Mr. Miller dealt with this and other subjects, notably bilateral relationship, in an exclusive interview. He played down differences in Europe over Iraq. "It is not a real division. The entire Europe will support the U.S. position on Iraq. Differences are tactical, not strategic. Everybody wants Saddam Hussein to be disarmed. They differ only on the means."

Poland is a staunch supporter of the U.S. It became a member of NATO with the backing of Washington and has since extended support to the U.S. on all manner of issues. It is a prominent country of "new Europe",



Leszek Miller

as against France and Germany, derisively dismissed by the U.S. Defence Secretary, Donald Rumsfeld, who approvingly referred to a "new Europe", mostly comprising the erstwhile Soviet bloc countries.

Mr. Miller is the first Prime

Minister of Poland to visit India after 18 years. He attached significance to his visit because of its focus on cooperation on political, trade and other economic matters. He particularly referred to the innovative cooperative arrangement between the two countries on defence production. He saw it as a corollary of the process of privatisation and modernisation, undertaken by his country. (This was the subject of a memorandum of understanding between the Defence Committee of CII and its Polish counterparts, under the auspices of the two Governments).

The move to promote economic cooperation was also considered important because of its timing — it came on the eve of Poland's entry into the European Union.

In the area of trade, the two sides, he noted, had switched from traditional items and raw materials to software and high

technology, in which India had made big strides. He would be going to Bangalore tomorrow to see the scope of cooperation in this area.

He regarded India as an important partner of Poland. Next year, the two countries would complete 50 years of cooperation, he noted.

The two transitions of Poland — one, from the State-controlled to market economy following the disintegration of the Soviet bloc and the other, arising out of the country's impending entry into the EU — were the favourite subject of Mr. Miller's conversation.

His Government planned a referendum in June on the EU participation. His aides expected comfortable support from the people.

Mr. Miller attached considerable significance to the referendum and had staked the future of his Government and his political career on the "yes" vote.

18 FEB 2003

DISUNITED EUROPE

One More Nail In The Nato Coffin?

By MARIANNA BELENKAYA

The scandal in NATO provoked by France and Germany over Iraq looks like an unprecedented challenge to the USA. But, more than other things, it points to the erosion of Europe's unity.

An anti-American stand of Berlin and Paris means little to Washington. The USA is prepared to act single-handed because it feels strong and mighty, which explains statements on readiness to launch a military operation against Iraq without a UN Security Council sanction. On the other hand, the USA has rallied the support of such key Nato members as Britain, Italy and Spain. Besides, Turkey has virtually approved the build-up of the US military group in its territory.

American interest

At the same time, the split of Nato is a landmark event for Europe and proof of the growing erosion of the bloc. "This conflict is one more nail in the Nato coffin", said Alexander Rahr, prominent German political scientist, programme director at the German Council on Foreign Relations.

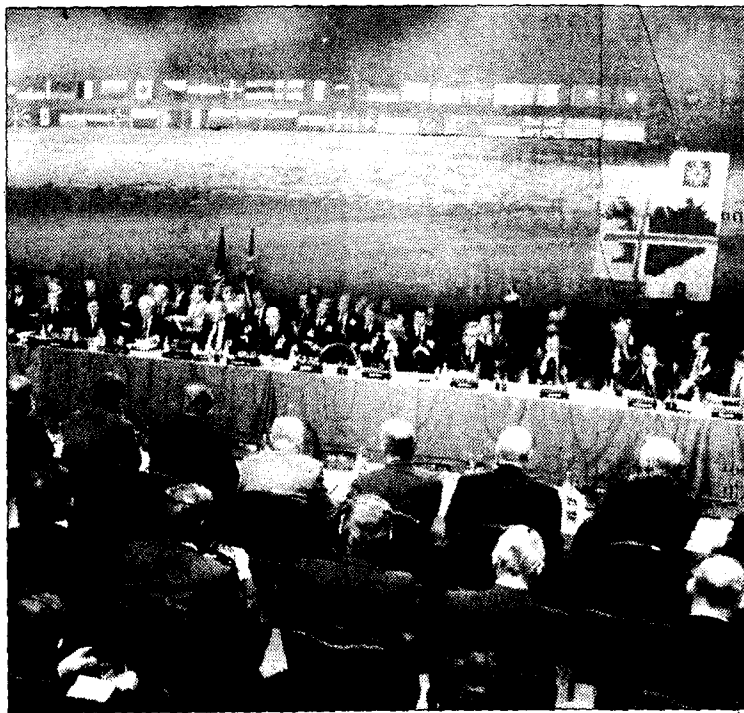
Europe knows that the political struggle is being waged not over Iraq, which is just a pretext, but over the preservation of the current world order, says Rahr. Nobody wants to protect Saddam Hussein. What everyone fears, though, is that the USA, which is fighting Iraq today and may turn onto Iran, North Korea and anybody else tomorrow, will act only in its own interests and disregard the European ones. Consequently, the armies of the USA's European Nato allies will have to fight for US interests. This is the essence of the Franco-German stand on Iraq.

The author is a political analyst for RIA Novosti.

But the actions of Paris and Berlin are turning Nato from a military-political organisation into a discussion club, where no serious decision can be made. In fact, the Trans-Atlantic concept of the world order and unity of Europe, on which EU and other common European structures

be held responsible for the consequences of a war that seems inevitable.

But this will not bring Paris and Berlin out of isolation; instead, this will drive them further into a corner because half of Europe and Asia will eventually join the US operation.



rest, is dying. This certainly irks the neighbours of France and Germany, which think that they are leading Europe in the wrong direction. Paris and Berlin are pushing themselves into deeper isolation.

Burying the UN

The discussion of a second resolution on Iraq in the UN Security Council may stop or slow down the split of Europe. France, Germany and Russia would seemingly benefit from a unilateral US decision to launch war on Iraq. In this case they would not

So, the voting on a second Iraqi resolution in the UN Security Council will be the last chance for France and Germany to overcome the current crisis. They may use it to state that they had forced the Americans to make a decision on a multilateral basis rather than unilaterally, that they had forced the USA to think about European interests.

French, German and Russian politicians will take pride in "forcing" Bush to act through the Security Council. And this will be a great diplomatic victory indeed, as this will save the unity of

Europe and the Trans-Atlantic concept.

It appears that France — just as all other permanent Security Council members — will not use the right of veto, which would have brought its policy to the logical conclusion. It would not do this because if it did, the USA, which has more than once questioned the effectiveness of the UN, would simply ignore the decision of the Security Council and so bury the UN.

Russia part of Europe

Seeing the dangers of the current situation in Europe and the world, President Vladimir Putin is acting with extreme caution. As Alexander Rahr has said, Chancellor Schroeder is struggling against the highest wave of criticism by the German political elite in the past 20-25 years. Opinions of his foreign policy differ dramatically and Germany may change course any minute, joining the ranks of Madrid and Rome.

In this situation, the Russian president is dealing with Germany and France very delicately because he knows that if he joins them there will be no turning back, while France and Germany can easily return into the lap of the Trans-Atlantic community, says the German political scientist.

The statements made by Vladimir Putin in Paris and Berlin can and should be seen as a goodwill gesture with regard to united Europe, rather than a challenge to the USA. After all, Russia sees itself as part of Europe and its economic and political interests are largely connected with European integration. This is why Russia will not benefit from the division of Europe into "old" and "new" or from the construction of a new Berlin Wall over the Iraqi problem.

THE STATESMAN

7 FEB 2003

European states block NATO plan over Iraq

Brussels: France and Belgium, among Europe's staunchest opponents of a rush to war in Iraq, infuriated Washington on Monday by blocking a NATO plan to boost Turkish defences in case of a war.

Their opposition has revealed deep splits across the globe on attacking Iraq because of Baghdad's alleged weapons of mass destruction. NATO responded by calling a special meeting to discuss the

deadlock.

US Secretary of Defence Donald Rumsfeld denounced the move by France and Belgium as "a disgrace" and said countries blocking the plan to reinforce Turkey's defences would be condemned by their own people.

Turkey, NATO's only Muslim member country, could be one of the staging points for an attack on Iraq, which it borders. France and

Belgium say boosting NATO's defences would send the signal that war with Iraq had already started.

The French and Belgians voiced their objections before a 0900 GMT deadline on Monday, after which the 19-member alliance would have proceeded automatically to reinforce Turkey's defences if no state opposed this.

He said he had just spoken to French foreign minister Do-

minique de Villepin. France is a veto-wielding member of the UN Security Council, along with the United States, Britain, Russia and China. Later, Germany announced it was joining France and Belgium in blocking the start of NATO military planning to protect Turkey against the threat of an Iraqi missile attack. Agencies

● See Edit: UN-precedented Rift, Page 12

European Disunion

Even before Colin Powell made his case against Saddam Hussein, it was clear that those who will buy the evidence will buy it, those who will not, will not. In the event, the world seems even more divided over the necessity of a war that now looks inevitable. The fissures are perhaps most apparent in the European Union, with the UK, Spain, Italy, Greece and Denmark on the one hand affirming their support to the US, and France, Germany and the Benelux countries on the other continuing to urge caution. The hawkish US establishment has dismissed the latter's views as obsolete and belonging to 'old Europe', and instead cited the support it has from the aspiring entrants to the European Union, the former Soviet bloc countries, such as Poland, the Czech Republic, Hungary and others. This division in Europe has implications that go far beyond the Iraqi issue. After centuries of bloody conflicts, Europe is finally uniting to form a union which is eventually expected to become a countervailing factor to the unipolar dominance of the US, and as such contribute to global stability. The US did play a crucial role in bringing about this coalescence, but it will obviously not permit the EU to pose a challenge to American hegemony. This became clear when Washington thwarted the European Union's efforts to police the Bosnian imbroglio, the Kosovo upsurge, and the Macedonian insurgency.

France and Germany have tried to co-ordinate efforts to create an autonomous security capability, and develop an independent foreign policy. In fact, a EU foreign policy coordinator has been functioning for some time. However, the Franco-German lead has not been received with enthusiasm by the smaller European Union nations, which, fearing a kind of joint Franco-German hegemony, want some US influence in Europe as a countervailer. This is a legacy of centuries of history and intra-European suspicion. The present division is a crucial test for the leaderships of Germany and France not only in respect of the war in Iraq but the future of an autonomous foreign and defence policy of the European Union. While the two of the largest countries in Europe have successfully managed to shed their centuries old animosity and cooperate, they are yet to create adequate confidence among the smaller neighbours that a coordinated foreign and security policy will be as beneficial to them as a common market has been.

THE TIMES OF INDIA

10 FEB 2003

Burns

Chirac sticks to his stance

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By Valju Naravane

PARIS, FEB. 4. In a flurry of diplomatic manoeuvres preceding Tuesday's Franco-British summit and the U.S. Secretary of State, Colin Powell's eagerly awaited statement on Iraq to the Security Council on Wednesday, Italy and Spain have attempted to further isolate France and Germany.

After the pro-United States article in several newspapers signed last week by nine European nations including Britain, Spain, Italy, The Netherlands, Poland, the Czech Republic and other East European nations, the Foreign Ministers of Italy and Spain launched a frontal attack on the Franco-German stance.

Neither France nor Germany was invited to co-sign the article.

Spain's Foreign Minister, Ana Palacio, warned France and Germany to steer clear of "unilateralism" — something the French have accused the U.S. of doing — and take into account the positions of other major nations within the European Union.

Italy too, through Giuliano Amato, Deputy Chairman of the Convention on the Future of Europe and former Prime Minister, held the two countries "responsible" for the present divisions within Europe. "Berlin and Paris forgot to seek support



The French President, Jacques Chirac (right), and the British Prime Minister, Tony Blair, in Le Touquet, France, on Tuesday before the start of the 25th Franco-British summit. — AFP

for their position in the European Union", Mr. Amato said.

He was referring to a joint statement by France and Germany pledging to work together to avoid a war against Iraq.

On Tuesday, the French President, Jacques Chirac, met the British Prime Minister, Tony Blair, at the northern French seaside town of Touquay for a long overdue summit, a meeting twice postponed because of major differences between the two leaders. (According to an AP

report, Mr. Chirac told Mr. Blair that France would not change its position and that his country steadfastly opposed war against Iraq).

These differences do not centre just around how to tackle the Iraq question. Mr Blair and Mr Chirac had a heated exchange of words over Europe's common agriculture policy. Britain has also been angered by the French decision to invite the Zimbabwe President, Robert Mugabe, for a Franco-African

summit in Paris once the current round of sanctions come to an end.

It is likely that Paris will continue to stall the imposition of new sanctions against Zimbabwe.

Mr. Blair is expected to attempt to convince Mr. Chirac to soften his anti-war attitude. France is expected to pick up the olive branch offered by Washington and make certain conciliatory moves towards London and Washington, observers said.

On Monday, the White House attempted to paper over the differences. Referring to the Franco-German stance, the White House spokesman, Ari Fleischer, said, "Clearly, they are both with us. The question is the use of military force. ... I think France is still exploring what their ultimate position will be."

But, France is equally likely to keep its options open until the very last minute.

In an exclusive interview with *The Hindu* in Paris, the French Prime Minister, Jean-Pierre Raffarin, said that France was determined to retain its autonomy in all circumstances. Three weeks ago, France was riding big, viewed by its European partners as having taken a firm and "principled stand" in the U.N. Security Council debate that led to the adoption of resolution 1441.

INDU

5 FEB 2003

US's solo war threat sends EU into huddle

Brussels: The US announce-



Colin Powell

ment on Sunday that it would go to war against Iraq alone if its divided European allies did not join the fight sent UN Security Council members France, Britain, Spain and Germany into urgent talks on Monday to narrow down differences on whether to support Washington in the crisis.

Although the US had hoped to forge a consensus among its allies, the lack of a coalition would not deter the Bush administration in its war against Iraq, US Secretary of State Colin Powell told the World Economic Forum in Davos on Sunday. "When we feel strongly about something, we will lead, we will act, even if others are not prepared to join us," he said.

The talks among key European Union nations came as the UN chief arms inspector prepared to report in New York on Iraq's disarmament record.

EU nations generally approve of giving arms inspectors in Iraq more time, perhaps even months.

While Mr Powell promised that the Bush administration would study the findings of the report, he indicated that it would be useless to give the weapons inspectors more time. "To those who say, why not give the inspection process more time, I ask, how much more time does Iraq need to answer these questions?" Mr Powell said. "We're in no great rush to judgment tomorrow or the day after, but clearly time is running out," he said. "We will not shrink from war if that is the only way to rid Iraq of its weapons of mass destruction."

Mr Powell's speech is part of a campaign by the White House, culminating in President Bush's State of the Union address on Tuesday, to rally public opinion at home

and abroad.

While he did not produce new evidence of Iraqi weapons, he insisted that the burden of proof was on Mr Hussein, not the inspectors, to give an accounting of Baghdad's munitions.

His remarks deepened a sense of inevitability among people here about a conflict. Speaking after Mr Powell, King Abdullah of Jordan said the prospects for a peaceful resolution were fading. "We are a bit 'too little, too late' to see a diplomatic solution," said the king, whose land borders Iraq. "Let us hope that whatever happens between Iraq and the international community is as quick and painless as possible."

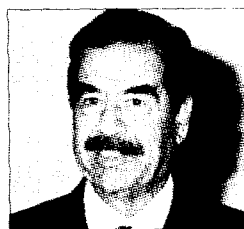
Mr Powell's remarks sent world stock markets plunging on Monday to hit a seven-year nadir in Europe. A wave of selling washed across stock markets from Asia to Europe, with few investors willing to buy stocks amidst mounting US threats to wage a solo war.

On Europe's biggest stock market, in London, the FTSE 100 index of leading shares slumped another 3.6 per cent to 3,473.8 points, levels not witnessed for more than seven years. Leading Asian stock markets also tumbled, with share prices falling 1.4 per cent in Tokyo and 1.7 per cent in Hong Kong.

On the other hand, oil prices bubbled up on Monday. The price of benchmark Brent North Sea crude oil for March delivery rose to \$30.65 per barrel in early trading from \$30.49 at the close of trading on Friday, when prices had climbed by 77 cents.

Safe-haven gold bullion was in keen demand on Monday as investors lifted prices above the \$370.00 an ounce level for the first time in six years. Spot gold rose to \$372.373 an ounce by 8.49 a.m. GMT, well above the \$369.10\369.90 close in New York on Friday, and the highest since December 1996. Agencies

Market mayhem



Shares crash

Stock markets plunge. FTSE 100 index slumps to seven-year low.

Oil's not well

The price of benchmark Brent North Sea crude rises to \$30.65 per barrel.

New glitter

Gold prices witness six-year high.

Khatami offers India more oil

TIMES NEWS NETWORK

New Delhi: With war clouds gathering over West Asia causing jitters in the energy market across the world, oil-rich Iran on Monday called India its "best customer" and offered to raise the volume of crude oil exports.

Visiting Iranian President Seyyed Mohammad Khatami also invited the Indian business community to invest in areas of gas and oil in his country.

Addressing the business session held under the aegis of FICCI and CII, Mr Khatami urged India to cooperate fully in the implementation of common projects for the reconstruction of Afghanistan.

Noting that initiatives had been taken to establish new air routes between the two countries, Mr Khatami said both countries must try to remove obstacles hindering the process of cooperation through dialogue, review and resolutions.

Narrow win for Dutch party

AMSTERDAM (NETHERLANDS), JAN. 23. The governing Christian Democrats narrowly defeated a revived Labour Party in Dutch elections on Wednesday, capping a tumultuous year roiled by an anti-immigration party.

With 99 per cent of the votes counted, the Christian Democrats had a 44-42 seat margin over Labour in the 150-seat Parliament, according to state-financed broadcasting network NOS. The free-market Liberal Party, the third partner in the outgoing coalition, was projected to win 28 seats.

The results left the future shape of the Government in doubt, with no obvious coalition alignment in sight and the Christian Democrats facing only undesirable choices for building a majority.

"I'm happy with the consolidation we've booked," said the Prime Minister, Jan Peter Balkenende, but he said it would be difficult to assemble a majority coalition. "The negotiations are going to be difficult. There are different possibilities, but that's something for the coming days." Labour, which lost half its support and was ousted from power in last May's election, made a remarkable recovery to win a projected 42 seats, up from 23.

"The voter has spoken, and clearly, for a stable, progressive Cabinet," the Labour Party leader, Wouter Bos, told cheering supporters. Mr. Bos said Labour would "work to avoid a war against Iraq." He is the first major party leader to clearly oppose military action against Iraq, a subject that went largely undiscussed during the campaign.



The Dutch caretaker Prime Minister, Jan Peter Balkenende, of the Christian Democrats at the party's election night party in The Hague on Wednesday. — AP

The outgoing Government said it would support U.S.-led action in Iraq if it were approved by the U.N. Security Council. The results meant that Mr. Balkenende, a 46-year-old former university lecturer and political researcher, was likely to remain Prime Minister. Mr. Balkenende resigned in October after less than three months in office and called a new election when infighting among Fortuyn's followers paralysed the three-party coalition.

He has said he hoped to return to office together with the Liberals, but it was clear the two parties alone could not achieve a majority. — AP

Keep Mugabe off, U.K. tells Paris

HD-15
24/11

By Hasan Suroor

LONDON, JAN. 23. Britain was today embroiled in a potential diplomatic row with France over the latter's reported decision to invite the Zimbabwean President, Robert Mugabe, to a Franco-African summit in Paris despite a European Union travel ban against him and his Ministers.

The travel ban and a host of other sanctions were imposed by E.U. last year after widespread violence in Zimbabwe's presidential elections and allegations of human rights abuses by his regime. Britain is pressing for sanctions to be renewed when they expire on February 18.

The French move angered the British political establishment and a senior Cabinet minister, Clare Short, said it would be 'disgraceful' if Mr. Mugabe was allowed to attend the Paris summit.

There was embarrassment in government circles though Downing Street sought to play it down saying it was still a 'live' issue and would be discussed by Europe's Foreign Ministers next week.

The Opposition was livid and denounced the French decision as 'unacceptable'.

"To allow Mr. Mugabe to strut his stuff in Paris would be

absolutely unacceptable. At a time when his country is in free-fall, when millions are facing starvation, and when human rights are systematically flouted there should be no welcome for Mr. Mugabe anywhere in the European Union," the Liberal Democrat foreign affairs spokesman, Menzies Campbell, said.

Tories were equally infuriated with the shadow foreign secretary, Michael Ancram, calling the French move 'outrageous'. He dismissed as a 'fudge' the British Prime Minister, Tony Blair's claim that no agreement had been reached yet on the issue, and reacted angrily to reports that Britain had reached a deal with France under which it would not object to Mr. Mugabe's visit in exchange for a firm commitment that the sanctions against Zimbabwe would be renewed. "The British Government has belatedly sought to browbeat the England cricket team into dropping their World Cup match in Zimbabwe.

At the same time they now seek to do a deal, driving a coach and horses through the one policy they have been brave enough to pursue against Mugabe," Mr Ancram said.

The row was likely to sour further Anglo-French relations which are already under strain because of the rift over Iraq.

NORTHERN IRELAND / MILITANCY ON THE RISE

**Unionists withdraw from
disarmament talks**

By Hasan Suroor

LONDON, JAN. 17. Efforts to revive the Northern Ireland peace process suffered a setback today after two Unionist paramilitary groups, the Ulster Volunteer Force and the Red Hand Commando, announced their withdrawal from disarmament talks with the international decommissioning body accusing the British Government of trying to reach a deal with Republicans at the expense of the Unionists.

The Commission, led by Gen. John de Chastelain, was set up under the 1998 Good Friday Agreement to check arms proliferation in Northern Ireland but its work has been repeatedly interrupted for lack of full cooperation from paramilitary organisations, both loyalist and republicans.

After today's development, the Commission is virtually grounded as the IRA has already suspended all contacts with it saying that it would not be pressured into giving

up its weapons.

Armed militancy in Northern Ireland has become more pronounced in recent weeks as a result of the political vacuum following the suspension of the peace process last October after the Unionists threatened to withdraw from the power-sharing arrangement with Republicans if the IRA did not disband.

Rival paramilitary groups have been involved in a series of violent incidents including killings, raising fears that the province could be headed for a new phase of sectarian violence.

Last week, the Northern Ireland Secretary, Paul Murphy, ordered re-arrest of the dreaded loyalist militant, John "Mad Dog" Adair who had been released as part of the peace process.

He has been sent back to prison for allegedly re-igniting the sectarian "gang war" in Belfast.

In what appeared to be a coordinated

loyalist strategy to put pressure on the Government, the hardline Progressive Unionist Party, which has links with the Ulster Volunteer Force and the Red Hand Commando, said it was suspending contacts with Sinn Fein, the main Republican party.

The PUP leader, David Ervine, said the British Prime Minister, Tony Blair, and Sinn Fein were trying to strike a deal behind closed doors.

The PUP move followed Mr. Blair's talks with the Sinn Fein leader, Gerry Adams, last week amid reports that the Government was inclined to concede Mr Adams' demand for withdrawal of British troops from nationalist areas and more comprehensive police reforms under a deal leading to disbandment of IRA.

IRA's refusal to wind up has been a main stumbling block in the peace process and the Government apparently believes that the concessions are worth making in order to resolve the issue.

Ervine
HD-14

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18/1

France, Germany reach accord on E.U.

By Batuk Gathani

Europe
BRUSSELS, JAN. 16. The German Chancellor, Gerhard Schroeder, and the French President, Jacques Chirac, took an epoch-making decision on Tuesday night when they agreed on a broad Franco-German pact on the future of the European Union. Both the leaders jointly proposed a dual-elected presidency for the European Union.

The European parliament will elect the new President of the European Commission — administrative arm of the European Union and the E.U. heads of government will elect a new president of the E.U. Council of Ministers or the 'council of Europe'.

The Franco-German decision also removes one of the last obstacles in path of "dramatically re-born" Franco-German Alliance — which will now determine future of the European Union.

The latest decision will also not only determine future shape of the European Union institutions, but Franco-German strategy is to make them more accountable and transparent as elected chief executives

HQ-14
will head them after 2004. The European parliament and the some 25 heads of government of the E.U. member states will have a significant say in the evolution of proposed new European institutions.

At an informal dinner, the French and German leaders, also agreed on a common approach to the European Convention, that is formulating proposals for the overhaul of the European Union's institutions, ahead of the proposed enlargement of the current European Union of 15 member states to 25 member states by 2004.

The European Convention is also in the process of drafting a new constitution for the European Union.

The Germans have now agreed to drop their original "strongly federal approach" to the European Union but have instead opted for a stronger presidency of the European Union as desired by Britain, Spain, France and even Italy.

According to informed observers, the French have agreed to "election" by European parliamentarians of the president of the European Commission and Italy, which

1971
has so far played a limited role in proposed E.U. reforms has now accepted the Franco-German strategy on the evolution and shape of the E.U. institutions.

The German and French leaders have also agreed in principle to consolidate and expedite work on formation of common European foreign and security policy.

This is being undertaken by the office of Mr Xavier Solana, the former Secretary General of NATO and Foreign Minister of Spain. It is also agreed that final say on all key decisions should remain with governments of the European Union member states.

At a solemn declaration at a joint session of French and German parliament at Versailles next Wednesday, Chancellor Schroeder of Germany and President Chirac of France are expected to unveil plans for joint German and French legislation in areas such as policing, education and family law.

They may also announce appointment of general secretary for forum of Franco-German Cooperation.

THE HINDU

JAN 2003

France, Germany plan link-up

BERLIN, JAN. 14. Germany and France are to consider revolutionary plans today to allow Cabinet Ministers to attend one another's meetings and agree joint laws.

In a startling intensification of Franco-German co-operation, the German Chancellor, Gerhard Schroeder and the French President, Jacques Chirac, will meet in Paris to agree the proposals.

Both nations plan a joint declaration next week when their Parliaments meet at Versailles to commemorate the 40th anniversary of the Franco-German alliance.

Signs that France and Germany are working ever more closely are causing alarm in London, where the British Prime Minister, Tony Blair, has been working hard to prove Britain is closely involved in the heart of Europe.

Details of the new leap in Franco-German co-operation are contained in a French-language version of the declaration circulating in Berlin. According to passages leaked to *Der Spiegel* magazine, the plans would

allow rapid decision-making in common areas. Ministers from each country would take part in their counterparts' Cabinet meetings, allowing them access to highly confidential information and to agree common legislation.

The leaders also want to establish a general secretary for Franco-German co-operation in each country.

The secretaries would oversee development of bilateral laws on areas such as civil and family law so that Germany and France could streamline divorce and marriage laws or labour and inheritance laws, for example.

The aim is also to achieve the "fastest possible" cross-border recognition of professional and educational qualifications.

An E.U. crime register, a prosecution service and border police to fight immigration would be on the agenda with tax harmonisation. Bela Anda, the German Government spokesman, said the document summed up the concept of Franco-German collaboration and would be at the heart of tonight's talks.

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"This paper is the basis for a common declaration for the dovetailing of the work of both Governments and Parliaments. We will have to see what precisely it involves." The declaration is the clearest sign yet that Franco-German relations are back on track but it appears to undermine France's insistence that Europe should be a collection of independent states and leans towards the German dream of supranationalism.

The two countries are also keen to realise the European Union's goal of a common defence and security policy.

But the issue of Iraq is likely to put considerable strain on the relationship in the coming weeks and could hamper the agreement. A German official said on Monday that, unless Germany and France took a common position on how to deal with Iraq, co-operation was going to be a struggle.

While Germany has insisted it will not take part in a war even with U.N. support, France has never ruled out a military option. — *The Telegraph Group Limited, London, 2003*

THE HINDU

15/11/03

Top European officials against military action without proof

EU bid to block US war rush

HUDA MAJEED SALEH

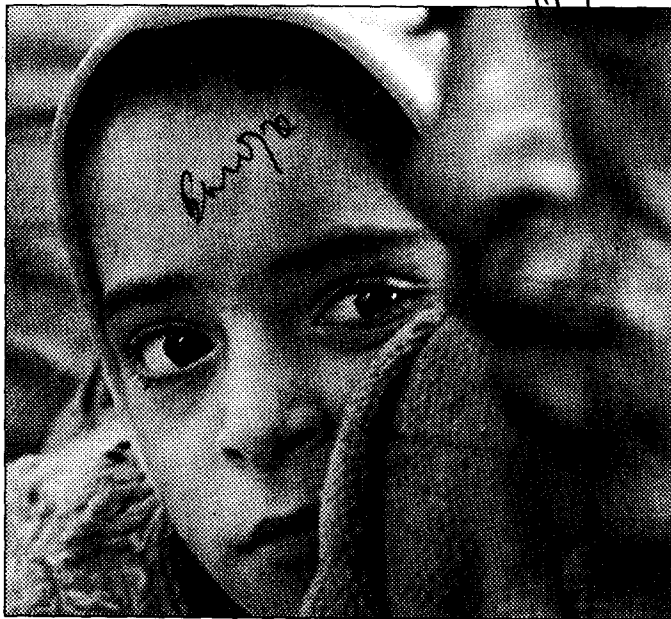
Baghdad, Jan. 10 (Reuters): Europe moved to stay America's hand over Iraq today, as top officials spoke out against a rush to war on the basis of inconclusive weapons inspections.

"Without proof, it would be very difficult to start a war," EU foreign policy coordinator Javier Solana said. As US President George W. Bush continued to mobilise his forces and met Iraqi Opposition leaders, one of President Saddam Hussein's main Iraqi foes said an invasion could destabilise West Asia and warned that the sort of massive occupying force Washington envisages would face popular armed resistance.

"We reject the idea of an invasion and occupation of Iraqi territory," said Ayatollah Mohammad Baqer al-Hakim.

After UN inspectors told the Security Council yesterday they had found no "smoking gun" to challenge Iraq's insistence it has no nuclear, chemical or biological weapons, Washington made clear it still felt Baghdad was defying the UN.

With the world's eyes turning to North Korea, which has admitted developing nuclear weapons and pulled out of the Non-Proliferation Treaty today,



A young girl leans against her father during Friday prayers in Baghdad. (Reuters)

US officials insisted Iraq posed a major threat, however little the inspections found.

Chief inspector Hans Blix told the Security Council Iraq had "failed to answer a great many questions". The US said if Iraq continued to deceive it would again be in "material breach" of Council resolutions — language that could mean war.

In Iraq, UN experts visited three sites today, including a rocket fuel plant which Britain has alleged may be developing missiles to carry chemical or germ warheads.

The US is doubling its 60,000-strong force in the Gulf. The Pentagon has told a further 7,000 Marines from Camp Lejeune, North Carolina, to get ready, the

Marine Corps said.

But EU Commission president Romano Prodi called for calm: "War is not and must not be inevitable," he said in Greece, which plans to lead an EU peace mission to Arab capitals soon.

The 15 EU nations are sharply divided over Iraq. Britain is mobilising its forces — including a big naval landing force led by flagship carrier *Ark Royal* — alongside the Americans despite grave doubts within Prime Minister Tony Blair's Labour party.

The bloc's other main military power, France, is cooler, insisting on an international mandate for any war. Germany, the biggest economy, opposes outright the idea of attacking Iraq.

"Inspections should continue and for that reason there are no grounds for military action," Berlin's ambassador to the UN, Gunter Pleuger, said in New York.

Britain's UN envoy, too, said there was no undue focus on Blix's next report to the Council on January 27.

Washington has little need of European military assistance and has made clear it is willing to fight alone if need be, despite agreeing to seek UN backing last autumn.

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