

China raises 'Asian Nato' scare to check Indo-US ties

Press Trust of India

BEIJING, July 18. — India will play a strategically important role in the proposed Asian version of Nato if the designs of the USA to extend its status as the lone super power comes true.

"The Pentagon's Asia-Pacific military strategy has put India in a prominent position compared to other Asian countries," the China Daily said in a commentary while expressing concern over reported US attempts to contain China's rise and Russia's clout in south Asia by propping up an Asian version of the North Atlantic Treaty Organisation (Nato).

"In the eyes of the USA, India holds an important strategic position linking the Indian Ocean and the Pacific Ocean. By strengthening its ties with the south Asian country, the USA can not only consolidate and expand its strategic presence in South Asia but also further squeeze Russia's and China's strategic clout out of the region," the commentary said. Talks between Pentagon senior advis-

ers and their counterparts in New Delhi were held in May on the prospects for a new security system for an Asian version of Nato.

The newspaper said Washington's basic purpose for closer ties with India and an Asian version of Nato was to extend its status as the world's sole superpower. A Pentagon report has also recommended that the USA construct a long-term alliance with India to contain Washington's potential Asian adversaries, the daily said.

It also quoted Mr Robert Blackwill, the outgoing US ambassador to India, as having said that America should "strengthen political, economic and military-to-military relations with those Asian states that share our democratic values and national interests. That spells India".

The commentary reported that with the USA stepping up its largest military strategic re-deployment since World War II, the voices in that country backing the establishment of an Asian version of the Nato had become "particularly loud" recently.

SARS affects growth projections in Asia

By Our Special Correspondent

NEW DELHI, APRIL 24. The outbreak of SARS in the South-Asian region has led to widespread lowering of growth projections in the affected countries which otherwise form the fastest growing region of the world and has been described as an area which had basically been keeping the global economy afloat.

Data compiled by the Federation of Indian Chambers of Commerce and Industry here has revealed that international financial organisations have estimated that the largest decline in growth projections has been in the case of Singapore where growth rates are expected to fall by 1.5 to 2.5 per cent. Malaysia's growth rate is also expected to fall by 0.9 per cent while Hong Kong is estimated to witness a 0.6 per cent decline in growth rates in 2003. However, China, which has the largest number of SARS cases, the gross domestic

product (GDP) is expected to fall about 0.5 per cent and the country's growth rate could be around 6.5 per cent.

The sectoral impacts have been even more severe, according to the report. Already hit by the Iraq war, international airlines have been doubly hit because of the SARS outbreak with business travellers turning to e-mail and videophones rather than making business trips. The Japanese airlines, ANA has reported that passenger traffic between Tokyo and Hong Kong fell by a fifth after the disease was identified and visitor arrivals in Hong Kong and Singapore have reportedly collapsed by around 61 per cent.

Singapore Airlines recently announced that it has effectively grounded 13.5 per cent of all its flights while Hong Kong-based Cathay Pacific has indicated that it may need to ground its whole fleet next month.

Tourism too has been badly

hit whereas this sector contributed significantly to the GDP of the South-Asian countries. Singapore, for instance, has a 10 per cent contribution from tourism to its GDP and has decided to implement a \$230 million package to provide immediate relief for the most directly and adversely hit tourism and transport-related sectors.

Similarly, Malaysia, which has a seven per cent contribution from tourism which is also its second largest foreign exchange earner, is expected to lose around RM 200 million per month in terms of tourism revenue. The fall in tourism arrivals in the South-Asian countries also has its ripple effect on retail trade and other services.

The Federation report has suggested that collective efforts be undertaken by the affected countries to check the spread of the disease by undertaking joint scientific and laboratory exercises and increase surveillance and threat detection networks.

25 APR 2003

THE HINDU

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America, India and Asian Security

US ambassador to India ROBERT D BLACKWILL presented a paper to the Institute for Defence Analyses' 5th Asian Security Conference in New Delhi on 27 January 2003. We reproduce its first part



WAR FOR PEACE? A refugee moves into a base relief camp near Kargil during the 1999 India-Pakistan border conflict. It's because of such events that the US ambassador to India says Asia faces grave problems that could unravel the fabric of its future peace and prosperity.

MUCH has been written in recent years about the coming Asian century. Here is one example, a recent judgment on the subject by an obscure Harvard professor. I wrote the following in my book *America's Asian Alliances* just before I re-entered government in early 2001, "Asia, with over one-half of the world's population, is an increasingly dangerous place. Big power competition in this huge area is alive and well.

Contrast Europe, where democracy and the market economy reign, largely pacified west of the eastern Polish border. Although residual problems remain in the Balkans, state-to-state conflict is nearly unimaginable in the immediate future, and the next decade promises the greatest peace and prosperity in the continent's history. An enormous accomplishment by transatlantic governments, and by the people of Europe themselves, this is one of the most consequential geopolitical facts for the era ahead. By stark contrast Asia, which has so little in common with the history, geopolitics, and security practices and institutions of Europe, has many alternative futures. Some of these... would be perilous."

Asia's century is now underway. In this new era, one of the key objectives of American grand strategy is to use US diplomatic, economic, and military power and influence to help maintain a durable and robust geopolitical framework in Asia, in which the United States, its Allies and friends can prosper in freedom.

Where better today to stress that point in Asia than in democratic India. This goal is particularly salient because Asia is poised to become the strategic centre of gravity in international politics.

For the first time since the signing of the Treaty of Westphalia in 1648, the single largest concentration of international economic power will be found not in Europe — not in the Americas — but in Asia. This, of course, has profound global implications.

The return of Asia to centre stage in the international system after almost 500 years is driven by at least three crucial factors:

- The long peace among the major Asian powers in the last quarter of the 20th century, underpinned by the security presence of the United States in Asia, created political conditions for economic prosperity;
- The success of the liberal international economic order permitted many Asian states to increase their economic growth rates far beyond the global historical norm; and,
- The presence of enlightened leadership in key Asian countries produced national strategies focused on economic development, expanded trade, and increased prosperity.

The Problems of Asian Security

The United States has a pre-eminent strategic objective to collaborate with others, including India, to ensure that

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events in Asia proceed down this positive path. However, Asia faces grave problems that could unravel the fabric of its future peace and prosperity. Although the US will not face an Asian peer competitor in the foreseeable future, regional powers are developing sufficient capabilities to threaten American vital national interests, and those of its friends and Allies.

Asia is an area that while enjoying growing economic prosperity, is susceptible to acute instability. Along a broad arc of volatility that stretches from the West Asian and Persian

Gulf (consider Iraq) to Northeast Asia (consider North Korea), the region contains a hazardous mix of rising and declining regional influentials, prosperous and failing states, status quo and revisionist nations, and responsible and rogue governments.

Asia hosts the most threatening sources of global terrorism. It contains the most severe international territorial disputes, and non-democratic rivalries over the right to rule. Many of its countries field large militaries and possess the potential and/or ability to develop, acquire, use or export weapons of mass destruction — witness especially the current dangerous cases of Iraq and North Korea that are being urgently addressed by the international community. And reckless governments in some Asian nations provide fertile ground for non-state actors to engage in terrorism, and onward proliferation of WMD technologies.

Maintaining a stable Asia in these combustible circumstances represents a complex and abiding strategic mission for India, the United States and all like minded states.

The Transforming US-India Relationship in the Context of Asian Security

President Bush and Prime Minister Vajpayee recognised and acted upon this strategic challenge and therefore gave a historic impulse to US-India diplomatic collaboration, counter

terrorism, counter proliferation, defence and military-to-military teamwork, intelligence exchange, and law enforcement.

Two years ago, under the 1998 US sanctions regime, the United States and India seemed constantly at odds. Today, President Bush has this to say about India: "The Administration sees India's potential to become one of the great democratic powers of the 21st century and has worked hard to transform our relationship accordingly." The President waived the 1998 sanctions against India, and drastically trimmed the long "Entity List" which barred Americans from doing business with certain Indian companies from over 150 Entities to less than 20.

Two years ago, the American and Indian militaries conducted no joint operations. Today, they have completed six major training exercises. Two years ago, American and Indian policymakers did not address together the important issues of cooperative high technology trade, civil space activity, and civilian nuclear power. Today, all three of these subjects are under concentrated bilateral discussion, and both governments are determined to make substantial progress. Two years ago, American sanctions against India undermined bilateral diplomatic cooperation on regional and global issues. All that has changed, from Iraq, to Afghanistan, to Asia writ large.

President Bush and Prime Minister Vajpayee champion this powerful and positive bilateral interaction with top down direction, reinforced by an unprecedented stream of Washington policymakers who have travelled to India. The Prime Minister has spoken of India and the United States as "natural allies." He is right. Since 1 September 2001, five members of the Bush Cabinet have come to India, some more than once. Nearly 100 US official visitors to India at the rank of Assistant Secretary of State or higher have reinforced their efforts.

In my view, close and cooperative relations between America and India will endure over the long run most importantly because of the convergence of their democratic values and vital national interests. Our democratic principles bind us — a common respect for individual freedom, the rule of law, the importance of civil society, and peaceful state-to-state relations. With respect to overlapping US-India vital national interests, my "Big Three" for the next decade and beyond are to promote peace and freedom in Asia, combat international terrorism, and slow the spread of weapons of mass destruction (WMD).

(To be concluded)

The concluding part of US ambassador Robert D Blackwill's speech at the Institute of Defence Analyses' 5th Asian Security Conference in New Delhi on 27 January

PEACE within Asia — a peace that promotes freedom and prosperity — will be advanced by the transformed US-India relationship. Within a fellowship of democratic nations, the United States and India would benefit from an Asian environment free from interstate conflict — including among the region's great powers — open to trade and commerce, and respectful of human rights and personal freedoms. President Bush says it succinctly, "We seek a peaceful region where no power, or coalition of powers, endangers the security or freedom of other nations; where military force is not used to resolve political disputes."

Achieving this paramount goal requires the United States particularly to strengthen political, economic, and military-to-military relations with those Asian states that share our democratic values and

The new language of peace, security

national interests. That spells India. A strong US-India partnership contributes to the construction of a peaceful and prosperous Asia and binds the resources of the world's most powerful and most populous democracies in support of freedom, political moderation, and economic and technological development.

Even as the US and India together support peace, prosperity and liberty in this part of the world, Asia remains an area wracked by the cancer of international terrorism. During the past decade, more familiar ethnic, nationalist, and separatist terrorist groups have been joined by new organisations with murderous ideological motivations. These newer terrorist organisations, which attract recruits by perverting great religious traditions, embody a lethal threat to both India and the United States. Their world view propels them to conduct deadly attacks to inflict mass, indiscriminate casualties among innocents. Both the Uni-

ted States and India are principal victims of this new and more dangerous kind of terrorism. If you visitors to India doubt this, take a look at the bullet holes still evident at the Indian Parliament from the 13 December 2001, terrorist attack on that incandescent symbol of Indian democracy. Other nations may fade in the marathon war against terrorism. India and the United States will be there together at the finish — when we win. If promoting peace, prosperity and freedom in Asia, and ending international terrorism are two important long-term objectives of a transformed US-Indian relationship, the third and final strategic challenge underlying this radical reform of our bilateral ties is to curtail the proliferation of weapons of mass destruction in Asia, and the means to deliver them. Today, Asia has eight nations that either have nuclear weapons capabilities, or are trying to acquire them. Nine countries have biological and chemical weapons or are attempting to obtain them. Eight nations have ballistic missiles with ranges exceeding 1,000 km. No other part of the globe has such a concentration of WMD nations and capabilities, and these disturbing trends could worsen. As WMD programmes have become more advanced and more effective as they mature, some irresponsible countries have become more aggressive in pursuing them.

Both India and the United States share a common vital national interest in restraining the further proliferation of WMD, and their means of delivery. Both countries face a significant risk within the next few years of confronting either terrorists or rogue states armed with such WMD capabilities.

Thus, strong US-India relations over the long term are rooted not simply in an enduring commitment to democratic governance indispensable as that is, but also in the fundamental congruence of US and Indian vital national interests. Indeed, it is difficult for me to think easily of coun-

tries other than India and the United States that currently face to the same striking degree all three of these intense challenges simultaneously — advancing Asian stability based on democratic values; confronting the threat of international terrorism; and slowing the further proliferation of WMD. This daunting trio will be an encompassing foundation for US-India strategic cooperation for many years to come.

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The Strategic Economic Dimension of the US-India Relationship "Why," you may ask, "does the Bush Administration care about US-India economic ties, and the future of the Indian economy?" After all, there are over 190 nations in the world. What is so special about India in this regard? The President recently issued "The National Security Strategy for the United States of America," which sets forth our diplomatic and security approach to the current openings and dangers within the international system, an approach based on America's democratic values.

This report, which bears President Bush's personal stamp, describes India as one of the "great democratic powers of the 21st century."

I now want to make a point that is important to my presentation of managing the opportunities and problems of Asian security. As I used to teach students in my course on strategy at Harvard University, national economic strength is a prerequisite for

sustained diplomatic influence and military muscle. The close US-India partnership that I have just enumerated would be made more wide reaching and successful by a fundamentally reformed and globalised Indian economy. I openly admit, therefore, that there is a certain amount of American self-interest as we hope for the best for India's economic performance in the years ahead.

On the geopolitical side, an India that takes full advantage of its extraordinary human capital to boost its economy would be a more effective strategic collaborator with the US over the next decades, including in promoting peace, stability and freedom in Asia. An India that enters into a full fledged series of second generation domestic economic reforms would inevitably play an increasingly influential role in international affairs across the board, and that too would be beneficial for the United States.

President Bush vigorously promotes US-India strategic interaction because a powerful India is a critical member of the core group of liberal democracies that will collaborate to strengthen Asian security in the decade ahead: to bolster democracy and preserve a balance of power in Asia; to defeat international terrorism; and to curb the spread of Weapons of Mass Destruction.

As I draw to a close, I am reminded of my former boss and not obscure Harvard professor Henry Kissinger who observed in his book *Diplomacy*, that "Intellectuals analyse the operations of international systems; statesmen build them. And there is a vast difference between the perspective of an analyst and that of a statesman. The analyst can choose which problem he wishes to study, whereas the statesman's problems are imposed on him. The analyst can allot whatever time is necessary to come to a clear conclusion; the overwhelming challenge to a statesman is the pressure of time. The analyst runs no risk. The statesman is permitted only

one guess; his mistakes are irretrievable. The analyst has available to him all the facts; he will be judged by his intellectual power. The statesman must act on assessments that cannot be proven at the time he is making them; he will be judged by history on the basis of how wisely he managed the inevitable change, and above all, how well he preserves the peace."

The transformation of the US-India relationship is in long term ascent propelled by two such statesmen — President Bush and Prime Minister Vajpayee. Only a vision in January 2001, this strategic transformation is now a growing reality. As foreign minister Sinha stressed in New Delhi last month, ties between the United States and India are better today than at any time in a half-century. Both governments are determined to keep it that way for their own sake and for an Asian security built on freedom, prosperity and peace.