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## Bimstec moves on path to free trade

**Jaishree Balasubramanian in Phuket (Thailand) | PTI | February 07, 2004 | 17:08 IST**

India and six other countries forming Bimstec economic grouping on Saturday agreed on a draft treaty that would abolish tariffs and throw open their resources for free trade among them.

Commerce Minister Arun Jaitley discussed the draft of the framework agreement with his counterparts from Bangladesh, Myanmar, Sri Lanka, Thailand, Nepal and Singapore, and they would sign it on Sunday at the end of their two-day meeting.

In his opening remarks, Watana Muangsook, commerce minister of the host nation, stressed the need for setting up a more "substantive and meaningful economic cooperative framework."

"Our success in establishing the free trade area will greatly increase both our inter-regional and intra-regional trade," he said, adding: "We are yet to tap our enormous potential and resources."

Watana said it was important to reach an agreement and establish a free trade area because "within this globalised world relationship between the developed and developing countries had changed. There is no longer the centre-periphery divide between the superpowers and their proxies."

The BIMSTEC was formed in 1997 and is yet to hold its first summit. A summit, which was proposed to be held on February 9 but had to be postponed as Prime Minister Atal Bihari Vajpayee could not attend due to the coming elections in India.

Watana said it was important for Asian developing countries to come up with a new strategy for their survival and prosperity.

"Our foreign economic relations need to change their nature away from donor and recipient relationship to an inter-dependency and equal partnership both among ourselves and with the developed countries through free trade system," he said.

Officials said with the combined market of over 1.3 billion consumers and an aggregate GDP of almost \$800 billion, the establishment of a Free Trade Area would greatly increase inter-regional and intra-regional trade.

Watana said the member nations should be determined to turn the economic grouping into a "region of free and unfettered trade and investment."

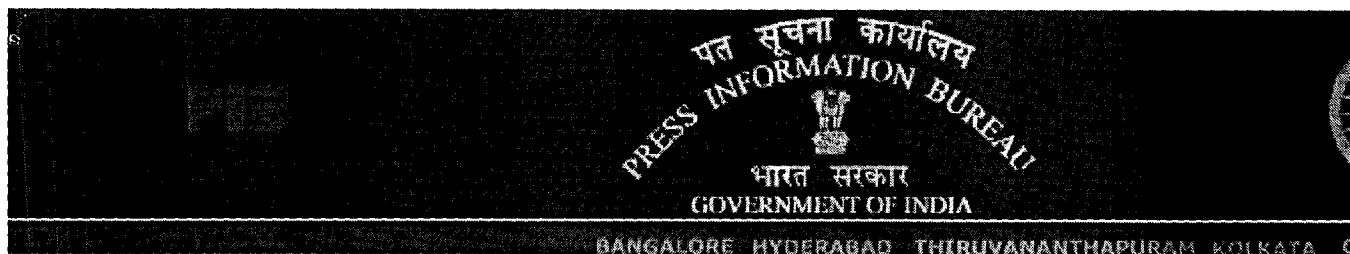
A meeting of senior foreign ministry officials, including Indian Foreign Secretary Shashank, earlier reviewed the progress of cooperation under priority projects as identified by the member nations. Six projects have been identified by the members with each country taking on a project.

The officials discussed Thailand-Myanmar-India Road linkages under which the three countries will jointly develop road linkages starting from Amphoe Maesod of Thailand passing through Pagan in Myanmar and connecting with Moreh in India.

India has granted 150 training scholarships for BIMSTEC personnel while Thailand has offered 100 scholarships.

The officials also discussed business travel facilitation within the region and the idea of long term multiple entry visas to BIMSTEC business travellers.

The officials urgently recognised the need to work more closely to combat international terrorism, transnational crimes and



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Prime Minister's Office

🕒 **"BIMSTEC" TO BE KNOWN AS BAY OF BENGAL INITIATIVES FOR MULTI SECTORAL TECHNICAL AND ECONOMIC COOPERATION**

**BIMSTEC SUMMIT DELCLARATION**

19:2 IST

The BIMSTEC Summit which concluded at Bangkok today, issued the following declaration:

"We, the Prime Minister of the People's Republic of Bangladesh, the Prime Minister of the Kingdom of Bhutan, the Prime Minister of the Republic of India, The Prime Minister of the Union of Myanmar, the Prime Minister of the Kingdom of Nepal, the President of the Democratic Socialist Republic of Sri Lanka and the Prime Minister of the Kingdom of Thailand gathered in Bangkok, Thailand, on 31<sup>st</sup> July 2004 for the first BIMST-EC Summit Meeting:

**Convinced** that the geographical location of our countries and our rich natural and human resources provide a sound basis for mutually beneficial cooperation.

**Recognizing** that the pluralistic nature of our societies, our shared cultural heritage and the rich diversity of languages, arts, crafts and traditions provide ample opportunity for multi-dimensional cooperation within our region;

**Convinced** that regional and sub-regional economic cooperation such as ours contribute to efforts towards global free and fair trade being pursued under the multilateral trading regime;

**Affirming** that the above realities provide a firm foundation on which to build our partnership and overall cooperation;

**Resolving** to foster a sense of community that will lead to the economic and social development of the entire region;

**Do hereby;**

Agree that our grouping shall henceforth be known as BIMSTEC or Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation.

Commit ourselves to the founding objectives and principles of BIMSTEC; to assess the challenges and opportunities for economic cooperation in our region; and to strengthen BIMSTEC's ability to find ways and means to realize those challenges and opportunities effectively and efficiently.

Note with satisfaction BIMSTEC's achievement so far, including the signing of the

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Framework Agreement for a BIMSTEC Free Trade Area, the launch of Visit BIMSTEC year 2004-05 and the year-long Plan of action on tourism, the establishment of the BIMSTEC Chamber of Commerce, the first BIMSTEC Youth Football Tournament held in Phuket, the establishment of the BIMSTEC Center in Bangkok, and a biomass gasifier plant in Myanmar, and pledge to move forward with renewed vigor.

Agree to focus on specific areas of cooperation, including but not limited to trade & investment, transport & communications, tourism, energy, human resources development, agriculture, fisheries, science & technology and people-to-people contact.

Agree to explore the expansion of BIMSTEC cooperation into the areas of culture, education, public health, protection of biodiversity and traditional knowledge, rural community development, small and medium-scale enterprise, construction, environment, information and communications technology, biotechnology, weather & climate research, natural disaster mitigation & management.

Agree to take all possible steps including timely completion of the Free Trade Area negotiations for realization of the full potential of BIMSTEC trade and investment, taking into account the special needs of individual member countries.

Recognize that future cooperation under BIMSTEC requires the development of key infrastructure, in particular transportation & communication linkages, to facilitate tourism, trade and investment and accordingly agree to strengthen and accelerate cooperation for developing concrete regional project proposals such as the ongoing negotiations on road linkages between the member countries.

Agree to promote sustainable and optimal energy utilization through development of new hydrocarbon and hydropower projects, interconnection of electricity and natural gas grids, energy conservation, and renewable energy technologies.

Agree to coordinate our diverse strengths in the tourism sector to derive maximum benefit from our natural, cultural and historical attractions, and recognize the need to enhance inter-regional tourism through such strategies as joint marketing of intra-BIMSTEC tourism packages, exchange of visits and information as well as sub regional tourism co-operation.

Agree to facilitate travel within the region for business travel, exchange programmes and tourism, including through the introduction of a BIMSTEC Business Travel Card/Visa.

Encourage the private sector to explore ways to tap the economic partnership potential of the member economies and make full use of BIMSTEC opportunities.

Agree to intensify cooperation to promote the sustainable use of the marine resources in the Bay of Bengal through effective management and conservation in close coordination with the already existing frameworks, including the Bay of Bengal Programme-Inter-Governmental Organisation (BOBP-IGO).

Agree to enhance technical cooperation aimed at capacity building, and recognize the potential for public and private organizations to expand existing cooperation in this area.

Express grave concern at the continuing threat of international terrorism and transnational crime that has adversely affected the economic and social progress of the peoples of the BIMSTEC region; recognize that the solidarity and friendship existing among member states could be utilized as a basis to counter this threat; agree, as an urgent priority, to co-ordinate our efforts to combat this menace, including through the exchange of information among concerned agencies, and other concrete programmes of co-operation, and resolve to continue active co-operation in ongoing efforts of the international community in combating terrorism in all its forms and manifestations, by whosoever it is perpetrated irrespective of its

cause or stated rationale.

Agree to coordinate our efforts to address, as a matter of priority, transnational issues that threaten the economic and social progress of the peoples of the BIMSTEC region, including HIV/AIDS and other threats to public health such as malaria, tuberculosis, and polio; and encourage active cooperation among concerned agencies, including through the exchange of information, sharing of experiences and other concrete programmes.

Decide to proactively promote increased interaction among our peoples through programmes, such as exchanges of parliamentarians, media persons, students and faculty, sports persons, as well as exchanges in the fields of performing arts and entertainment, such as motion pictures, television programmes and music.

Decide to accord priority to projects that could be clearly conceptualized, adequately funded and effectively implemented, with well-defined goals and tangible results relevant to the needs of our peoples, based, as far as possible, on internal financing from within the BIMSTEC countries.

Agree to streamline procedures and protocols to make BIMSTEC more efficient and output-based.

Agree that once a clear and focused programme of cooperation is in place, appropriate formal institutional mechanisms would be established, jointly and within each member country, for effective coordination and implementation.

Agree to task their Foreign Ministers with the responsibility of coordinating overall BIMSTEC cooperation.

We express our gratitude to the Government of Thailand for the warm hospitality and excellent arrangements made for the Summit."

posted 18-12-2005

**BIMSTEC meet**

*Like SAARC, the South and Southeast Asian BIMSTEC has also become another seven-nation grouping with the inclusion of Bhutan and Nepal in the first BIMSTEC Bangkok summit in 2004 and its 8th ministerial meeting will now take place in Dhaka on 19 December.*

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Independent, Bangladesh

BIMSTEC meet

17 December 2005

Like SAARC, the South and Southeast Asian BIMSTEC has also become another seven-nation grouping with the inclusion of Bhutan and Nepal in the first BIMSTEC Bangkok summit in 2004 and its 8th ministerial meeting will now take place in Dhaka on 19 December. The BIMSTEC ministers' meeting being attended by, apart from Bhutan and Nepal, Bangladesh India, Myanmar, Sri Lanka and Thailand and would mainly focus on trade, poverty alleviation, trans-nation crimes and terrorism. The 10th foreign secretary level official meeting on 17 December would precede the ministerial. Interestingly, like SAARC, the BIMSTEC Free Trade Area (FTA) would also become effective from 1 January 2006 but this will be subject to December 21-27 BIMSTEC experts meeting in Katmandu to finalize FTA negotiations on goods. However, a comprehensive BIMSTEC FTA inclusive of trade in goods, services and investment would come into effect on 1 January 2008. But that outcome will also largely depend on the next BIMSTEC summit to be held in India in 2007.

One of the main task before the BIMSTEC ministerial under the chairmanship of Bangladesh Foreign Minister Morshed Khan is to formally rename the grouping which has become necessary after the inclusion of Bhutan and Nepal. The likely new name to be discussed at the meeting is the Bay of Bengal Initiative of Multi-Sectoral Technical and Economic Cooperation. The two Southeast Asian nations, namely Thailand and Myanmar, in the 7-nation group are expected to provide the effective linkages to the other five South Asian nations eager to extend economic cooperation to the ASEAN and East Asian countries. Although India has been quite active in the last almost a decade in developing closer economic ties with the Southeast and East Asian countries and successfully established itself as a major trading partner with the region; such closer cooperation from other two new entrants, land-locked Nepal and Bhutan, would largely depend on how New Delhi cooperates in allowing transit facilities through its territories to and from Bangladesh to use ports facilities there and develop healthy trade ties.

It appears that the success of BIMSTEC will largely depend on the success of SAARC in forging greater cooperation amongst the member countries in the movement of goods across the region with facilities to use the Bangladeshi ports for their foreign trade. India, Nepal and Bhutan want to use the Bangladesh port facilities but without transit facilities to and from Bangladesh through Indian and Bangladesh territories that cannot happen. We hope that Bhutan, Nepal and Bangladesh would to take the advantage of the meeting to thrash out the problems with India, which appears to be more willing now than in the past to extend such cooperation for mutual benefit. Otherwise, not much tangible benefit could be derived from such economic grouping.

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# EU likely to impose strict terms on Turkey

AFP

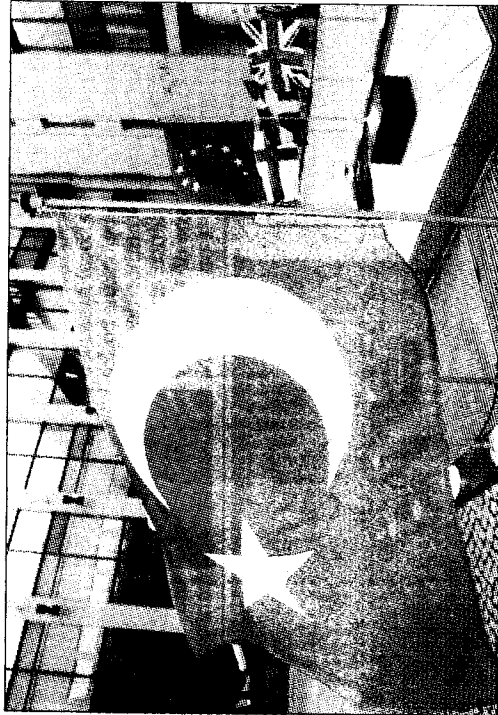
Belgium: European Union leaders are expected to finally grant Turkey's long-held wish to open EU membership talks but are likely to impose stiff conditions on Ankara during the two-day summit opening Thursday.

Turkish Prime Minister Recep Tayyip Erdogan told reporters in Brussels the 25 leaders "seem to have adopted a positive stance over our sensitivities but we cannot say that all of the issues have been settled yet."

During a whirlwind tour through the Belgian capital ahead of the EU summit, Erdogan was seeking confirmation that once the talks open, they will not be open-ended and stretch past a dozen years, as many have suggested.

"We want these to be defined. They should not remain elastic in a way that can be pulled in every direction," he said.

At the summit, the EU leaders will be grasping for added provisos and cautions before opening talks to assuage a wary electorate at home. Tough conditions will be set on the recognition of Cyprus, human rights and the movement



The Turkish flag flies at the entrance to the European Council building in Brussels on Thursday

of Turkish workers once membership is achieved. "It must go the extra mile, and give clear signals of its European future," EU Commission President Jose Manuel Barroso said just ahead of the summit.

"Turkey won't be able to join the EU without recognition of all member states," he added. "It should make the gesture (of recognition), which I've suggested, sooner rather than later."

Cypriot President Tassos said Turkey would have to recognize the divided island nation before membership talks can begin.

"I shall exert every effort to

Reuters

achieve the recognition of Cyprus by Turkey. I am ready for hard bargaining until the last moment," Tassos said before leaving for Brussels.

A deal on Cyprus could come in the form of Ankara signing the so-called Ankara protocol, which extends Turkey's customs union with the EU to the 10 new member states, including Cyprus, which joined in May. It would signal a de facto recognition of Cyprus and that signature could happen on Friday, officials said.

The mere consideration that Turkey could join and that a predominantly Asian, overwhelmingly Muslim nation flush with cheap labour could one day become one of the EU's biggest national has touched the rawest of political nerves in many EU nations.

Austrian Chancellor Wolfgang Schuessel, whose country opposes Turkish membership, said talks shouldn't only focus on what conditions to set for Turkey. "It is equally important to see if the union can accept a new member," he said.

Denmark, long ambivalent about the talks, said it would back

Dr. I. A. R. Akhavan 1911

the start of negotiations. "At the same time the conditions must be made clear. And the fact that talks are initiated is no guarantee that Turkey can become member," its Prime Minister Anders Fogh Rasmussen said before leaving for Brussels.

EU leaders want Ankara to meet demands for a "zero-tolerance" approach to torture, which many still say is still being carried out by authorities in Turkey.

In an "open letter to the German people" published Thursday in Germany's top-selling Bild newspaper, Erdogan warned it would be "quite dangerous" for the EU to denounce Turkey "because of its different culture and religion. 'If the EU limits its 'identity' to Christianity—which I consider wrong—what would the millions of people in the European Union who are not Christians think?'" Erdogan said.

As the center of Eurasia, he said, Turkey wields influence in the Balkans, Central Asia and the Middle East. "If the EU wants the strength to play an important roll in the world, this path leads across Turkey," Erdogan said.

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## THE FRENCH SOCIALIST VOTE

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FRANCE'S SOCIALIST PARTY (Parti Socialiste) has voted convincingly in favour of the European Union Constitution in last week's internal ballot. The result could be a major boost not merely for the prospects of a decisive positive vote in the national referendum scheduled for next year on the ratification of the E.U. Constitution, but also for the continent's political integration. The signing of the Treaty of Rome by the 25 member-states in October 2004 prepared the ground for the endorsement of the Constitution by their national governments by 2007. Developments in France, one of the staunchest advocates of European integration, have always had an important bearing on the course of events in other countries. With the radical Left and the far Right fiercely opposing a common Europe, any chance of President Jacques Chirac's conservative government delivering on the promise of ratification through a national referendum is a near impossibility without the support of the Socialist Party. But in recent months, internal divisions have plagued a party that has traditionally been wedded to integration. While its President, François Hollande, rallied support among party ranks, his deputy and former Prime Minister, Laurent Fabius, alleged that the Constitution was long on assurances of open markets and short on workers' rights. The internal vote assumed enormous significance against this background. The outcome thus removes any apprehension that the national mood towards the E.U. Constitution could turn negative in the coming months. France's 1992 referendum on the Maastricht Treaty found voters split down the middle — the Treaty, which initiated the process of monetary union, was upheld by 51 to 49 per cent. Once again a national referendum could hold the key to the future of European integration.

The mammoth European project has been held hostage to national political configurations.

For instance, Mr. Fabius' opposition to the E.U. Constitution was widely perceived as a cynical bid to propel himself into the presidential race in 2007. While his camp sought to project a vote for the Constitution as support for the conservatives, his opponents claimed that a negative vote would be an endorsement of the ultra Right led by Le Pen. All the same, the impetus towards integration has overwhelmed short term and narrow divisions, even if it meant an alignment of political forces as divergent as the Socialists and the conservatives. There is indeed general recognition among the votaries of the Constitution that the document is far from perfect. However, a dose of realism has propelled them towards consolidating what is achievable by way of political integration. Many nations are in the process of deciding the question through a parliamentary vote or a referendum. In the case of France, the Constitutional Court has held that an amendment to the French Constitution is a prerequisite for the national referendum.

The European Union Constitution will not come into force unless it is ratified by all the 25 member-states. A negative result in the Socialist Party's in-house vote would have been extremely bad news for the ratification process, which can now hope to go ahead. France, along with Germany, has been the keystone of the European project. Europe as a continent has a tremendous stake in the successful completion of the ratification process in these two countries. The outcome in the United Kingdom, the other big player, will also be a critical factor in influencing the overall course of European integration. In the global context where the United States is seeking to assert its hegemony, a strong and united Europe could serve as a democratic counterweight. Intimations of this came with powerful European opposition to the U.S.-U.K. war of aggression and occupation in Iraq.

08 DEC 2004

THE HINDU

# French socialists back E.U. Constitution

By Jon Henley

PARIS, DEC. 3. European Union supporters heaved a sigh of relief yesterday after the French Socialist party said that 59 per cent of its members had backed the Union's new Constitution, significantly improving its chances of ratification in France's national referendum next year.

A no vote by France's 120,000 card-carrying Socialists in their hard-fought party ballot would have made it difficult for the President, Jacques Chirac, to deliver a French yes. Rejection

by France would have left Europe in crisis.

## 'Victory for Europe'

"This vote was no minor internal affair — it had the potential to put a serious spanner in the E.U. works," said Poul Nyrup Rasmussen, the Danish president of the European Socialists. With the exception of the Belgian Socialist party, no European social democratic party shared France's misgivings about the treaty.

Francois Hollande, the French Socialist leader, said nearly 80 per cent of party

members had turned out to vote and the result was "a victory for Europe, for democracy and for the French Socialist party".

The Socialists' no camp, headed by the former Prime Minister, Laurent Fabius, had argued that the new treaty, seen as essential to the smooth running of the expanded 25-member Union, failed to promote what it called a "social Europe" of workers' and welfare rights.

Mr. Fabius conceded yesterday "with great regret" that he had lost his fight, although

some of his supporters insisted that many party members did not really support the treaty but had voted yes because they feared the alternative would irreparably split the party.

## Bitter debate

The bitter debate over the Constitution reflected an equally bitter power struggle among France's Socialist leaders, with Mr Fabius widely seen as exploiting the issue in a gamble to seize the party leadership from Mr Hollande and run for President in 2007. — ©Guardian Newspapers Limited 2004

04 DEC 2004

THE HINDU



## **Asean, China to form biggest free trade zone**

VIENTIANE, Nov. 29. — Asean and China today signed an accord to create the world's biggest free trade area by removing tariffs for their 2 billion people by the <sup>2010</sup> decade's end, a giant leap in their vision of a trade bloc to rival Europe and the USA. <sup>SP-1</sup>

Asean leaders had signed a pact to flesh out the agreement last year to create an Asean community along the lines of a unified Europe by 2020. It aims to create a common market with common security goals. The accord aims to remove all tariffs by 2010, and is part of a wider "plan of action" to cooperate in politics, security, military affairs, transportation, information technology and tourism. It will build on two-way trade and is expected to surpass \$100 billion this year. The accord also sets up arbitration of trade disputes.

Also today, India and Japan agreed to set up a multi-disciplinary group to enhance economic ties focussing on trade, investment and IT, adds PTI.

China Daily/ANN

30 NOV 2004

THE STATESMAN

# Asean leaders urge region to look towards China, India

Associated Press

VIENTIANE (Laos), Nov. 28. — South-East Asian leaders today urged their region to look north to China and west to India for new trade links to ensure prosperity, while businessmen warned that trade accords alone don't mean freer commerce — there must be good roads and clear rules.

Leaders of the 10-member Asean prepared for a summit today in the Laotian capital along with counterparts from six other major Asian economies for an agenda choked with accords on trade, cooperation, aiming for European-style integration.

"We recognise the emergence of China and India in the global trading environment," Malaysian Prime Minister Abdullah Ahmad Badawi said in a speech to business leaders.

He said South-East Asia needed greater integration with these trading powers — instead of looking at

them as rivals — and "cannot remain competitive merely by strengthening intra-regional cooperation." Asean will complete a free trade accord with China at the summit and is negotiating one with India. Beginning in 2005, the group also will start talks on free trade areas with Japan, South Korea, Australia and New Zealand.

"The only way to spread out the benefits of development is through expanded Asean integration," Philippine President Gloria Macapagal Arroyo said. "An enlarged East Asian bloc cannot only secure the future of Asean, but also the future of China, Japan and South Korea." India is keen to attract investment in tourism, infrastructure and agriculture. But South-East Asian investors have failed to fully exploit the opportunities.

CII president, Mr Sunil Kaat Munjal, said India's food market is primed for growth, and invited Asean nations to invest in India's

packaged food industry, worth \$1 billion but expected to grow 20 per cent a year.

## FTA WITH THAILAND

India today said a full-fledged free trade agreement with Thailand may take some time to come into operation due to complexities in tariff structure.

"Talks are progressing well and given the complexities of the tariff structure in the two countries, it may take some time before a full-fledged free trade agreement is operational between India and Thailand," commerce secretary, Mr SN Menon told reporters on board the special plane carrying Prime Minister Manmohan Singh to Laos for the third India-Asean summit.

He said a part of the agreement with Thailand known as 'Early Harvest Scheme' was already in force from 1 September this year.

Negotiations are on to bring down tariff on various items including agricultural products, he said adding FTAs were in various stages of negotiations with Asean countries.

## 'Reduce cost of air travel, harmonise visas'

Agence France-Presso

VIENTIANE, Nov. 28. — South-East Asian nations must lower the cost of air travel and establish a one-visa policy if they want to spur intra-regional travel and bolster tourism, officials say.

The 10-member Association of South-East Asian Nations (Asean) has identified tourism as one of the 11 priority sectors to be liberalised under a plan to create a European Union-style single market by 2020.

Tourism officials say Asean's diversified cultural sites, culinary spread and low prices are a treasure chest but efforts to cut travel barriers and promote the region as a single destination are stalling.

The region's pioneer budget carrier AirAsia urges Asean to adopt a

"discriminatory" policy of lowering airport charges for flights within the region to make it more affordable to travellers.

A lack of land linkages in Asean has turned air travel into a key transport mode connecting gleaming cities in Singapore, Bangkok and Kuala Lumpur to mountainous far-flung nations such as Laos.

AirAsia chief executive, Mr Tony Fernandes said an independent market survey showed only six per cent of Malaysians and around one per cent of Thais and Indonesians travelled by air before the emergence of low-cost carriers.

Asean must cut airport taxes, and other fees for airlines such as route charges, landing and parking fees, he said.

Premium airlines for instance charge about \$376 for a return ticket from Kuala Lumpur to Bangkok, which is not much different to the cost of flying to London, he said.

# Thai PM threatens to walk out of Asean summit

Associated Press

VIENTIANE (Laos), Nov. 25. — Plans for a Southeast Asian summit to discuss terrorism and European-style integration were jolted today when Thailand's Prime Minister threatened to walk out if neighbours raised concerns about a Muslim insurgency in his country's south.

Meetings of the Association of Southeast Asian Nations were underway in the Laotian capital Vientiane ahead of next week's summit when Thai Prime Minister Mr Thaksin Shinawatra told reporters in Bangkok that a country's internal affairs must be kept off the table.

"If the issue of southern violence is raised during the Asean summit, I will fly home immediately," Mr Shinawatra said.

The violence near Thailand's border with Malaysia has left more than 540 people dead this year, and neighbouring countries are concerned it could threaten the entire region's stability.

Mr Shinawatra's comments were ironic because Thai officials told reporters ahead of the meeting that they were ready to explain the situation in the south if asked by summit partners in Laos.

"It is not right for the multilateral forum to be used to interfere in any country's domestic affairs," he said. "My stand-



Mr Thaksin Shinawatra

point is clear."

Predominantly Buddhist Thailand has drawn international criticism over the deaths of 85 Muslims during a crackdown on a protest last month — 78 of them crushed or suffocated after they were arrested and packed into army trucks.

A walkout by Mr Shinawatra would be an embarrassment for Asean, which is seeking to present a united face, and derail a summit whose agenda includes a free trade accord between Southeast Asia and China and an Asean anti-terrorism pact with Japan.

Laos cordoned off its capital to prepare for its first major summit, opening on Monday among Asean's 10 members and partners China, Japan, South Korea, India, Australia and New Zealand in the region's major annual meeting. Checkpoints were put up in Vientiane to block troublemakers, following two bomb blasts this month on the Thai border that sparked security fears.

26 NOV 2004

THE STATESMAN

# NATO AND RUSSIA

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## Matters To Address During Bush's New Term

By VIKTOR LITOVKIN

Recent talks held in the Russian capital by the US ambassador to Nato, Nicholas Burns, focused on Moscow-Nato relations in the next four years, following George Bush's reelection to the White House. Mr Burns met with senior officials from the Foreign Ministry and the Defence Ministry and with experts and journalists based in Moscow.

Although Ambassador Burns was bound ex-officio to say that relations between Russia and Nato remained a substantial factor of European security and played an increasing role in the war on terrorism, he, despite all his diplomatic skills, found it hard to conceal that everything between Moscow and Brussels had lately not been so smooth as one or the other capital might like. One pointer to this is that Nato Secretary-General Jaan de Hoop Scheffer has not visited Moscow for a long time, whereas his predecessor came to the Russian capital at least every six months or once a quarter.

### Bilateral affair

The Russia-Nato partnership is increasingly becoming a bilateral rather than a multilateral affair, such as the Russian-Italian IONIEX-2004 exercise in the Ionic Sea. There were similar Russian-French naval manoeuvres in the North Atlantic that saw a Russian nuclear-powered submarine, the Vepr, call at the French port and military base of Brest. Another example came in the form of the Russian-American Northern Eagle exercise in the Atlantic, which featured two large anti-submarine ships from Russia's Northern Fleet, the Admiral Levchenko and the Severomorsk. Even last summer's Avaria-2004 anti-terrorist manoeuvres to protect nuclear military facilities on the Kola Peninsula failed to attract monitors from all Nato's 26 members. Only 17 countries were represented.

Russia has also granted the right of free transit across its territory to Afghanistan to only Germany and France, rather than to every member of the anti-terrorist and anti-Taliban operation. Naturally, this fact did not escape the expert and journalistic community concerned with Moscow-Brussels relations. Why have these relations cooled to such an extent recently? Mr Burns tried to answer this question himself.

*The author is a military analyst associated with Ria Novosti*

Some officials in Moscow, he said, continue to believe that Nato could not meet today's challenges, and the alliance's eastward expansion threatened Russia's security. But this is far from the case, the ambassador claimed. Our countries, Mr Burns said, have not yet exhausted all the potential of the Russia-Nato Council. He pointed to areas of coordination between Moscow and Brussels such as

marked that it was impossible to see how a sea rescue operation could be part of the anti-terrorism effort, while talk of creating a European anti-missile defence system had for some reason failed to go beyond political declarations. These, as well as other, points are not helping to boost confidence between Russia and Nato. Neither is the lack of a real mechanism for the operational compatibility of military



work to substantiate and develop a missile defence in the European theatre, efforts to stop the proliferation of weapons of mass destruction and missile technologies, rescue operations for submarines in distress, theoretical and practical conferences of officers from 27 countries (Nato plus Russia) to formulate a common understanding of command language and general managerial principles, as well as other points which have not been given due coverage in the press.

### No threat

Nato enlargement does not present any threat to Russia, he stated. It is a stabilising factor for Europe and not only for the continent. The alliance has helped to avert many conflicts and now continues to play a peace-keeping role both in the Balkans and in Afghanistan.

Not everyone at the meeting agreed with these opinions. In particular, Major-General (Ret) Vladimir Dvorkin, chief scientific fellow at the Institute of World Economy and International Relations (IMEMO), re-

units in states that belong to the Nato-Russia Council.

Moscow-based experts also referred to how American nuclear weapons in European nations that are not members of the nuclear club also interfered with efforts to improve the climate of trust. Another negative factor in this process is increased activity of the Nato leadership in former Soviet states, especially in the South Caucasus, which is causing concern in the Kremlin and among its allies in the Collective Security Treaty Organisation. Mention was also made of Lithuania's refusal to let Russia's military cargoes bound for the Kaliningrad region pass through its territory, and other actions undertaken by Brussels and the alliance's states that did not promote understanding between them and the Russian capital.

However, Mr Burns, as is perhaps customary for a diplomat, while not denying commonly known facts, claimed that all of these actions were only designed to achieve one objective: bolstering stability on the continent, as well as around Iraq and Afghanistan, where individual Nato

countries and their joint structures are combating terrorism. US nuclear weapons are in Europe, in his opinion, for the same purpose: to protect America's allies in the alliance that do not possess such weapons.

True, the key issue remained unsolved: Who should America's nuclear weapons protect its European allies from? The answer can hardly be terrorists.

There was much discussion on the meeting's fringes about the "double standards" employed by some Nato members in the so-called joint struggle against terrorism. The point is not only that alliance capitals continuing to welcome and host the emissaries of Chechen separatist leader Aslan Maskhadov, but also that mercenaries from Nato member states, as well as Arab countries, are increasingly joining the ranks of Chechen terrorists. These include citizens from Canada, Turkey (more than 25 of them have been killed in Chechnya over the past five years), and people from other countries whose governments fail to take appropriate measures to end the activities of various separatist and terrorist organisations on their territory.

### Flow of drugs

There was also some discussion of Afghanistan, a country where 10,000 Nato officers and men have been conducting an anti-terrorist operation for several years, while the flow of drugs from the country across the border with Tajikistan, rather than diminishing, has dramatically jumped in the recent period. Mr Burns did promise that the alliance would soon launch a new operation in the north and west of the country, which should help solve this problem.

Naturally, those attending the meeting said they were seeking ways to achieve rapprochement and mutual understanding. Mr Burns was absolutely correct when he said that it would be unrealistic to believe that all the obstacles that had accumulated in the cold war and thanks to the myopic acts of individual politicians could be overcome in one or two years.

Russia and Nato are already moving and will continue to move towards each other. We are not yet friends, but neither are we foes any longer. Although we are not yet allies, we have already become partners. Not in the full sense of the word, of course, but we are gradually approaching this step by step.

# Crisis shadow on EU constitution

Rome, Oct. 29 (Reuters): European Union leaders signed the bloc's first constitution in a glittering ceremony today but their celebration of unity was marred by uncertainty over its ratification and turmoil over the stalled European Commission.

The leaders said they would use private talks after the signature to discuss a standoff with the European Parliament that has blocked the entry into office of a new EU executive.

German Chancellor Gerhard Schroeder played down talk of a political crisis, saying he expected a revamped commission would be approved within a couple of weeks. Jose Manuel Barroso's 25-member team had been due to take office next Monday.

The lavish pageant was

staged on the Capitoline Hill in the same Renaissance hall where the EU's six founding nations signed the original Treaty of Rome in March 1957, launching the most successful enterprise in European unification.

"Never in history have we seen an example of nations voluntarily deciding to exercise their sovereign powers jointly in the exclusive interest of their peoples, thus overcoming age-old impulses of rivalry and distrust," Italian Prime Minister Silvio Berlusconi said in a speech.

The leaders agreed the constitution in June after months of haggling, hoping to usher in a period of greater stability and better governance for the newly enlarged 25-nation club with 450 million citizens.

It provides for a long-term

president of the European Council of national leaders, a first foreign minister, simpler majority decision-making on most issues, more powers for parliament and eventually a smaller commission.

But all member states must first ratify the treaty — a daunting challenge with at least eight, including Eurosceptical Britain, planning to hold referendums over the next two years.

Outgoing commission president Romano Prodi, who is staying on in a caretaker capacity, warned that signature "does not mean we have crossed the finishing line" and ratification could not be taken for granted.

Winning public backing across Europe will not be made any easier by the messy political reality, with incoming commission president Barroso trying to persuade national governments to come up with a changed team acceptable to the restive parliament. Barroso withdrew his first line-up on Wednesday to avoid a humiliating parliamentary defeat because of hostility to the Italian nominee for the justice portfolio, Rocco Buttiglione, over his conservative Roman Catholic views on gays and marriage.



Tony Blair (left) and Jacques Chirac in Rome. (Reuters)

30 OCT 2004

## মুক্ত বাণিজ্য অঞ্চল গড়তে চিন-আসিয়ান চুক্তি নভেম্বরে

নয়াদিল্লি, ২২ অক্টোবর— দক্ষিণ পূর্ব এশিয়ার দেশগুলি (আসিয়ান) র সঙ্গে মুক্ত বাণিজ্য অঞ্চল গড়ার চুক্তি করতে চলেছে চিন। আগামী মাসে এই চুক্তি সই হলে ২০০৫ সালের গোড়াতেই তা চালু হতে পারে।

চিনের বাণিজ্য দফতরের রাষ্ট্রমন্ত্রী জানান, এই চুক্তিতে মূলত পণ্য বাণিজ্য এবং দ্বন্দ মেটানোর ব্যবস্থা অগ্রাধিকার পাবে বলে আশা করা যায়।

চিন ও আসিয়ানের ১০ জন শীর্ষ সদস্য আগামী নভেম্বর মাসে ভিয়েতনামের রাজধানী লাওসে এক বৈঠকে মিলিত হচ্ছেন। আশা করা হচ্ছে ২০১০ সালের মধ্যেই এই মুক্ত বাণিজ্য অঞ্চল বিশ্বের সর্ব বৃহৎ হয়ে উঠবে। এই ১১টি দেশের সম্মিলিত জনসংখ্যা দাঁড়াবে ১৭০ কোটিতে। এই অঞ্চলের দেশগুলির অভ্যন্তরীণ উৎপাদনের পরিমাণ ২ লক্ষ কোটি ডলারে ঠেকতে পারে। এ দিকে ভারত ও তাইল্যান্ডের মধ্যে 'ফ্রি ট্রেড এগ্রিমেন্ট' বা মুক্ত বাণিজ্য অঞ্চল চুক্তির যৌক্তিকতা নিয়ে প্রশ্ন তুলেছে ন্যাশনাল কাউন্সিল ফর অ্যাপ্রাইড ইকনমিক রিসার্চ (এন সি এ ই আর)।

তাদের বক্তব্য, ভারতের প্রথম ২০ টি বাণিজ্য সহযোগীর মধ্যে তাইল্যান্ড নেই। ভারতের মোট আমদানি ও রফতানিতে যথাক্রমে মাত্র ১.৪ শতাংশ এবং ০.৭ শতাংশ অবদান তাইল্যান্ডের। এই চুক্তির পিছনে মূলত রাজনৈতিক হিসেবনিকেশ কাজ করছে বলেই মনে করছে তারা।

উপরন্তু এন সি এ ই আর সতর্ক

করে দিয়ে বলেছে ভারত ও তাইল্যান্ডের মধ্যে মুক্ত বাণিজ্য অঞ্চল গড়ার চুক্তিটি সমস্যা সমাধান অপেক্ষা সমস্যা তৈরি করবে। কারণ এর থেকে নানা রকম জটিলতা তৈরি হওয়ার আশঙ্কাই বেশি। —পি টি আই

ANADABAZAR PAPER

23 OCT 2004

## Russia to join Nato in Mediterranean patrols

POIANA BRASOV, Oct. 14. — Russia has agreed to send warships to help Nato's naval patrols monitoring suspicious vessels in the Mediterranean, as part of a drive for closer counter-terrorism cooperation between Moscow and the western alliance. Two Russian ships are expected to join Nato's Operation Active Endeavour, which was launched after the 9/11 attacks on the US to prevent transit of terrorist individuals or material between North Africa, West Asia and Europe.

Russian defence minister Mr Sergei Ivanov and his Nato counterparts reached the agreement at the end of the official 40-day mourning period for the victims of Beslan tragedy. "The fight against terrorism, after the horrors of Beslan, is on the top of our agenda," Nato secretary general Mr Jaap de Hoop Scheffer said after the talks. — AP

THE STATESMAN

15 OCT 2001

# EU's qualified yes to Turkey



EU Commission President Mr Prodi:  
The yes... (is) flanked with  
recommendations for monitoring and  
verifying what the situation  
is actually like.

Associated Press

BRUSSELS, Oct. 6. — The European Union's head office today recommended the start of EU membership talks for Turkey, but set stiff conditions to prevent it from backtracking on sweeping democratic and human rights reforms.

The decision was reached by a "large consensus" among commissioners, an EU official said, but no vote was taken. There was also no recommended date to start negotiations.

"It is a qualified yes," EU Commission President Mr Romano Prodi told European parliament leaders. "It's flanked with a

whole series of recommendations for monitoring and verifying what situation is actually like and specific recommendations."

EU commissioner Mr Franz Fischler said while Turkey had a long road ahead, there no longer was reason to reject its application. "There is no more ground to be opposed fundamentally to the start of entry talks," he said.

While the recommendation boosted Ankara's long-standing aspirations to join the European club, the commission warned it would suspend or even halt EU membership negotiations over any serious and persistent failure to respect democracy and human rights.

EU commissioner Mr Antonio Vitorino said the recommendation included conditions to suspend talks if there is a worsening of human rights.

There was no deadline indicated for when talks should end.

If the European Commission's recommendation is approved by the 25 EU leaders at a December summit, entry talks could begin in early 2005, capping years of lobbying by Turkish leaders who say their country could form a bridge between Muslim countries and Europe.

Many Europeans are wary of admitting Turkey, an overwhelmingly Muslim country of 71 million people, into the EU fold.

THE STATESMAN

7 OCT 2004



# E.U.'s real problem with Turkey

By Richard Adams

THE DEBATE over Turkey's membership of the European Union has so far focussed on how the E.U. will cope with allowing in a largely Muslim country. But much of that analysis has missed the point: one of the biggest barriers to Turkey's entry to the E.U. is not that it is Muslim, but that it is poor.

Given that the E.U. is an economic union before anything else, the economic arguments for and against Turkish entry may be much more relevant than its adherence to Islam. For all the talk of a "clash of civilisations," what is being overlooked is a clash of economic interests, between a lower-middle income economy, with a substantial rural economy, and the wealthy industrialised nations of western Europe.

The extent of Turkey's poverty can be illustrated on a chart showing Turkey's national income per head compared with that of recent entrants to the E.U., such as Poland and the Czech Republic, with the Turkish figure of \$2,790 almost half that of Poland's \$5,270, and only a tenth of the United Kingdom's national income, which stands at \$28,530 to Germany's \$25,250 and France's \$24,770.

While the figures show how far Turkey's economy lags behind other members of the European club, the

central problem is more than that: not only is Turkey poor, compared with the rest of the E.U., but it is large. With nearly 71 million people, Turkey would be the second largest E.U. member-state after Germany. The union can easily afford to encompass relatively low-income states such as Latvia (national income per

head \$4,040), with its population of a little more than two million out of an E.U. of 450 million. But the entry of a country of 71 million is on another scale entirely.

## *The real problem about Turkey joining the European Union is not religion but its size and economic weakness.*

Turkey's sheer size means that its economic weaknesses cannot be airily dismissed. Nor can those in favour of Turkish entry simply assume that the possibility of E.U. entry will magically transform the Turkish economy into a modern industrial state sometime in the next decade. There is as much chance that the strenuous changes Turkey will have to go through in order to be ready may have the opposite effect, of recession, unemployment and instability. And there is a danger that an ill-timed and underprepared Turkish E.U. en-

try could be disastrous for the country itself. None of this means that Turkey's entry into the E.U. should be counted out on economic grounds alone. What it does mean is that the E.U. will have to monitor Turkey's economic performance carefully before making a final decision on entry, and it should take a

more active role in offering economic assistance over the 10 to 20 years it may need to prepare.

The need for sensitive handling is highlighted by Turkey's recent economic history. Between 2000 and 2001, Turkey suffered a financial convulsion and severe currency depreciation after removing capital controls, with its economy contracting by nearly 10 per cent. The International Monetary Fund moved in with a multibillion-dollar bailout, and for most of the past three years has guided Turkish economic policies.

The good news is that Turkey's economy has so far made a remarkable recovery. Its economy grew by nearly 8 per cent in 2002 and 6 per

cent in 2003, with the IMF forecasting another bumper year of growth in 2004. Yet Turkey has a long way to go, even if it can sustain relatively high rates of growth. According to World Bank figures, a surprising proportion of Turkey's population lives in relative poverty: 10 per cent are said to live on just \$2 a day. The percentage of its population over the age of 15 able to read and write is 87 per cent — below the world average for its income level, and far below countries such as Bulgaria, which has 99 per cent literacy.

Turkey's economy also remains heavily devoted to agriculture. While agriculture is responsible for just 3 per cent of Poland's economic output, in Turkey agriculture makes up 13 per cent. Elsewhere, foreign investment remains low and concentrated in the wealthier western regions.

As we have seen from the case of Poland, E.U. entry does not mean a wave of migrant workers to the wealthier E.U. countries. Given its size and relative poverty, the bigger danger of E.U. entry is that the Turkish economy is vulnerable to being washed away by exposure to the full force of the single market. If not properly prepared, Turkey's entry could do it more harm than good. —

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R. Adams  
6/10

# Asean, Australia, New Zealand seek trade deal by 2007

DAN EATON

JAKARTA, SEPTEMBER 5

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ASEAN

SOUTHEAST Asian nations, Australia and New Zealand hope to conclude a free trade agreement (FTA) by 2007 after beginning formal negotiations next year, government ministers said on Sunday.

Economic and trade ministers from Australia, New Zealand and the 10-member Association of Southeast Asian Nations (Asean) agreed to negotiating principles for an FTA during a meeting in Jakarta over the weekend.

The ministers' recommendation that negotiations begin in 2005 and be concluded within two years would go to heads of government for formal approval in Laos in November, a joint statement by the 12 nations said.

It said an Asean, Australia, New Zealand summit would take place during the 10th Asean leaders meeting in Vientiane.

"It is incredibly important that we move to this much higher level of integration within our region," Australian Trade Minister Mark Vaile told a group of reporters.

"I don't see any major obstacles at this stage. There will be issues obviously in the course of the negotiation that we need to address ... Obviously there will be requests for phased implementation of some of the measures".

However, trade negotiation officials said that while the agreement to begin talks was an important step forward, talks would be tough.

"As well as tariff issues, there will be other things



Asean Secretary General Ong Keng Yong (L) looks to Trade Commissioner of the European Union Pascal Lamy (R) during talks with Indonesian Minister of Industry and Trade Rini Suwandi (C) at an Asean economic ministers' meeting in Jakarta on Sunday. Reuters

like quality issues," said a senior Australian negotiator who asked not to be identified. He said the priority sectors included services, food and beverages, mining, energy and fuel, as well as the automotive industry, consumer items, textiles, medicines and paper.

"The areas where Australia has high protection are textiles, clothes and footwear and automotive. An area in many Southeast Asian countries that is subject to protection is agriculture, and that is of great interest to Australia and New Zealand," he said. —Reuters

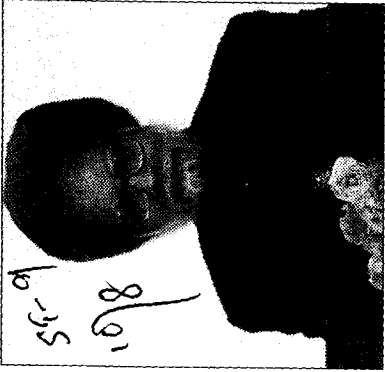
**T**HE first visit abroad for the Prime Minister was his recent trip to Bangkok where he went for the Summit meeting of the seven-member sub-regional grouping BIMST-EC. He deliberately focused on the world nearby, in a useful reminder of the need to come to terms with our neighbourhood and region. Something similar was expressed in external affairs minister Natwar Singh's decision to make Kathmandu his first port of call after assuming office. This adds up to a practical, down-to-earth approach to foreign relationships, and accords priority to immediate and not-so-immediate neighbours. It makes for a notable change from the more grandiose notions that became current in the past few years, where strategic ideas and global power equations held sway to the neglect of matters closer home.

That said, the forum and the occasion that drew the Prime Minister to Bangkok require a closer look. BIMST-EC, which provided the setting, has been in existence for quite some time but yet remains a somewhat undetermined grouping, its structure and purpose not clearly defined. Its gatherings attract high leaders from member countries yet its function remains rather vague and its communique do not give a distinctive colour to its activities. The objective it pursues is economic cooperation, but how precisely that is to be expressed, what projects have emerged, and why this particular group of countries should combine for the task, remain rather clouded.

The fact is that there is no shortage of regional and sub-regional organisations on South and South-east Asia. The most prominent of these and the trendsetter is Asean. Since it was set up in the Cold War days of the 1960s,

Asean has gone from strength to strength. It has helped to knit the region together and has developed innovative strategies for economic cooperation. It has also successfully promoted a wide-ranging dialogue process with several regional and non-regional countries, China and the USA prominent among them; some years ago, India was also drawn into the circle of consultation, and more recently Pakistan as well. Asean has its own distinctive way of conducting business, a style and ambience of its own. Two of the original five BIMST-EC countries, Thailand and Myanmar, belong to Asean; the rest, comprising India, Bangladesh and Sri Lanka, and the later additions of Bhutan and Nepal, are members of Saarc. Saarc may have a much poorer track record than its South-east Asian counterpart but it has also been around for long enough to have developed a distinguishing style of its own. It has done a great deal of useful work in formulating a number of programmes of cooperation that offer much to its members, though political differences amongst them, especially those between India and Pakistan, have prevented the organisation from taking wing.

# Sub-regional initiatives



At the Bangkok meet. — AFP

## wide angle

**SALMAN HAIDAR**

initiative and does away with the need for every issue to be referred to national capitals where it may well drop out of sight. Within Saarc, there is a comparable provision for cooperative projects involving some, not all, of its members, and there was at least one effort to bring together the members that share the Himalayan rivers in separate projects of their own, but the effort faltered because others felt left out and demurred. BIMST-EC seems capable of giving fresh thrust to regionalised initiatives and taking them further by establishing new linkages and giving special impetus in specific areas. But it

has not proved easy to put flesh on the bones of this concept — even something as obvious as a road project to facilitate movement among the participating countries shows no sign of materialising. Contrast the numerous road, rail and inland waterway links that China has developed through its southern neighbours Myanmar and Laos to Thailand and the high growth areas of South-east Asia. Maybe BIMST-EC's effectiveness has been reduced by its particular composition, especially the exclusion of some nations like China. On the face of it, there is good reason to bring China's Hunnan province within the framework of economic cooperation that draws the others together. Already a good deal of work has been done on shaping the "Kunming Initiative" which seeks to develop closer links between Hunnan and India, especially the North-east. For this to take concrete form, there is need for an integrated effort with Myanmar, maybe also Bangladesh, and possibly others as well. Indeed, the search for economic cooperation in the sub-region may lead towards more open-ended forums rather than limited and exclusive groupings.

That BIMST-EC has had something of an identity problem was not ignored in Bangkok. For one thing, the body was renamed: henceforth it will be the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation — BIMSTEC without any hyphen. This is still a mouthful, but localising the initiative within the Bay of Bengal gives it a better regional focus. It remains to be clarified, nevertheless, where this effort is leading.

(Salman Haider is a former Foreign Secretary, Govt. of India.)

Perhaps when it was first set up, BIMSTEC-EC was seen as a body with a leg in each of these two regional bodies, and thus well placed to draw on both of them while fashioning its own specific activities.

One of the innovative concepts pioneered by Asean is that of growth triangles and quadrilaterals. The idea is to identify complementarities in contiguous regions of adjacent countries, and then to create the conditions needed for accelerated growth through mutual cooperation among those regions. This gives scope for local

initiative and does away with the need for every issue to be referred to national capitals where it may well drop out of sight. Within Saarc, there is a comparable provision for cooperative projects involving some, not all, of its members, and there was at least one effort to bring together the members that share the Himalayan rivers in separate projects of their own, but the effort faltered because others felt left out and demurred. BIMST-EC seems capable of giving fresh thrust to regionalised initiatives and taking them further by establishing new linkages and giving special impetus in specific areas. But it

# EASTWARD EXPANSION

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## Nato Trying To Redefine Itself

By HARSH V PANT

The North Atlantic Treaty Organisation has finally decided to increase its military presence in Afghanistan in view of rising violence in the nation as elections are approaching. Nato plans to reinforce its current troop level of 6,500 by adding about 2,000 more soldiers, keeping two additional battalions and a brigade-level headquarters in reserve. Its presence in Afghanistan is the alliance's first military undertaking outside Europe and a major test of its relevance in tackling the new threat of international terrorism.

Ever since the end of the Cold War, Nato has been trying to redefine itself so as to remain relevant in the changing international strategic milieu. It undertook the largest expansion in alliance's history on 30 March when it admitted seven former Communist nations — Estonia, Latvia, Lithuania, Bulgaria, Romania, Slovakia, and Slovenia — thereby extending the reach of this alliance to the very borders of mainland Russia.

### Isolationism

Nato was established in 1949 as a military alliance to counter the threat of the Soviet Union-led communism during the heyday of the Cold War. It was described as a defensive arrangement and an ideological alliance, at least till the dissolution of the Soviet Union. The parties to Nato decided to consider an armed attack against one as an attack against them all, thereby deterring Soviet Union's advances in Western Europe. And the main deterrent was the US pledge to defend Western Europe in the event of an attack.

But Nato was always much more than simply a defensive alliance against the Soviet Union. In the words of its first Secretary General, Lord Ismay, NATO was designed "to keep the Soviets out, the Americans in, and the Germans down". According to this criterion, after the dissolution of the Soviet Union and the unification of Germany, the major focus of Nato should now be to prevent the US from taking an isolationist position and withdrawing its forces from Europe. In fact, many had predicted that with

*The writer is a research fellow at the University of Notre Dame, Indiana, USA*

Nato's raison d'être gone after the end of the Cold War, it would slowly collapse. However, though there have been some problems in the trans-Atlantic relationship in the recent years, far from collapsing, Nato has undertaken two rounds of expansion, the first in 1999 and the second recently in March 2004.

The end of the Cold War means that both the US and Europe have a lot of options,

of Nato. The US has not reacted positively to this development arguing that it will lead to duplication of capabilities and discrimination against members of Nato who are not members of EU.

It is not clear, however, whether the European force can in any way compete with Nato's technological sophistication. It seems certain that it will be a long time before Europe can



free as they are from the rigid bipolarity of the Cold War. The US can afford to look towards Asia while ignoring Europe while Europe can ignore the demands imposed by the relationship with the US. It is in this context that the relative importance of Nato in the post-Cold War period needs to be judged.

However, the extension of Nato has been one of the surprising developments of the last decade. It is a moot point, however, whether Europe still sees it as central to their strategic relationship with the US. While the US still attaches high importance to Nato, primarily as a means to dominate the strategic set-up in Europe, Europe for the very same reasons seems far less enthusiastic about it.

### Afghanistan

On the contrary, the growing economic clout of Europe has led to a rise in the political-military aspirations of its members. This has directly led to the European Security and Defence Policy, involving the creation of a European force with command structure and political direction formally independent

develop military muscle independent of the alliance. Moreover, it is today much more than being part of a strategic alliance. It means sharing responsibility for dealing with major problems of the world. Secretary General Jaap de Hoop Scheffer has warned that Nato is in danger of becoming irrelevant if reforms are not undertaken urgently.

Most Nato states need to transform their armed forces. The gap between the huge inventory of many members and the meagre commitments Nato can muster for a single mission needs to be bridged. This has been cited as one of the major reasons why the alliance's efforts in Afghanistan are faltering. Many believe that Nato's success or otherwise in Afghanistan will, to a large extent, determine how relevant the alliance remains in the coming years. While the US also wanted Nato to actively get involved in Iraq, especially after the transfer of power to the interim Iraqi government, other member-states were not very enthusiastic.

The recent expansion further strengthens US position as the new members are more sym-

thetic to the US foreign policy objectives than the "old Europe". All the new members are active in Afghanistan's reconstruction while all, except Slovenia, are also contributing to the war in Iraq. This recent expansion has shifted the balance of power within Nato decisively in favour of the US. Despite this it is unlikely that it will get involved in Iraq in the near future as it functions by consensus.

### Russia

While it is difficult to predict the long-term consequences of the reorganisation as far as the larger trans-Atlantic relations are concerned, one immediate consequence has been an increase in Russian suspicions about the real motives behind the eastward expansion. Russia has made it clear that it would respond in case it feels threatened by Nato's activities in its backyard though it is less clear what Russia can actually do. However, Russia is deeply concerned and has made its displeasure explicit.

Russia is concerned that the expansion into the Baltic states will allow Nato to monitor Russian territory. The Baltic States and Slovenia are also not bound by the Conventional Forces in Europe (CFE) agreement that limits conventional weaponry in European states. Russia argues that this might become a pretext for Nato to completely change the balance of conventional forces in these states to Russia's disadvantage. Moreover, with the US planning to rearrange its military posture around the world, Russia is worried that the US is planning to shift its military bases to Eastern Europe, closer to Russian borders, thereby adversely affecting Russian security interests.

During the recent expansion ceremony, three Balkan states, Albania, Macedonia, and Croatia, were also invited. These nations aspire to join Nato and the US made it clear that the alliance will keep on expanding "until the whole of Europe is united in freedom and in peace". However, whether the continuing enlargement represents a well-thought out political strategy by the US or is just an ad hoc adjustment of Cold War institutions to post-Cold War international realities will only be determined in the coming years.

I have not asked them (India) to give any time-frame. But what I would like to say is that we should move as fast as possible because if we don't, then we cannot have confidence-building measures. We need to move on CBMs and the dialogue process in tandem with each other. — General Pervez Musharraf.

★  
We want to rebuild the infrastructure. We want to create jobs. We want to show the Iraqi people that this money is being used for their benefit and do it as quickly as we can. Reconstruction and security are two sides of the same coin. — General Colin Powell.

★  
What should have been done has been done. Justice has been

done. — Mrs Mera Bhattacharjee, wife of the West Bengal chief minister, after the President rejected the mercy petition for Dhananjay Chatterjee.

★  
But tell me, after Dhananjay's execution was announced, has the number of crimes against women gone down? — Mahasweta Devi.

★  
The party has gone through many trials and each time we have come out successful. We shall succeed once again. — Mr Atal Behari Vajpayee.

★  
We have learnt lessons from the past. We have to leave the past behind and move forward. — Mr Venkaiah Naidu,

BJP president.

★  
He is our tallest leader and is treated with utmost respect. There is no question of anyone sidelining him or anything like that. — Mr Mukhtar Abbas Naqvi BJP vice-president, on Atal Bihari Vajpayee.

★  
The Union government is expressing ignorance about a cabinet minister's whereabouts. This will be recorded as an important event in the history of independent India. — Mr George Fernandes, NDA convenor, on Union coal and mines minister Siblu Soren, when he was evading arrest.

★  
Even when he is in Bokaro I

hardly get to see him. It is almost as if I am a deserted wife. But I will go to Hazaribagh to meet him, whether he likes it or not. At least I will have a glimpse of him. — Mrs Rupri Soren, wife of Mr Siblu Soren, now under arrest.

★  
We are trying to perform and I think our motto is "perform or perish". Things are moving in the right direction, but we have problems also which we are trying to sort out collectively and then advance. — Mr Buddhadeb Bhattacharjee, addressing industrialists at a CII meeting.

★  
We will not be with them then. There cannot be two opinions on this. — Mr Digvijay Singh, JD-U leader, threatening to snap ties with BJP if it returned to the Hindutva agenda.

on  
RECORD

TUESDAY, AUGUST 3, 2004

## TERRORISM AND REGIONAL ECONOMICS

COMPARED WITH THE often-tense atmosphere at meetings of the South Asian Association for Regional Cooperation, which invariably became a prisoner of India-Pakistan equations, it was a refreshingly different sort of outing for Prime Minister Manmohan Singh at the BIMSTEC regional summit in Bangkok last weekend. He was not required to look over his shoulder for potential conspiracies; instead, most leaders, notably the host and Thailand Prime Minister Thaksin Shinawatra, looked up to him to take the initiative. So India landed the responsibility for hosting the next summit in 2006, and for piloting several of the programmes launched under the BIMSTEC banner. The Indian delegation would like to believe that its biggest win at the summit was to get the issue of terrorism included in the debate and, more importantly, to have a joint working group set up with India as its convener. The pledge that members would not allow their countries to be used by terrorists to mount attacks on others was an important achievement for India given its problems in the Northeast.

Why was a subject such as terrorism taking centre-stage at what was essentially a summit for promoting economic cooperation? Maybe it was a spontaneous response of SAARC members now that they were on a different and unencumbered platform. The non-SAARC members, Myanmar and Thailand, with their own versions of terrorism to handle, were only too willing to go along. Dr. Singh took the trouble to explain to the media later that safety and security were a pre-requisite for economic stability and growth, and combating terrorism was better done jointly. He must have been surprised at the support he won within the regional grouping.

Important though the development on anti-terrorism is, India and BIMSTEC cannot let that overwhelm the economic agenda. Home to 1.3

billion people, this region remains one of the poorest in the globe, and what must be worrying is that, as Mr. Shinawatra, the billionaire entrepreneur-turned politician, noted, it is getting used to life at the bottom. The region is contiguous but draws little economic advantage from it. Mutual suspicion and political sniping has meant that physical connectivity is poor. People-to-people contacts have not been easy. Cross-border roads, if they exist at all, are poor and do not permit cost-efficient transport of goods. Air services are few and visa restrictions make travel exasperating. BIMSTEC took upon itself the challenge of overcoming these obstacles and weaknesses but in its seven-year history it has come up with very little. For all the handicaps, the region can consider itself well-endowed with human and natural resources. The surplus hydropower resources of the Himalayan range and hydrocarbon reserves in Bangladesh and Myanmar represent the energy potential that can power this region. A distinguished history and wide tropical bio-diversity represent a potential tourist delight. As for its huge population, the region must endeavour to turn that into an asset rather than the liability it has long seemed to be. At the summit, some governmental measures were announced to take forward ideas that would foster cooperation in energy, tourism, highway construction, and research into climate and weather. Welcome though they are, the proposals represent merely what governments will do themselves; not enough space has been created yet for people of the region to interact freely across national borders and to use effectively their creative skills and enterprise. The ginger movement towards free trade — duties on goods traded in the region are to be lowered from July 2007 and eliminated by 2017 — is the one significant concession to private initiative. /

# Manmohan for optimum use of energy resources

By K. Venugopal

BANGKOK, JULY 31. Leaders of the seven-nation BIMST-EC regional grouping who met here today reminded themselves about their vast natural and human resources, and how they must use them to raise their economic standards.

"We must accept that the aggregate economic performance of BIMST-EC has not been among the top ranks of the world," the host and Thailand Prime Minister, Thaksin Shinawatra, said at the summit meeting, the first time the heads of government and state have met in the seven-year history of the organisation.

"The danger is that after so long, we run the risk of getting used to life at the bottom," he said. "We must not. We must look up to the top to find the track to reach there."

He, however, warmly noted India's economic growth and the projection by Jeffrey Sachs in *Fortune* magazine that it would draw equal with the U.S. economy by 2050.

"The signs are there for all to see," he said. "Not only are big multinational companies relocating their manufacturing facilities to Asia, they have also been outsourcing their services offshore to Asia. The beneficiaries have not been just Asia, but consumers the world over."

## Interconnectivity

Prime Minister Manmohan Singh said that the member nations needed to translate their inherent strengths of geographical contiguity into a community of prosperity and goodwill. Interconnectivity — physical, economic or technological — was of prime importance.

While noting the progress made towards a framework agreement on free trade, he stressed the importance of the trilateral India-Myanmar-Thailand highway proposal and the Optical fibre telecom link running alongside it.

Also for a region so richly endowed with energy resources, it was imperative that these were optimally utilised to meet the growing demands. India would host a ministerial conference in 2005 to provide an impetus to the joint efforts, he said.

To explore the vast potential for tourism, India would host a round table of Tourism Ministers and the industry with the objective of doubling tourism within BIMST-EC in five years, he said.



**FOR FIRMER TIES:** Prime Minister Manmohan Singh and Thailand's Premier Thaksin Shinawatra on the final day for the first BIMSTEC summit in Bangkok on Saturday. — Reuters

It was not all trade and the economy that the leaders had in mind. Terrorism was an issue most of them raised with concern. "Our mutual confidence would be greatly enhanced if we were able to forge a common front against terrorism, trafficking, narcotics

trafficking, which in varying degrees affect us all," said Dr. Singh.

The Sri Lankan President, Chandrika Kumaratunga, stressed that the BIMST-EC countries had the potential to do more and suggested the creation of an infrastructure development

fund for the region to be managed by interested central banks on commercial terms. A facility to promote business travel was also required, she said.

More reports on Page 10

# BIMST-EC: scope for boosting regional trade

By Our Special Correspondent

**NEW DELHI, JULY 28.** There is considerable potential to expand trade among the members of BIMST-EC, a Ministry of External Affairs spokesman said at a media briefing today, ahead of Friday's summit meeting in Bangkok.

Prime Minister Manmohan Singh is leading the Indian delegation to the summit, where he will confer with heads of the six other countries that make up this economic community around the Bay of Bengal: Bangladesh, Myanmar, Sri Lanka, Thailand, Nepal and Bhutan.

The spokesman noted that trade within the region was today a small percentage of the countries' overall trade. For instance, India's trade with members of BIMST-EC in 2003 was \$3.7 billion, barely four per cent of its overall trade.

To push for an increase in the interaction, a ministerial meeting in February agreed to work towards a free trade agreement, which would see countries lower tariffs on imports from fellow members in a phased programme. In the case of an initial set of goods, India, Sri Lanka and Thailand would offer concessional tariffs to imports from

the other four countries starting April 2006, and to one another starting in April 2007.

## Services and investment

The agreement was not limited to goods but would cover services and investment as well. He said the region had enormous hydropower and hydro-carbon resources that could be exploited for the common benefit. Myanmar and Bangladesh were both rich in natural gas.

On providing better connectivity, he said that discussions were under way on a trilateral highway project that would connect Thailand and India through Myanmar. He declined to indicate a time-frame for its implementation.

## Manmohan's request

By Our Special Correspondent

**NEW DELHI, JULY 28.** Manmohan Singh, who is embarking tomorrow on his first-ever overseas trip after taking over as Prime Minister, has asked his Council of Ministers not to come to the airport for a send-off as has been the practice.

The only exception was for the three Service Chiefs and other officials.

THE HINDU

29 JUL 2004

BIMST-EC / MANMOHAN LEAVING FOR BANGKOK

# Toward better economic ties with neighbours

By K. Venugopal

NEW DELHI, JULY 27. In what will be his first visit overseas as Prime Minister, Manmohan Singh leaves New Delhi on Thursday for Bangkok to attend a summit that seeks to promote better economic cooperation among seven countries on the Bay of Bengal rim.

It was a trip that former Prime Minister Atal Bihari Vajpayee might have made as the summit was first scheduled for February this year. But the announcement of elections to the Lok Sabha that turned his into a caretaker role caused the summit to be postponed. Without a credible Indian participation, the summit would have had little meaning. India's gross domestic product is larger than those of the other six nations put together.

Known now by the rather inelegant acronym BIMST-EC, the regional grouping had started out seven years ago as BIST-EC at Thailand's initiative to foster better trade among three other contiguous countries around the Bay: Bangladesh, India and Sri Lanka. Myanmar, admitted to this grouping in 1997, provided the extra letter to the acro-

nym. Nepal and Bhutan joined the membership early this year, but spared the acronym of further upheaval.

Yet this is only the first time that the leaders of the respective governments have got together, the earlier engagements being at the working level among trade Ministers and officials of the various countries. The involvement of the top leaders is expected to provide the impetus to regional trade that was missing till now.

## Free trade

The prime objective of countries in this group is to have free trade among themselves, increase investments and tourism across their borders and to promote technical cooperation.

Thus far most of these countries have looked to the West for trade. Not without reason, as most countries in this grouping have the same kind of goods to export. For instance, Sri Lanka and India are both large exporters of tea and garments; Bangladesh and India compete as they sell jute, seafood and garments overseas.

Essentially, the range of goods is largely competitive

rather than complementary, a condition that does not promote natural trade within the community. Indeed any suggestions or moves towards free trade or trade with low tariffs have met with resistance from domestic industry in each country.

The Indo-Sri Lanka free trade agreement that has been in operation for four years has set off considerable opposition amongst growers of tea and spices in southern India.

With the Indo-Thailand free trade agreement also kicking in on September 1 this year, the automobile industry is nervous at the prospect of competing with imports of automobile components and automobiles in knocked-down condition from Thailand. Ford Motor Company already imports its sports utility vehicle, Endeavour, from Thailand.

It is such resistance that the leaders of the region will factor in as they take the formal steps towards setting a time-table for lowering tariffs on trade within the grouping. Preliminary negotiations indicate that tariffs could be lowered for many items starting as early as 2006.

THE HINDU

28 JUL 2001



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# Now, EU too favours sanctions on Sudan

Associated Press  
Brussels, July 25

EUROPEAN UNION foreign ministers were looking to increase pressure on Sudan to end its conflict in Darfur, and would consider on Monday whether to join the US in threatening international sanctions.

Citing "grave concern" at reports of "massive human rights violations" that some have called genocide, EU ministers gathering for a meeting in Brussels were hoping to push Sudan and rebel groups to resume peace talks as well as improve access for relief groups.

"It's almost certain the international community will take further measures if this situation does not improve," Dutch Foreign Minister Ben Bot, who will chair the meeting, said late on Saturday after meeting his Sudanese counterpart, Mustafa Osman Ismail.

German Foreign Minister Joschka Fischer also backed the threat of UN sanctions unless Sudan disarms Arab militias responsible for killings in Darfur — a threat first made last week by US Secretary of State Colin Powell.

The violence began 15

months ago when two rebel groups from Darfur's African tribes took up arms in a struggle over land and resources with Arab countrymen. Arab militias known as Janjaweed then began a brutal campaign to drive out the black Africans.

Up to 30,000 people, most of them black Africans, have been killed and more than 1 million people have fled their homes. Some 2.2 million are in urgent need of food or medical attention.



AP  
Pope John Paul II, in his Angelus address on Sunday, appealed to world leaders to end the plight of refugees in Sudan.

# EU nations propose blanket ban on terror groups

Vijay Dutt  
London, July 7

CONSENSUS IS likely to be built up for proscribing groups, mainly Islamist organisations, in all EU member states that might be outlawed by one of the member country. At a meeting of EU interior ministers in London, it was agreed that militant Islamic groups should face a ban across Europe to help combat the threat from al-Qaida.

This could have far-reaching impact. Britain has proscribed about 22 groups for allegedly indulging and encouraging fundamentalism

and terror activities. These include al-Qaida, LeT and a few others which created trouble in India as well.

Otto Schily, German Interior Minister, called for a common approach towards groups that constituted "a threat to society" including restrictions on freedom of association. "We have to act in harmony."

Meanwhile, controversy has erupted over Home Secretary David Blunkett's plan to outlaw acts of religious hatred and make incitement a criminal act punishable by seven years imprisonment. Critics said it was another sop to ingratiate Labour to

the Muslim community that has been angry with the party's Iraq policy.

British Muslims have, however, been pressing for an incitement law for many years. Unlike Sikhs and Jews, they are at present not covered by race hate laws and a law select committee recently said, after consulting all community groups, that the same standards of protection should be afforded to all religions.

The government sources while admitting that the law would help protect minority religions from attack by right-wing groups, said it could also be deployed



AP  
**QUESTION HOUR** British PM Tony Blair addresses the House of Commons in London on Wednesday.

against fundamentalist Islamists, as well as other extremists, who preached against Christian society.

selves the targets of prosecutions under the proposed legislation, rather than enjoying additional protection from it. Those charged under the existing laws against incitement to racial hatred have been disproportionately drawn from black and ethnic minority groups, pointed out chairman Masoud Shadjareh.

He warned that the new proposed could lead to legal battles between religious groups such as that sparked by the portrayal of Jews in Mel Gibson's *The Passion of the Christ*. He also feared that it would infringe freedom of speech and would be

used against religious minorities, rather than protecting them.

He recalled that the prosecution for incitement to racial hatred was against black activist Michael X. Most community leaders think that with Islamophobia pervading the planned legislation could very well be used against Muslim communities.

Lord Desai commented on BBC 4 that there were a lot of difficulties with Blunkett's plans. He warned of a great deal of muddle if religion was made a basis for prosecution rather than race.

# ASEAN, Australia join hands to combat terrorism

**Jakarta:** The ten-member Association of south east Asian nations (ASEAN) grouping and Australia on Thursday signed a joint declaration for cooperation to combat international terrorism.

Australia will provide assistance to boost counter-terrorism measures in areas like law enforcement, border control and transport security. "This declaration reflects our shared determination to work together as a region to eliminate international terrorism and reinforces the unprecedented levels of cooperation Australia has developed with ASEAN countries in fighting this threat," a release issued by the Australian foreign office said.

Australia has concluded bilateral counter-terrorism MoUs with several ASEAN and other Asia Pacific countries. It said it was "actively engaged in taking forward practical outcomes" agreed at the regional meeting on

counter-terrorism held in February this year in Bali co-chaired by Indonesia and Australia.

The horrific bombing in Bali in Indonesia in 2002 has claimed more than 200 lives, most of them Australians.

The ASEAN group also chalked out eight measures to strengthen regional cooperation in a bid to eliminate violence against women in the region. These include greater regional and bilateral cooperation in the research analysis and dissemination of data on the incidents of violence against women and effectiveness of policies combating the problem.

In a declaration signed by them here, foreign ministers from the ASEAN agreed to "formulate mechanisms focussing on the provision of services to meet the needs of survivors, taking action against offenders and changing social attitudes and behaviour." PTI

## Talk Turkey

*R. M. W. H. G. M. A.*

THE SPAT between France and the US over admitting Turkey into the European Union is typical of the roller-coaster ride that Franco-American relations have experienced of late. US President George W. Bush apparently used the sidelines of Nato's Istanbul summit to call for Turkey to be admitted into the EU — loud thinking that France dubs as interference in Europe's affairs. Washington and Paris never seemed to find much to agree on, be it Afghanistan, Iraq, or the IAEA's reprimand of Iran for its clandestine nuclear programme.

France had bitterly opposed the war on Iraq. But what has now irked the French is Mr Bush's ersatz statesmanship on the world stage at a time when his foreign policy tells a very different story. This, as French President Jacques Chirac retorts, is not unlike France advising Washington on US-Mexican relations. To be fair to Mr Bush, his observation that Ankara's active participa-

tion in the EU would be "a crucial advance between the Muslim world and the West" cannot be faulted. After all, Turkey is a model Muslim democracy with a sound parliamentary and judicial system, and, having met most of the criteria, is keen to start membership talks. Moreover, Ankara and Washington have had excellent relations for decades (except for a brief chill last year when Turkey refused to allow US troops to stage an invasion of Iraq from its soil).

But Mr Bush may also have had an ulterior motive to cheerlead Turkey. The issue of Iraq had dominated the two-day Nato meet, and Nato ambassadors promised to help train Iraq's security forces. The Bush administration's express aim is to shore up international support for the continued American presence in Iraq. But for France which is already trying to 'Frenchify' its Muslim population, admitting Turkey into the EU has other implications.

2 JUL 2004

# France, US tussle over Nato role in Afghanistan

**Istanbul, June 29 (Reuters):** France has blocked a US bid to deploy Nato's new strike force to safeguard Afghanistan's elections, stoking tension between the two allies that fell out over the Iraq war, diplomats said today.

"France, and to a lesser extent others such as Spain, are suspicious about using the Nato Response Force (NRF)," said one envoy at the alliance summit in Istanbul. "It says the force is not ready for this kind of environment and should not be used simply as a sticking plaster for troop shortages on routine operations."

France's opposition to a proposal that could help resolve Nato's problems finding troops

to make the September polls safe exasperated US defence secretary Donald Rumsfeld, who pushed the idea hard at a meeting of allied defence ministers.

A senior US official said Rumsfeld had suggested that the alliance could sometimes use its Defence Planning Committee — on which France has no seat because it is not part of Nato's integrated military structure — to authorise an NRF deployment.

Such a decision would normally be taken in the North Atlantic Council, a decision-by-consensus body at which all 26 member nations of Nato are represented.

Chirac said the NRF — set up last year with a heavy French contingent but not due to become fully operational until October 2006 — should only be used when there is a serious security crisis, not for Afghan-style missions.

"The NRF is not designed for this. It shouldn't be used just for any old matter," he said. He has added that an overt Nato presence in Afghanistan could in itself exacerbate security problems during the elections.

Chirac undermined efforts in Istanbul to portray the transatlantic alliance as united once more after the divisions sparked by last year's US-led invasion of

Iraq, of which Paris and Berlin were Europe's fiercest critics.

Shortly after the allies had agreed yesterday to help the new Baghdad government train security forces, Chirac said he still opposed a formal Nato presence in Iraq. He also criticised George W. Bush's support for Turkey's bid to join the EU, saying it was none of his business.

The NRF is being set up to give Nato the military capability to do what it could not do after the September 11 attacks on US cities in 2001: strike back quickly and forcefully when an ally is attacked by a distant foe.

A cutting-edge multinational force with warships, fighter planes and eventually over 20,000 troops, it will be lethal, agile and ready to be deployed to hotspots within five days.

Nato plans to deploy a battalion of around 1,000 troops to Kabul during the elections and some 500 to its five military-backed "reconstruction teams" in northern provinces.

Diplomats said allies had not yet committed all those forces. This means they will not be in place to help with voter registration, which has been dogged by Taliban militia attacks. One European official said the US-French tussle was more about procedure.

# Transatlantic ties

By Vaiju Naravane

*The only purpose NATO now serves is that of furthering the U.S.' hegemonic interests.*

NE OF the cardinal rules of diplomacy is: Never admit failure or defeat and if you do fail, make sure you present your defeat as victory. It is a lesson American President George W. Bush and even his most recalcitrant European allies have learnt well.

This past week, first at the European Union-United States summit in Ireland and then at the NATO meeting in Istanbul, President Bush made desperate efforts to present what was in fact a failure as an unqualified success. In that he has been aided and abetted by both NATO and the E.U., which camouflaged reticence over Iraq in terms so vague and ambiguous that the U.S. could claim to have received support.

Until a few weeks ago, the White House was hoping that NATO members would agree to send troops to Iraq or, failing that, at least extend technical support under the joint Atlantic banner.

This would have served two purposes: First, it would have allowed Candidate Bush to show American electors that he has not isolated the U.S.; that contrary to the allegations of the Kerry camp, most mainstream newspapers and an increasing number of former diplomats and senior military brass, the Iraq caper has not cut off America from its allies or undermined its international popularity and prestige. This is seen as being of paramount importance in what is going to be an extremely closely fought election. Support from NATO and a rebuilding of ties with Europe would allow the President to stop the haemorrhage of centre-right voters to the Kerry camp.

But Mr. Bush had a second ambition. He wanted NATO to be involved in Iraq, howsoever symbolically, so that when the time came, when Iraq was totally out of control, the organisation could be asked to step in and help under U.S. command. He did not really care about the nationalities involved or the fact that there might not be any troops on offer. All he cared about was that NATO agree to participate as part of a multinational force under U.S. command.

These hopes were dashed, however, when it became clear that even such slim support would not be forthcoming. Countries such as France and Germany said they would consider demands for help from an Iraqi government that was elected, not merely nominated. Others argued that participation under the NATO banner would give the multi-

national force a clearly Western dimension, making it suspect in the eyes of Muslim nations already chary of a Judeo-Christian crusade. Having denied him what he wanted, President Bush's NATO allies helped him save face.

Allied leaders opened the door a crack, by agreeing to help the new interim government in Baghdad train its security forces. But they disagreed over whether to send troops to Iraq to do so. Differences over whether NATO will train Iraqis inside or outside Iraq were left unresolved, underscoring the fragility of the consensus.

They put together a document that "encourages" each NATO member to contribute on an individual basis to the training of Iraqi police and army personnel but deferred the details of the modalities to further negotiations by NATO Ambassadors.

The deliberately vague wording of the declaration allowed the members of the Atlantic Alliance to show a common front and post a minimum consensus on the Iraq dossier over which there are deep divisions. NATO Ambassadors burnt the midnight oil to come up with a text that would be acceptable to the U.S. and their allies in Iraq as well as to France, Germany and Spain who have flatly refused to send troops there. The communiqué thus fails to answer the questions who, when, where and what.

These attempts to put up a united front aimed at covering up the fracture in the transatlantic relationship fooled no one. "The return of sovereignty to Iraq is in our view a necessary condition for the restoration of peace, democracy and development in this country. However, I do not think that it is NATO's role to intervene in Iraq," President Jacques Chirac of France said.

Spain's Prime Minister, Jose Luis Rodriguez Zapatero, refused to pay lip service to the idea of training for Iraqis saying: "The Spanish Government does not foresee any participation in the process under way in Iraq, and in no circumstances any participation on Iraqi territory."

There was a pretty much public spat too over President Bush's clumsy attempts to push Turkey's E.U. candidacy. President Chirac, the most outspoken leader at the sum-

mit, bluntly told Mr. Bush to keep his nose out of E.U.-Turkey relations. "Not only did he go too far, he ventured into territory which is not his concern. It would be like me telling the United States how to run its affairs with Mexico," the French President told reporters.

Earlier at the G-8 summit in Georgia, Mr. Bush failed to convince the Russians and the French to write off Iraq's \$120 billion debt. Both France and Russia are owed huge sums of money in debts contracted by Saddam Hussein's Iraq. The resentment and friction is real. Sources in France say that since the Americans have systematically given juicy contracts to companies like Haliburton (formerly led by Vice-President Dick Cheney) while pressuring other countries to give up claims to old debts.

The West clearly faces a dilemma. No one in Europe wishes to be seen to be obstructing progress in Iraq. With terrorism and Islamic extremism recognised as major threats, the collective Western interest lies in a swift end to the occupation of Iraq and the establishment of stability and security so that the country does not become another breeding ground for anti-Western terrorism. At the same time, there is so much antipathy towards President Bush and his unilateralist approach that leaders in Paris do not wish to be in any way instrumental for his re-election.

Mr. Bush's post 9/11 unilateralist approach and his administration's arrogant style have only exacerbated an old problem. The transatlantic relationship has been creaky and uneasy for a while and Mr. Bush's power politics has only hastened a fracture that was long in the making.

NATO was conceived essentially as an alliance to counter the Soviet threat in Europe. Following the Soviet Union's collapse, Presidents George Bush senior and Bill Clinton were determined to preserve the alliance in order to ensure that America remained a European power. For this, they had to invent a new role for NATO giving rise to the concept of a double enlargement — geographical expansion eastwards to include former Soviet satellite states and a multiplication of the organisation's missions, especially "out of area"

missions, that is to say outside Europe, like in Afghanistan.

But many European leaders are suspicious and resentful of Washington's manipulative proclivities and have expressed deep concern over America's unilateralist approach and the implications of U.S. hegemony. President Bush's January 2002 State of the Union "axis of evil" speech convinced Europeans of his intention to unilaterally exercise American might. And leaders in Europe realise that now with the Soviet threat gone, the U.S. intends to use NATO as a means to maintain American hegemony in Europe and around the world and will not balk at taking steps to prevent the emergence of any other countervailing power.

The U.S. is determined to remain the world's sole and unique superpower and there is therefore a real and widening transatlantic rift since Europe is one region where an opposing (albeit friendly) power pole could emerge. Washington's carping about how it bears the burden of military spending within NATO is just another way to psychologically pressure the Europeans. Each time countries within the E.U. such as Belgium, France, Germany or Luxemburg have attempted to develop any sort of independent military capability such as a Rapid Reaction Force or even an independent European Security and Defence Policy, it has met with deep U.S. hostility.

Iraq has further highlighted Washington's divide and rule game by playing off Britain and the East European nations against Europe's Franco-German core. Its insistence that Turkey be allowed into the E.U. is aimed at creating further trouble. The membership of a predominantly Muslim Turkey with its population of 90 million, largest in Europe, is bound to create a certain degree of instability retarding the consolidation of European institutions.

As an alliance, NATO no longer serves European interests since the security threats within Europe appear to be well and truly dead. The only purpose NATO now serves is that of furthering the U.S.' hegemonic interests. Unfortunately for Europe, leaders such as Britain's Tony Blair, Italy's Silvio Berlusconi as well as others from Eastern Europe, continue to believe that their continent's future well-being lies not in the emergence of a strong unified E.U. with an independent defence and security policy, but in continuing to be a U.S. protectorate.

# বিক্ষোভের মুখে বুশ, ইরাক নিয়ে বসছে নেটো

ইস্তানবুল ও বাগদাদ, ২৭ জুন:  
ইরাকে অবিরাম হিংসা, সাধারণ  
নাগরিকের মৃত্যু, জঙ্গি নেতা  
জারকোয়াইয়ের তরফে ফের পণবন্দি  
হত্যার হুমকির মধ্যেই কাল থেকে  
ইস্তানবুলে শুরু হচ্ছে নেটো-র দুদিনের  
শীর্ষবৈঠক। ৩০ জুন ক্ষমতা হস্তান্তরের  
পর ইরাকে নেটো কী ভূমিকা নেবে, সে  
বিষয়ে সিদ্ধান্ত নেওয়া হবে সেখানে।  
আজ আঙ্কারায় অবশ্য প্রেসিডেন্ট বুশকে  
২০ হাজার মানুষের প্রতিবাদ মিছিলের  
সামনে পড়তে হল। ইস্তানবুলে মার্কিন  
প্রতিরক্ষা সচিব ডোনাল্ড রামসফেল্ডও  
স্বীকার করলেন, যুদ্ধ শেষ হওয়ার পর  
আর একটু ভাল নিরাপত্তা পরিস্থিতি  
আশা করা যেতে পারত। এ দিকে, তুরস্ক  
ইরাকে জোটসেনাকে সাহায্য করা বন্ধ না  
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হবে বলে হুমকি দিয়েছে জঙ্গিরা।  
তুরস্কের প্রধানমন্ত্রী এ প্রস্তাব খারিজও  
করেছেন। অর্থাৎ, জঙ্গিরা যদি তাদের  
প্রস্তাবিত ৭২ ঘণ্টা সময়সীমা পেরিয়ে  
গেলে ওই তিন জনকে হত্যা করে, তা  
হলে নেটো-র বৈঠক চলাকালীনই বুশকে  
সে খবর পেতে হবে। আজই দক্ষিণ  
ইরাকে হিল্লা শহরে জোড়া গাড়িবোমা  
বিক্ষেপণে মোট ২৩ জনের মৃত্যুর খবর  
দিয়েছে মার্কিন সামরিক সূত্র।  
ব্যাবিলনের কাছে শনিবার এই শিয়া  
শহরে সাদ্দামের একটি মসজিদের কাছে  
এ ঘটনা ঘটে। আহতের সংখ্যা ৫৮।  
আজ বাগদাদের প্রশাসন ভবনের গ্রিন  
জোনেও দু'টি রকেট হানা হয়।  
হতাহতের কোনও খবর পাওয়া যায়নি।

এমনিতে তুরস্ক সরাসরি মার্কিন  
জোটসেনার অংশ নয়। কিন্তু বহু তুর্কি  
নাগরিক গাড়িচালক এবং অন্যান্য পদে  
জোটসেনার সঙ্গে কাজ করেন। সে সব  
বন্ধ করার জন্যই তুরস্কের উপর চাপ সৃষ্টি  
করেছে জঙ্গিরা। দক্ষিণ কোরিয়ার  
পণবন্দি-হত্যার পিছনে ছিল সন্দেহভাজন  
আল কায়দা নেতা জারকোয়াইয়ের যে  
জঙ্গিগোষ্ঠী, তারাই তিন জন তুর্কি  
পণবন্দি কে হত্যা করার হুমকি দিয়েছে।  
দক্ষিণ কোরিয়ার মতো তুরস্কের  
প্রধানমন্ত্রীও সে দাবি উড়িয়ে দেন। আজ  
বুশ বলেন, “একটি মুসলিম দেশ কেমন  
হওয়া উচিত, সে বিষয়ে দৃষ্টান্ত স্থাপন  
করেছে তুরস্ক।” কিন্তু দেশের শ্রমিক  
ইউনিয়ন, বামপন্থী দল এবং ইসলামি  
সংগঠনগুলি আজ মুখর ছিল ‘বুশ নিপাত  
যাক, নেটো নিপাত যাক’ শ্লোগানে।

ইরাকে সরাসরি নেটো-র সেনা  
মোতায়েন করাই প্রাথমিক ভাবে ইচ্ছা  
ছিল বুশের। কিন্তু ফ্রান্স ও জার্মানির  
আপত্তিতে পিছিয়ে আসতে হয় তাঁকে।  
এখনও পর্যন্ত ঠিক আছে, ইরাকি  
নিরাপত্তা কর্মীদের প্রশিক্ষণের ভার নেবে  
নেটো। অন্তর্বর্তী সরকারের প্রধানমন্ত্রী  
আলাউয়ি নিজে এ ব্যাপারে অনুরোধ  
করে বুশের কাজ আরও সহজ করে  
দিয়েছেন। মনে করা হচ্ছে, বিরাট  
মতদ্বৈধতা ছাড়াই শীর্ষ বৈঠকে এ নিয়ে  
একমত হতে হবে। — রয়টার্স

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# NATO to send more troops to Afghanistan

By Richard Norton-Taylor

**ISTANBUL, JUNE 26.** NATO leaders will announce the deployment of an extra 1,200 troops to Afghanistan at a summit in Istanbul on Monday to help provide security for elections due to be held in September.

They will also agree that NATO should take over the command of five military-civilian reconstruction teams in the north of the country.

Jaap de Hoop Scheffer, the Secretary General of NATO, described Afghanistan as his "priority number one" this week.

The U.N., the Afghan Government and human rights groups have criticised NATO countries for reneging on promises to provide more troops and equipment to the country. They say 5,000 extra troops will be needed.

The New York-based organisation Human Rights Watch said yesterday the allies had "utterly failed" to help improve

security around the country, and that requests by NATO commanders for logistical support in the form of additional helicopters and transport aircraft had yet to be fully met by member states.

It also said the alliance should speed up the disarmament of militias. Afghan warlords still command tens, if not hundreds, of thousands of armed men, as well as heavy weaponry, artillery, missiles, and armoured vehicles.

The 6,400-strong NATO-led international peacekeeping force in Afghanistan is restricted to the capital, Kabul.

There are also about 17,000 American combat troops in the country. Some European members of NATO claim the U.S. needs the warlords to help in the fight against the remnants of Taliban or Al-Qaeda fighters in Afghanistan.

They say this is one reason why the Afghan opium poppy harvest is increasing to record

levels. The other is that insufficient investment has been made available to encourage growers — and the warlords linked to them — to plant alternative crops. — ©Guardian Newspapers Limited 2004

## Poll workers killed

AP reports from Kabul:

A bomb tore through a minibus carrying Afghan women election workers in eastern Afghanistan on Saturday, killing at least two and injuring 13 in the bloodiest attack yet on preparations for the country's first post-Taliban vote.

A purported spokesman for the Taliban, which has vowed to sabotage the September election, claimed responsibility for the attack.

The U.N. spokesman, Manoel de Almeida e Silva, said four of those injured were in critical condition after the bombing of the bus on the outskirts of the city of Jalalabad, 120 km east of Kabul.



**BUSH IN IRELAND / PROTESTERS TRAIL PRESIDENT**

# E.U. agrees to NATO role in Iraq

By Hasan Suroor

**LONDON, JUNE 26.** Shrugging off a palpably hostile public mood, leaders of the European Union today decided to bury their differences with America over Iraq and, in what was seen as a major breakthrough for Washington, agreed to a greater NATO role in rebuilding the war-torn country.

The agreement was reached at an E.U.-U.S. summit in Ireland even as hundreds of anti-war protesters booed and jeered the U.S. President, George W. Bush, whose appearance at a post-summit press conference was delayed when buses carrying the White House press corps were stopped by demonstrators demanding an end to the U.S. 'occupation' of Iraq.

With the Irish army and the police out in full strength in the country's biggest-ever security operation for a visiting head of state, Mr. Bush was spared a direct confrontation with protesters but, wherever he went, they seemed to be round the corner, waving banners which said, "Not Wanted" and "Stop Bush".

At his press conference, an American journalist asked him whether it bothered him that he was not such a "popular fellow" around these parts.

The summit, which marked the end of the Irish presidency of the E.U., was hailed both by Mr. Bush and his host, the Irish Prime Minister, Bertie Ahern, as 'historic' and 'productive'. A



**The U.S. President, George W. Bush (left), listens to the Irish Prime Minister, Bertie Ahern, at a joint press conference at Dromoland Castle, Newmarket-on-Fergus, Ireland, on Saturday. — AP**

string of agreements ranging from Iraq to counter-terrorism and trade were signed by the

two sides — the most significant being the E.U.'s support for American moves to give NATO a

bigger role in helping Iraqis build their security forces. Coming as it did after the differences over the issue at the United Nations, the E.U. move was seen as a diplomatic 'coup' for the Bush administration.

Mr. Bush declared that the 'bitter' trans-Atlantic divisions over Iraq were now 'over'. A 'peaceful' and 'democratic' Iraq was for the benefit of everyone, he said seeking the E.U.'s cooperation in ensuring successful transfer of power to the Iraqis.

In media interviews, he sought to play down the European opposition to his Iraq policy. "Most of Europe supported the decision on Iraq. Really, what you are talking about is Iraq. Is not it?" he asked.

Mr. Ahern said that building a "trans-Atlantic partnership" had been at the 'core' of his presidency of E.U. Both sides, he said, shared a set of common values which made them "enduring partners".

He acknowledged that Ireland had concerns over allegations of abuse of Iraqi prisoners by U.S. troops, and said he had raised the issue with Mr. Bush. But he said it showed the 'strength' of Irish-U.S. relations that the two sides were able to discuss the matter.

Mr. Bush said the conduct of U.S. troops had made him 'sick' but added that it did not reflect American values.

He promised a full and 'transparent' investigation into allegations of torture at Abu Ghraib prison.

R. Ahern  
E.U.  
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THE HINDU 27 JUN 2001

# Fork in the European road

There is only one way to reconcile the contrasting views on the EU — to accept that some countries will go in one direction while others proceed in the other, says ANATOLE KALETSKY

**P**OLITICAL rhetoric has always presented the "European project" as a great journey, giving rise to metaphors of missed buses, slow lanes and fast lanes, second-class passengers and bicycles which fall over if they stop moving forward. But what is the journey's ultimate destination — and where will it leave Britain, Germany, France, Italy and Spain, the five great Western European nations that have dominated world history for the past thousand years?

Since this is a difficult and in many ways painful question, politicians have naturally been reluctant to discuss it. But the plan for a European constitution, combined with the unsettling effects of EU enlargement and global economic competition, will make it hard to avoid.

The leaders of France and Germany, along with Belgium, Luxembourg and possibly Austria and the Netherlands, want to extend European authority into all possible fields of government: from foreign policy and defence to law enforcement, macroeconomics and even sports promotion and consumer protection. In effect, France and Germany want to merge their countries into a single political unit. While such a merger may sound far-fetched, this is the language increasingly used by their media and politicians.

The objective is to shift as much decision-making as possible from the national to the pan-European level, while preserving the principle of subsidiarity by leaving regional and local government with far more autonomy than British local authorities have ever enjoyed. This is surely the significance of the constitution's decision to extend EU powers into many new areas of policy, while falling to return even a single EU "competency" to national control.

Britain, of course, holds exactly the opposite view. In British eyes, the EU is an institution designed to facilitate co-operation between national governments, but ultimately dependent on them for its political legitimacy and democratic control.

Significantly this attitude to the EU's ultimate objective — to encourage intergovernmental co-operation rather than to acquire an independent legitimacy of its own — is as much a consensus across the political parties in Britain, as the opposite view is in Germany and France. Even the European Labour or Liberal Democrat politicians who support majority voting on defence, immigration or taxes never suggest that EU control in these areas is inherently desirable. Instead, the British Europhiles argue that "we have won the argument" or that "Europe is moving in our direction", because the other nations have given up on their earlier desires to legislate labour regulations and taxes, or issue joint declarations of war.

Even if this were true — and the vast range of new EU powers which the constitution confers on Brussels suggests that it is not — the issue of Europe's ultimate destination would become even more acute. For if the constitution really does create a "different kind of union" from the one that France and Germany intended, why on earth should they accept such a repudiation of their



Tony Blair at a meeting in Brussels. — AFP

were supposed to disguise the differences between the British and the Franco-German positions, but this effort to paper over the cracks could only succeed for a matter of hours. In the months ahead the conflict will become impossible to deny or ignore. Blair will try to persuade the British people to ratify the constitution by claiming that it represents a high-water mark for European integration.

Schroder, at the same time, will tell the German Parliament that the constitution is the latest step in the onward march of pan-European politics, and Chirac will reinforce this message by promising to strengthen the "Franco-German motor" to push Europe faster along the federalist path ordained by France.

There is only one way to reconcile these contrasting views — to accept that the European journey has reached a fork in the road, where some countries will go in one direction while others proceed in the other. Countries that genuinely want a common foreign and defence policy, army and judicial system, as well as a single currency and harmonised taxes will follow the Franco-German leadership towards greater integration. Those countries, such as Britain, where public opinion is most strongly opposed to further integration, will want existing EU institutions to carry on much as they have in the past. Several of these countries, including Britain, will pre-

sumably reject the constitution.

Such rejection would be the milestone that marks the fork in the European road. Countries which rejected the constitution would insist that the EU should continue to operate under present arrangements, primarily as an economic and trading area. And it would be overwhelmingly in the economic interests of both the integrationist and the sceptical countries to make sure that this economic union continues to work at least as well as it does today. This is not just a matter of legalism, but of profound economic and political interests.

Which of these two paths would different countries choose? That Britain would stick with an economically orientated EU, as constituted at present, is not in doubt. Most of Scandinavia and Central Europe would also take this road, at least for the present. But would the French people support the Franco-German union dreamt up by their political elites? One suspects that French voters might have a more jaundiced view than their political leaders about the skills of the French bureaucracy and its ability to keep a united Europe under French control.

Equally intriguing would be the direction chosen by other European countries. Would Belgium and the Netherlands, which spent most of their histories struggling against either French or German domination, want to become mere provinces of a Franco-German union? Would Italy and Spain, which have populations nearly as big as France, really accept junior partnership in a federation dominated by Paris and Berlin? None of these questions can be answered with any clarity at present, but we must start to ask them.

— *The Times, London.*

# Large ambitions

5.1.6  
Can a constitution unify Europe? P.M.  
BU

Europe is debating some momentous decisions, so momentous that it is doubtful that any degree of consensus exists, or that they are generally aware of them. Should the proposed EU constitution come into existence. So far European integration has been in relatively less contentious areas such as a common market and common currency, although it is noteworthy that even there, not all EU countries have entered the eurozone. Now it is proposed that European countries integrate their policies in such core areas of national sovereignty as tax policy, social security, defence, foreign affairs, criminal legislation, and financing the EU. Previously each country had veto powers, and decisions could only be arrived at through unanimity. This is sought to be replaced by something called qualified majority voting, where a vote would pass if supported by 50 per cent of member states representing 60 per cent of the EU population. That would be radical, because if adopted, Europe would become a single superstate, comparable to or surpassing the US in most indices of power.

Going by the acrimony that has broken out among EU leaders meeting at Brussels, such a superstate is not about to be born soon. Even if the leaders agree upon a constitution, it will have to be ratified by parliaments of member states. Blair has muddied the waters by suggesting a national referendum. The low turnout for EU elections and numbers of seats garnered by Euro-skeptics point where popular opinion in many member states is inclined. UK works with a different social model than France or Germany, premised on lower taxes, lower social security benefits, and less regulation of business. New entrants such as Poland find the UK model attractive. It is difficult to see how the social policies of all the countries can be brought into alignment, and it isn't surprising that Blair is fighting to retain the British veto over adoption of new policies, using the upcoming referendum as a bargaining tool. It is even more difficult to see these disparate countries aligning their foreign policy — the British and Polish aren't as interested as the French and Germans in constructing a superstate that can rival America. It is an indication of roadblocks ahead for European integration that no one in Washington is losing sleep over the latest developments in Brussels.

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*A. R. Hillier*

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## BRAVO EUROPE

*119-10 21/6*

AFTER SEVERAL SETBACKS, the European Union now has an achievement that it can be proud of — an agreement among the 25, often fractious, member-states on a Constitution. Arrived at after two days of hard-headed bargaining that bordered on the snappish, the Constitution aims to simplify decision-making in an expanded Union. Following its ratification by all the members — in six of those, including Britain, by referendum — the Constitution will replace four cumbersome treaties that now govern the E.U. and were designed for the smaller 15-member club it was until recently. As much as it clearly demarcates the lines of policy-making between the E.U. and the Governments of its constituents, the 333-page document is a massive stride towards the vision of European integration. The achievement is all the more laudable considering that the two-day summit at which the Heads of Government agreed on the final draft was held in the shadow of the European Parliament election, the first after the E.U. enlargement in May. Unfavourable to several ruling parties across the continent and favourable to eurosceptics and europhobes in Britain and Poland, the election was expected to make a deal on the Constitution difficult. It is to the credit of the leaders who assembled at Brussels that despite their electoral bruising, they were able to arrive at a groundbreaking consensus on a crucial issue for the Union.

In a sense, the leaders had no choice. The alternative was to place the credibility of the European Union and, in fact, the very vision behind it on the line. A summit on the Constitution last December ended in disarray because of fundamental disagreements on how much sovereignty each member-state was ready to cede to the E.U. by way of voting rights and, in the case of Britain particularly, vetoes on issues such as taxation,

foreign policy, and national security. If the collapse of those negotiations raised doubts about political will for integration across the continent, the European Parliament elections were another blow. But aside from the fact that voters used the opportunity to punish their Governments and that political parties hostile to integration made gains, the elections revealed shocking levels of apathy among Europeans for the idea of Europe. Just over 45 per cent of the electorate — the lowest since 1979 — turned out to vote in the elections that were held between June 10 and June 13. The turnout was lowest in the newest member-countries that had only last year voted enthusiastically to join the Union. It prompted a European Commission statement that unless Europe became the arena for decisions that had a direct impact on the life of Europeans, "one can hardly expect to involve people convincingly." The leaders, especially those spearheading the efforts at integration, must have been acutely conscious that a failure to agree on the Constitution this time would only add to the Union's existential woes.

Of course, this does not mean the end of all battles within the European Union. The public name-calling between France and Britain over who should become the next European Commission president, which resulted in the summit postponing the decision, shows that the friction between E.U. constituents will continue as long as there are contentious and rivalling national interests. Talks for admitting Turkey into the club, which may be held next year, are likely to set off more feuding. But by finalising the Constitution, which is at the heart of integration, the member-states have demonstrated that the rumours about the death of a unified Europe are (as Mark Twain famously observed after reading his obituary in the press) "greatly exaggerated."

# Iraq fault lines overshadow EU constitution deal

R. Alliman

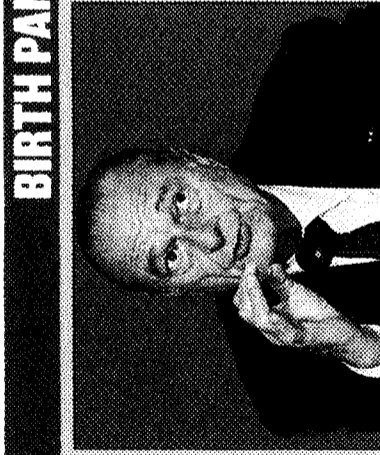
Reuters  
Brussels, June 19

EU LEADERS have adopted a historic first constitution for a united Europe, ending months of tortuous negotiation over power-sharing in a bloc that now spans the former Iron Curtain.

The accord on a constitution for the newly enlarged 25-nation European Union of 450 million citizens was a welcome relief for leaders who suffered a wave of public apathy and Euroscepticism in last week's European Parliament elections.

But the risk of rejection by any one of several member states due to hold referendums, especially Britain, could still sink the charter, on which outstanding disputes were settled at the end of a two-day summit on Friday. Relief over the deal was tempered by failure to agree on a new president for the executive European Commission.

Irish Prime Minister Bertie Ahern, holder of the rotating EU



(From left) French President Jacques Chirac, British PM Tony Blair and German Chancellor Gerhard Schroeder at the EU summit in Brussels on Friday.

## BIRTH PANGS: FROWNS, FINGERS & FURROWS

broadside at the leaders of France and Germany, telling them they did not run Europe alone or with some inner circle.

Blair and several other leaders blocked the Franco-German candidate for the top EU job, Belgian Prime Minister Guy Verhofstadt, at a tense summit dinner on Thursday that revived the splits of the Iraq war. Paris and Berlin resisted the alternative candidate put forward by EU conservative and Christian Democratic leaders — British EU External Relations Commissioner Chris Patten.

Several delegations voiced anger at Chirac's insistence the successful contender should come from a country with long EU experience that was in all the main European policy initiatives, notably the euro single currency and Schengen open-border area. That could rule out anyone from Britain, Ireland, Denmark, Sweden and the 10 mainly East European states which joined on May 1, reuniting Europe after its Cold War division.

It is also meant to make the bloc's complex and remote institutions easier for citizens to understand. Britain fought a successful rearguard battle to preserve national vetoes on key policy areas such as taxation, social security, foreign and defence policy and criminal law. France, Germany and the Netherlands found

a last-minute compromise on how the EU's much-flouted budget deficit rules should be policed. But Poland and other Roman Catholic countries failed to secure a reference to Europe's Christian heritage. Simmering acrimony among the key players flared when Prime Minister Tony Blair fired a

It is also meant to make the bloc's complex and remote institutions easier for citizens to understand. Britain fought a successful rearguard battle to preserve national vetoes on key policy areas such as taxation, social security, foreign and defence policy and criminal law. France, Germany and the Netherlands found

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# EU giants divided over veto rights

Associated Press

*J. Min. B.W. 65-2*  
*19/6*  
BRUSSELS, June 18. — Britain today clashed with France and Germany over the sensitive issue of dropping veto rights over policy areas such as taxation and foreign policy on the make-or-break day of a European Union summit aiming to wrap up a first-ever Constitution.

Irish Prime Minister Mr Bertie Ahern, who was chairing the talks, gave his 24 counterparts new proposals ahead of negotiations.

But they did not include proposals to solve the divisions between London and

Paris.

Nor did the new 23-page document address yesterday's demands by Italy and Poland to have an inclusion on Christian roots or God in the draft.

French President Mr Jacques Chirac said he "will not accept any lessening" of the draft to accommodate British demands on keeping their national veto over taxation, social policy and criminal law.

Both Mr Chirac and German Chancellor Mr Gerhard Schroeder said they will fight to have the vetoes dropped. British officials, however, hit back at France and Germany, accusing them of trying to dictate proceedings.

19 JUN 1992

# EU meets to debate Constitution

R. Ahern  
5/13

18/6

Associated Press

BRUSSELS, June 17. — European Union leaders gathered today for a summit where they must put aside deep divisions and agree on a historic Constitution and a new President for the EU's executive.

The 25 European leaders are meeting at EU headquarters for two days of what many say will be tough talks, primarily on trying to bring to an end the arduous process of finalizing a first-ever Constitution for the bloc. A first attempt at the leaders' summit last December collapsed in acrimony over how many votes each EU nation would have.

Much is at stake, and failure this time around could leave the draft too politically damaged to salvage, officials said, especially given the resounding embarrassment that only 45.3 percent of Europeans bothered to vote in Europe-wide parliamentary elections last weekend.

That vote elected the largest number of Euro-skeptic and anti-EU members yet to the European Parliament, a body that has

the power to veto the text.

"We must respond to the disenchantment," said European Commission President Mr Romano Prodi. "The answer can only be found by formulat-

ing a clear political project. This is an opportunity we must grasp... by reaching agreement on a constitution for Europe."

Ireland's Prime Minister Mr Bertie Ahern, whose country holds the EU presidency, will chair the talks, but he warned it would not be easy to solve the remaining divisions on the text.

The Constitution seeks to streamline EU institutions in the wake of expansion, make them more effective and raise the EU's image on the world stage by creating a foreign minister post. But because unanimity is required, many countries are bargaining on areas of particular interest to their electorate.

Bruising battles are "inevitable" over the two-day meeting, Mr Ahern conceded, with European leaders split on everything from sharing out votes to making a reference to God or Europe's Christian heritage in the Constitution's preamble.

In an effort to bridge differences, Mr Ahern submitted draft compromise proposals to EU leaders on the eve of the summit. Those proposals will be the basis for today's talks, diplomats said.

## Talking points



Belgian PM Mr Guy Verhofstadt, one of the front runners for the EC President's post. — AFP

BRUSSELS, June 17. — The EU summit will also deal with urgent issues, like foreign policy, terrorism, expansion and contentious political appointments leaders must decide on. A few names are being circulated for the choice of Commission President — but nobody campaigns publicly, and no consensus front-runner has emerged. — AP

Fr 10  
16/6

## EUROPA VEXED

EXTS  
BW

In an era of globalization, even wars, like stock markets, have global dimensions and impact. The aftermath of a war spills over into civil affairs. When the war against Iraq was launched under the leadership of the United States of America, Mr Tony Blair, the prime minister of Britain, least expected that the defeat of his party in local elections would be one fallout of a war against tyranny in faraway Iraq. Similarly, no one quite calculated the impact of the Iraq war on the elections to the parliament of the European Union. Yet, as the results keep coming in, it is clear that European voters have rejected those who were directly involved in the Iraq war. Britain and the Netherlands were punished by the voters. But there are other issues that galvanized the voters. The German chancellor, Mr Gerhard Schroeder, and the French president, Mr Jacques Chirac, also took a beating at the hustings. Economic stagnation, unemployment and social reforms made the German and French leaders unpopular. It would appear from the election tallies that European voters have taken a leaf out of the books of their Indian counterparts. European governments have been hit by what Indian psephologists have come to call "the anti-incumbency factor". Mr Jack Straw, the British foreign secretary, summed it up well when he said that across Europe, sitting governments received significant protest votes against them.

There is more at stake in the EU elections than the punishment vote. The EU parliament will have to ratify the new charter. One interpretation of the results is that the electorate wants a more efficient EU, which is the real purpose of the draft constitutional treaty. But a contrary interpretation sees in the votes, gains for the Eurosceptics especially in Poland, the Czech Republic and Sweden. This might make the ratification of the new charter really difficult. The passing of the treaty is bound to be bumpy since Poland, the biggest of the new entrants, is resisting a change in the EU voting system which would reduce its power. Britain too is trying to preserve national vetoes in core areas. But more than anything else, what should worry the champions of the EU is the low turnout. Only 45 per cent of the eligible voters came out to cast their ballots. This is the lowest voter turnout since 1979, when direct elections to the EU began. The new entrants, mostly from east Europe and ex-communist, registered a 26 per cent turnout. The old EU has voter fatigue and in the new EU, voting is yet to become an embedded political praxis. Europe is yet to become a viable province of the globe.

THE TELEGRAPH

16 JUN 2004



# 'NATO not likely to send troops to Iraq'

RICHARD W. STEVENSON &  
DAVID E. SANGER  
SAVANNAH, GA., JUNE 11

PRESIDENT Bush said on Thursday that after two days of consultations with the leaders of France and other nations, he did not expect NATO to provide troops to bolster or replace US forces in Iraq. However, he continued to press for a more limited NATO role in training Iraqis to take on the burden of security in their own country, if the new Iraqi government requested the help.

Speaking at a news conference at the conclusion of the G8 summit, Bush sounded more cautious about NATO's future role in Iraq.

Despite the continuing tensions, Bush appeared relaxed and at times ebullient, as he took questions for 40 minutes, ranging from reflections on Ronald Reagan's presidency to the failure in finding banned weapons in Iraq.

When the subject turned to the treatment of prisoners, Bush said he could not remember if he had seen secret Pentagon and Justice Department legal

opinions that concluded he had broad authority to determine what techniques could be used to interrogate unlawful combatants seized in Afghanistan.

"I don't expect more troops from NATO to be offered up," Bush said. "That's an unrealistic expectation. Nobody is suggesting that. What we are suggesting is for NATO perhaps to help train. Now that will come at the request of the Iraqi government."

The President confirmed a report on Thursday in *The New York Times* that the government is investigating statements by two men who said they were participants in a plan formulated by Libyan officials to assassinate the ruler of Saudi Arabia.

"What I can tell you is, is that we're going to make sure we fully understand the veracity of the plot line, and so we're looking into it," he said.

Asked about the effect of the plot on efforts by the Libyan leader, Col. Muammar Gaddafi, to convince the United States that he has renounced terrorism, he said, "We will make sure he honours his commitment." —NYT

INDIAN EXPRESS

12 JUN 2001

# Chirac rules out vote on E.U. Constitution

By Vaiju Naravane

PARIS, APRIL 30. Prudence and caution were the bywords at a rare press conference by French President, Jacques Chirac, on Wednesday, 48 hours prior to Europe's enlargement by welcoming 10 new members.

While Mr. Chirac was slightly more forthcoming on the question of Iraq, where, he insisted, an unambiguous solution (without behind-the-scenes U.S. control) was needed, observers agreed that overall, it was a carefully scripted, lacklustre performance.

Mr. Chirac ruled out the possibility of a referendum on the European Constitution in the near future. Unlike the British Prime Minister, Tony Blair, who appears to be staking his political future on Europe, Mr. Chirac is not prepared to take any risks.

Although a slim majority of the French are in favour of Europe and its institutions, there is also a great deal of latent hostility towards the technocrats in Brussels who are seen to be making inroads into the sovereignty of nation states. The example of the near-fiasco of the 1992 Maastricht Treaty cannot be far from Mr. Chirac's mind. To almost universal surprise, the Treaty on European Union squeaked through with only the tiniest of margins — less than one per cent of the vote, well below the support anticipated by the then President, Francois Mitterrand, who ordered the referendum.

In addition, Mr. Chirac is not unaware of his own growing unpopularity. A referendum would allow voters to express their disenchantment with his policies and those of his unpopular

Prime Minister, Jean-Pierre Raffarin. A defeat in a referendum on the European Constitution would almost certainly mean Mr. Chirac having to hang up his cleats, something the septuagenarian is not prepared to do.

Mr. Chirac was careful too on the question of Turkey's entry into the E.U. France has always performed a delicate balancing act in its relations with Islamic countries. A month ago, Mr. Chirac's ruling UMP Party announced it was hostile to Turkey's entry into Europe. The reasons are not hard to discern. Turkey, with its explosive mix of Islam and poverty, would be the E.U.'s most populous member and as such, would have more votes than either Germany or France.

Today, after its fall-out with Washington over Iraq, France is keen to mend fences with the U.S., Turkey's main backer for E.U. membership.

The one question on which Mr. Chirac did not mince his words was that of tolerating radical Islam on French soil. Referring to the decision to expel an imam who approved of wife beating, stoning and polygamy, Mr. Chirac said France could amend its laws on deportation in order to deal with extremism. An administrative court recently overruled the Government's decision to deport the imam on the grounds that the case against him was not strong enough.

His press conference showed Mr. Chirac as a politically challenged person, willing to take no risks, aware that his path to a third term as head of the French state in 2007 is not likely to be a cake walk.

THE HINDU 31 MAY 2004

## E.U. lifts ban on GM corn

By Ian Black

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**BRUSSELS, MAY 15.** The European Union is to approve the sale of a brand of genetically modified corn for human consumption — ending a six-year ban that was challenged by the U.S.

Next week's landmark ruling by the European commission will allow the insect and herbicide-resistant Swiss-made product to be sold, even though consumer resistance remains powerful.

But growing Syngenta Bt-11 maize in the E.U.'s 25 member states will remain illegal for the moment.

Under new E.U. rules, canned vegetables have to be clearly labelled as having been harvested from a GM plant, the commission's chief spokesman, Reijo Kemppinen, said yesterday.

Since many supermarket chains require suppliers to guarantee that their products are GM-free, the product is unlikely to be a huge success.

The biotech industry trade group, EuropaBio, welcomed the announcement, but conceded that the corn was unlikely to be on sale soon.

The decision was condemned by Friends of the

Earth, the environmental group. "Scientists cannot agree over (the sweetcorn's) safety and the public does not want it," a spokesman said.

Polls shows some 70 per cent of the European public remains opposed to GM foods.

Critics say Bt-11 has been modified to produce a toxin that is naturally found only in bacteria and that the scientific assessment was undertaken according to outdated rules.

The decision to lift the ban follows the failure of E.U. Governments to agree on the first application submitted under the new labelling rules, which came into effect in April.

The E.U. has been under pressure from the U.S. and other big exporters to lift the 1998 ban which, they say, is unscientific and illegal under World Trade Organisation rules.

The moratorium came into force when several E.U. countries said they would reject new GM authorisations until there were stricter laws on testing and labelling.

The commission insists that the new rules provide adequate protection for consumers. —

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THE HINDU 16 MAY 2004

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## EUROPE'S NEW EXPERIMENT

THE ENLARGEMENT OF the European Union with the addition of 10 new members, most of them from the former east bloc, marks the symbolic end of the Cold War and a half-century of divisions along ideological lines. It is a historic moment for a continent with a self-destructive penchant for war where member-nations have over the centuries seldom acknowledged the virtues of peaceful coexistence. After the two catastrophic wars of the 20th century, there must be enough justification for the celebrations that heralded the birth of a new, multinational European Union. But the fireworks, solemn speeches and street revelry that marked the birth of a "new" Europe can hardly conceal the genuine fears and misgivings that have been expressed over the future of the Union. The depth of sovereignty involved are areas that continue to cause apprehensions. Amid charges that the enlargement has been clearly built over the heads of the citizens of the new member-nations, comparisons have been drawn to the rushed German reunification, which remains a work in progress a decade later. Within the E.U., public support for the enlargement has been strong but with more and more anti-immigration parties gaining popularity in some of these nations, a borderless Europe may prove to be a mixed blessing.

The roadblocks are many but the gains can be immeasurable in terms of the quality of life if genuine integration can be achieved in course of time. For now, the enlargement of the European Union is a giant step for the 450 million inhabitants, including the 75 million new entrants. If the leading members, France and Germany, provide the vision, this can eventually lead to the creation of a powerful new Europe that is a strong voice of global peace and counterweight to the

sole superpower. The continent responded problematically to the most recent political test. The United States-led war in Iraq exposed the divisions within Europe, with the former east bloc nations led by Poland taking the side of Washington. The pro-war alliance among these nations has begun to crumble following the election in Spain that brought the anti-war Socialists to power. The issue also underlined the need for Europe's Big Two to be less aggressive in their pursuit of their ambitions. Poland excepted, the new entrants to the E.U. are small and have a long history of being subordinated. They will resist attempts by the big players in the bloc to set the agenda for them, rendering them less relevant.

In a changing global scenario, the enlarged European Union also needs to reassure a resurgent Russia that its interests will not be undermined by the expansion. When the Baltic States of Latvia, Lithuania and Estonia joined the Atlantic military alliance, NATO's borders were for the first time pushed to those of Russia. The E.U. has sought to allay Moscow's fears over the enlargement, but relations will continue to be coloured by the anti-Russian sentiment among the former east bloc nations. The rest of the world will welcome the prospect of consolidation of European unity and the global stability this promises. Europe, west and east, has been a willing partner and responded reasonably to the needs of the developing world and there is no reason why a larger European Union will be different. While a multilingual, multicultural country like India will find a kinship based on shared attributes with Europe's new experiment, there will be hope that an enlarged European Union will remain a voice of global peace and a friend of the developing world.

# European Union set to welcome 10 new members

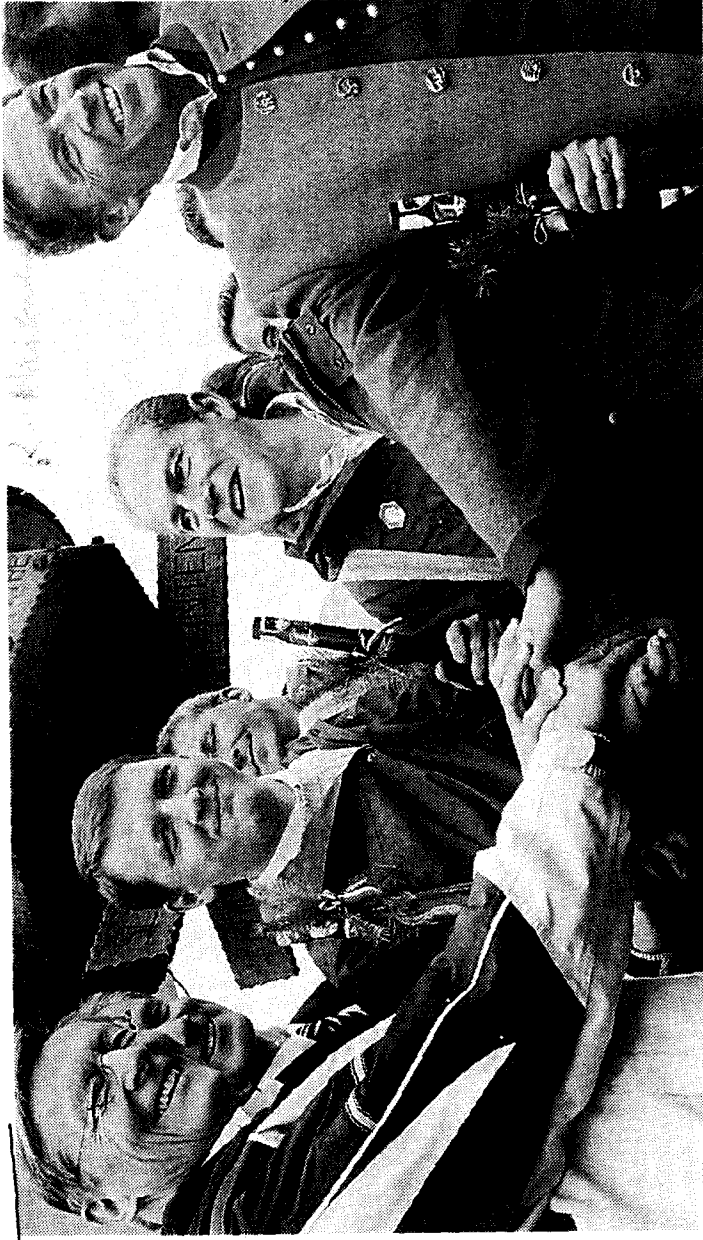
By Batuk Gathani

**BRUSSELS, APRIL 30.** May 1 is a historic day for the European Union, which takes in 10 new member states — eight of which are former Communist-ruled countries. On this day, the European Union embarks on a new geopolitical and economic course as its new boundary nudges closer to Russia in the east and Turkey in the south.

In the aftermath of the Second World War, the European Community was launched to bring about the economic integration of the continent. Today, that Community has transformed itself into the world's largest consumer market of some 454 million people, with 75 millions joining E.U. on Saturday.

The expansion of the E.U. into former Communist-ruled regions of Europe began in 1989 with the fall of the Berlin Wall, unification of two German states and the gradual end of the Communist rule, highlighted by the eclipse of the Soviet Union.

The E.U., whose membership will go up from 15 to 25 on Saturday, will have a gross domestic product of \$12.5 trillion, larger than that of the U.S. The per capita GDP of the expanded Union could soon be, Euro 24,000 but this would vary widely between the German GDP of Euro 39,000 to that of Latvia's Euro 3,704, the poorest in the



**The Austrian Federal Chancellor Wolfgang Schüssel (left), the Slovenian Prime Minister Anton Rop, the Minister for regional affairs of Italy Enrico La Loggia, and the Austrian politician Joerg Haider (right), at the three-point border with Italy, Austria and Slovenia, near Kranjska Gora in Slovenia on Friday. — Reuters**

Union. The E.U. is a complex region with vast cultural and economic diversity, ranging from the Anglo-Teutonic traditions of Germany, Britain and the carefree and relaxed Latin traditions of

France, Italy and Greece. The 25 member nations will also highlight Europe's internal divisions rooted in centuries of conflict.

However, the post-War era has enabled the European countries to forge unity and set new landmarks in economic prosperity anchored on the values of multi-party democracy, rule of law and the free market economy.

The E.U. is also a babble of many languages. The work of the European Union will be translated into 19 languages from Saturday, up from the current 11.

At the same time, English is emerging as the common language with the consolidation of economic, military and security ties of the Union with the United States.

The concept of a united Europe is still Utopian and the free movement of labour across the region is in the evolutionary process. Centre-right politicians are wary of migrants from different racial and ethical background coming to the richer members of the Union. There are also grave economic and taxation issues to contend with. Germany and Sweden, for example, are angry over the lower tax rates in the new E.U. members.

Another crucial landmark in the evolution of the E.U. will be its political and economic relationship with Russia and Turkey.

# EXPANDING EU

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## Russia Faces Short-Term Losses And Long-Term Gains

30/21

By KONSTANTIN KOSACHEV

The European Union will expand for the fifth time on 1 May, 2004, accepting a record number of new members in the process. The EU club and its total population will virtually double, which means that its economic potential will be in a position to expand considerably as well.

Russia also views the EU's enlargement as an extraordinary event. This is because some former Soviet republics, as well as countries that had cooperated with the Soviet Union and Russia for decades, including at the co-production level, will be welcomed into the union. Therefore, Moscow believes that the forthcoming EU expansion influences Russia's national interests to a much greater extent than previous regional-integration processes. The people of Russia continue to debate the enlargement's pros and cons. The brief answer is that the disadvantages are likely to dominate in the short term, while the advantages should emerge in the longer term.

### Agricultural subsidies

Some short-term losses for Russia are self-evident and Moscow sent a 14-point document to Brussels in mid-January to inform the EU about its concerns. Anxieties over the agro-industrial sector are a case in point. Russian agricultural producers often lose out to their European rivals even on the domestic market despite the fact that European wholesale purchasing prices exceed Russian prices several times over.

These losses can be explained by substantial EU subsidies for agriculture, i.e., direct and export subsidies. The new EU members will also be entitled to them, with local agricultural producers getting an estimated 4.72 billion euros over the next three years. This means that Polish, Lithuanian, Latvian and Estonian food, which cannot compete with Russian produce today, will become quite competitive. On the one hand, Russian shops will be able to offer greater choice to customers; on the other hand, Russian farmers will face serious problems. When you take the country's climate into account, these problems might prove to be unsolvable. This is bound to happen if Russia and the EU cannot find some mutually acceptable solutions.

*The author is the chairman of the State Duma's foreign affairs committee*

However, this does not spell the end for the Russian agro-industrial sector's difficulties. The point is that Russia traditionally sells its dairy products and meat to prospective EU members. New veterinary regulations will be introduced on their territories after such countries join in, which means that Russian exports will be curtailed. In other words, Russia will receive a great

have some unseen links. They interact in earnest, profiting from their mutual efforts. Russia's "hawks", who want to stop all cooperation between Russia and the outside world, claim that Europe considers Russia as a mere raw-materials appendage, that European politicians are trying to prevent Russia from exporting its goods, services and people. For their part, EU "haw-



deal of EU food, while movement in the other direction will be seriously curtailed.

Furthermore, there is another example. Russia can annually export about 1.5 million tonnes of grain in line with current EU quotas, which will remain unchanged once the EU admits new members. The same limitations will also apply for Russian nuclear fuel, steel, etc. This obviously means that Russia will lose its traditional markets, which is another considerable negative aspect of the enlargement process.

### Mutual rapprochement

The Russian economy will probably not be undermined completely, if the EU disregards our problems and concerns. However, if EU countries do not display any understanding of Russia's concerns or a willingness to act as friends and partners, there could be very serious political consequences for our relations.

As far as Russia is concerned, it wants to become the EU's reliable and predictable partner. One should admit that some Russian and EU forces are not interested in our mutual rapprochement and they apparently

ks" point to their Russian counterparts and claim that the latter determine the modern Russian political system, and that they stifle local democracy and market economics. Consequently, they think that Russia is Europe's inconvenient and hopeless partner.

Fortunately, these are marginal opinions in Russia and the EU at this stage. They do not determine all the main aspects of Russo-European co-operation and do not have any chances of doing so. We have merged closely enough today. Although there is still no common economic and legal infrastructure, our mutually integrated economies are so inter-dependent that common interests will always prevail, thereby prompting politicians to look for reasonable compromise solutions all the time. This, in turn, will neutralise the "hawks" on both sides. One can feel quite optimistic, because those advocating isolationism in Russo-European relations have no future at all.

Mutual rapprochement is our real prospect and a common idea of human rights and human freedoms and principles is a top-priority aspect. However, there should be clarification here, as

human rights are a two-way street with heavy "traffic".

It should be mentioned in this connection that it took the EU several decades to unfailingly abide by the human rights listed in the European Charter. Each country did this stage by stage and in a rather comfortable manner without any external prodding. However, Russia, which signed up to the European Charter relatively recently, is subject to clearly exaggerated requirements. Moscow is supposed to travel the same road in just a few years, without the necessary preparation and often without the nation's legislation being adapted to the European Charter's requirements.

### EU's double standards

One can state that the problems arising as a result of this are purely temporary. They are not caused by conceptual differences with regard to basic values. Russia sees human rights as a priority, just like EU countries. It is another matter that some European Charter provisions are not universally applicable, and, therefore, should not be treated like some form of dogma. Capital punishment is a classic example. Russia has not abolished the death penalty legislatively so far. And although not a single criminal has been executed in Russia for more than a decade now, Moscow still comes in for some heavy criticism on this score. Meanwhile, US legislation openly allows state authorities to execute convicted criminals, a right that is practised often enough, but is not reproached by the EU for this. Frankly speaking, this amounts to nothing but double standards.

And here is one more example. Russia is drawing the attention of its EU partners to the violation of the Russian-speaking diaspora's rights in the Baltic states, which frequently fail to observe the European Charter. Moscow is often being told that the Baltics are too small, and that they must therefore be treated carefully and patiently, to avoid insulting them. One can hope that the enlarged EU will examine local human-rights violations much more seriously than before, at any rate, if the EU and Russia are to continue to heed each other's positions and continue their search for mutually acceptable compromises. As far as our overall relations are concerned, this will serve to guarantee expanded cooperation in the future.

## EU parliament seeks facts about Pak N-test

**Islamabad:** Observing that "totally unaccountable" control of Pakistan army on its nuclear programme led to proliferation of the sensitive technology, the European Union Parliament has unanimously passed an amendment seeking to know urgently from the country whether its 1998 nuclear test was a joint programme with North Korea.

"(The European Parliament) urgently requests further information from Pakistan regarding the nuclear test from May 30, 1998 in Balochistan which showed traces of plutonium and which is thought by some to have been a joint test for a North Korean nuclear weapon," the amendment, passed by the EU Parliament in Brussels, this week said.

Elaborating further, it said, "(the House) draws attention to serious concerns of the international community about Pakistan's role in the proliferation of nuclear weapons, with the allegations and evidence against Pakistan hardening day by day; while acknowledging that President (Pervez) Musharraf has been right to insist upon a detailed investigation and that he is right when he claims that the (A Q) Khan "incident" happened because of the secretive nature of Pakistan's nuclear weapons programme."

"...President Musharraf (and the rest of the world) should also recognise that nuclear proliferation happened because the nuclear programme was under the totally unaccountable control of the army," it said.

The amendment was passed after the EU Parliament voted in favour of a resolution approving a new generation trade agreement with Pakistan and another expressing concern over restoration of democracy and human rights there. Agencies

## E.U. ratifies trade pact

By B. Muralidhar Reddy

LAHORE, APRIL 24. Pakistan is elated over the decision of the European Parliament on Thursday to approve the ratification of Pakistan-E.U. Cooperation Agreement on Partnership and Development, commonly known as Third Generation Agreement.

Islamabad was on tenterhooks over the proposed pact in view of appeals by the Opposition parties in the country to E.U. not to ratify it till "genuine democracy" was restored.

According to Foreign Office spokesman this is a major achievement, in view of the "negative and systematic" campaign mounted by John Cushnahan, Rapporteur of the European Parliament Foreign Affairs Committee.

Pakistan believes that the ratification of this agreement will upgrade relations between Pakistan and E.U. and underlined recognition of Pakistan's importance in the world as a responsible and credible partner, not just for trade, but also for regional and international peace and security.

Pakistan Foreign Office spokesman claimed that the agreement would give a signal to the international investment community to contribute to Pakistan's economic turnaround.

The Pakistan-E.U. cooperation started in 1976 when they signed the first agreement for commercial cooperation.

THE HINDU

25 APR 2004



## Pakistan keeping its fingers crossed on admission to ASEAN forum

By P.S. Suryanarayana

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Personal file  
SINGAPORE, APRIL 23. The Association of South East Asian Nations is "consulting India" on the possibility of admitting Pakistan to the ASEAN Regional Forum (ARF), an elite group on security dialogue. The question of Pakistan's credentials, which has been hanging fire for nearly a year now, is expected to be discussed soon by the ARF's senior officials, who will prepare the ground for the Forum's next annual meeting in July.

While the ASEAN, a core-group within the ARF, has already recommended Islamabad's entry, the contentious issue has not yet been clinched by the larger Forum, which includes several major powers ranging from the United States and Russia to China and India. Islamabad is keeping its fingers crossed, waiting to see whether the latest atmospherics of goodwill on the bilateral front with India would now do the trick or whether New Delhi would still seek to stop Pakistan at the ARF door.

Asked whether India was the only "hold-out country" opposing Pakistan, the ASEAN Secretary-General, Ong Keng Yong, told *The Hindu* in Singapore on Wednesday that it was an "yes, at this moment." The 'yes' would "not mean that

the other [non-ASEAN] countries are completely without reservations."

Mr. Ong said: "Some of the non-ASEAN ARF participants are saying that if we lift the moratorium [on new membership and admit Pakistan], we should also take into account what we want to do with Bangladesh and East Timor [the other two applicants]. The ASEAN explanation is that while there is a consensus among the ASEAN countries on Pakistan, right now, we have not yet decided what should we do with [the] other people in the queue." Although some non-ASEAN members might not have objected to Islamabad's status, the European Union, Australia, New Zealand, Canada and the U.S. had not yet clarified their position about the applicants other than Pakistan. Indeed, any such move to link Pakistan's case with the acceptability of the other aspirants "will also be [a matter of] blocking the whole exercise," Mr. Ong pointed out. On Islamabad's assurance to the ARF that India-Pakistan issues would not be brought before the Forum, Mr. Ong said: "I have not seen anything so specific, and I don't think it is for the long-term good of the ARF to be so specific now. There might be a situation where something happening in South Asia will affect us [the ARF as a whole]. But, if they [the Pakistanis] have done it, well, [it's] fine."

# Another milestone for Europe

By Batuk Gathani

*f. Am... NATO RD-15 1821*

**BRUSSELS, APRIL 2.** The North Atlantic Treaty Organisation (NATO) today welcomed seven new members into its fold, and their flags were hoisted at the alliance's headquarters here during a formal ceremony.

The expansion increases the alliance's membership from the current 19 to 26. The new members are: Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia and Slovenia, which were all communist-ruled countries and within the orbit of the Soviet Union and in the shadow of the Soviet-dominated Warsaw Pact alliance, which was a counter-balance against NATO during the Cold War.

Though Russia has been suspicious about NATO's enlargement, there is also a growing perception in Moscow that its security may be only enhanced by the induction of the seven members. The expansion of NATO is rated as the fulfilment of the European quest to create a continent united in democratic values and consolidated by its bond with the United States.

A similar ceremony was held recently on the lawns of the White House with the U.S. President, George W. Bush, welcoming the new member states into the alliance. The members, which have embarked on a major reform programme to consolidate multi-party democracy, governance based on rule of law and a free market economy, will soon begin negotiations to join the European Union.



**The NATO Secretary-General, Jaap de Hoop Scheffer, addresses a joint news conference with the Foreign Ministers of the seven new members in Brussels on Friday. — Reuters**

NATO members remain committed to collective defence. An attack on one member state

makes it obligatory for all others to defend the member. The new members will also have a place

at the "top table" where decisions are taken about the shape of Euro-Atlantic security.

The NATO secretary-general, Jaap de Hoop Scheffer, today said, "I am optimistic about the future (of NATO) for another reason too. Five years ago, the entry into NATO of Hungary, Poland and the Czech Republic set a powerful example.

It inspired countries throughout Europe to accelerate political, economic and military reforms and to establish good relations with their neighbours and I believe that the entry of seven new members today will also be a strong incentive."

## Russia has nothing to fear: Powell

**BRUSSELS, APRIL 2.** The U.S. Secretary of State, Colin Powell, has said Russia has nothing to fear from NATO's expansion up to its borders while demanding Moscow do more to comply with its own military obligations in Europe.

In an interview published today, Mr. Powell said Russia should stop fretting about NATO air patrols in the airspace of the new members.

He said he had spoken with the Russian Foreign Minister, Sergei Lavrov, on Wednesday to reassure him that deployment of the F-16 fighters was just "to essentially bring the new nations of NATO under NATO air cover". — AFP

THE HINDU

3 APR 2004

HO-1A 267  
**Hope of a deal on E.U. constitution row** *Ahmed*

**BRUSSELS, MARCH 17.** The prospects for agreement on the European Union's proposed Constitution have grown stronger when Poland seemed to indicate that it was looking for a face-saving compromise on the new voting formula, the issue that has stalled the talks.

The development seems to have been prompted by the Socialist victory in Spain, which left Poland isolated in its refusal to accept plans to change the voting system.

Diplomats hope that the incoming Spanish Prime Minister, Jose Luis Rodriguez Zapatero, will honour his promise to end the deadlock. Sources close to the Warsaw Government said the Polish Prime Minister, Leszek Miller, was looking for a deal.

Although no agreement is expected before the E.U. summit in Brussels next week, observers now believe Mr Miller will back down in the row which has damaged

Warsaw's relations with Berlin and Paris, and soured Poland's initial euphoria over the E.U. entry.

"The tone has changed," Aleksander Smolar, a leading political analyst in Warsaw, said on Tuesday. "Now Poland has been abandoned by Spain it will be harder for Poland to get a decent deal."

I have the impression that the Polish Government looking for a face-saving option."

He added: "It wasn't a good negotiating position. The mood is now much more optimistic. It may be possible to get agreement by June."

Mr. Zapatero promised "close and trusty" cooperation with France and Germany during a telephone conversation with Chancellor Gerhard Schroder.

Spain's relations with Germany and France were soured by its support for the U.S. in Iraq.

The Irish Prime Minister and holder of the E.U. Presidency, Bertie Ahern, is due to tell fellow leaders at the summit whether he believes a deal can be reached in the coming months. "Last week it was balanced on a knife-edge, but what happened in Madrid has tipped it over," a E.U. diplomat said.

"The Spanish will still want to get a good deal, but it's much more likely now that the Irish will have a go and try to finish the job."

Under the 2000 Nice treaty, Spain and Poland have almost the same voting rights as the E.U.'s largest members, and have insisted on keeping this advantageous arrangement.

France and Germany want a "double majority" voting system requiring support from at least half the states representing at least 60 per cent of the E.U. population for any new policy. Last week Madrid rejected a compromise floated by the Irish and backed by Germany.

The Government of Jose Maria Aznar said it gave too much power to the E.U.'s four biggest countries and made it almost impossible for Spain to block legislation.

Mr. Zapatero signalled on Monday that the deadlock could be broken. "I think we can reach an agreement which will maintain the balance of power for an enlarged Europe," he said. Irish officials said they were now 'hopeful' of a positive outcome. The constitution, drafted by the convention chaired by the former French President, Valery Giscard d'Estaing, is designed to streamline decision-making when the E.U. has 25 member states. Although it is impossible to agree a final deal before May 1, when 10 new countries join, there is a widespread feeling that Ireland has a better chance of bringing about an agreement than the Dutch, who take over the presidency at the end of June —

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# “E.U.’s Russia policy ineffective”

By Batuk Gathani

**BRUSSELS, FEB. 24.** The European Union (E.U.) and Russia are confronting the dilemma of national identities, nearly a decade and half after the collapse of the Soviet Union and the end of the Cold War.

A leaked memo, to be circulated to the E.U.’s Council of Ministers, admits that the Union’s strategy towards Russia “is ineffective”. The more powerful and prosperous member states in the Union are engaged in a serious competition to ‘cultivate’ Russia. The leaders of the four frontline states — Germany, France, Italy and Britain — have gone out of their way to establish close “bilateral rapport” with the Russian President, Vladimir Putin’s administration in Moscow. This undermines the E.U.’s quest to evolve a joint strategy on Russia.

The six-page memo states “flawed management of relations (Euro-Russian) puts at risk progress on concrete issues of mutual interest”.

In the list of European priorities, trade, investment and economic relations with Russia are rated much higher than those with emerging economic powers such as China, Brazil and India. The Europeans remain fascinated by Russia’s huge natural and mineral resources, and above all, investment possibilities. Germany has a high trade and investment profile in Russia followed by France and Britain. Italy too is trying to catch up fast. Although the 15 member states have agreed on a “common strategy” on

Russia, this has not been given a concrete shape.

Russia has been expressing doubts about accepting the permanent extension of the E.U.’s Partnership and Co-Operation Agreement (PCA). The Russian quandary is that the eight former communist ruled states that will join the E.U. on May 1, will be able to export to the country at a lower tariff level and sustaining the PCA would cost the country euro 300 million-trade loss. Although informally Russia has expressed its willingness to extend the PCA, European officials are not so sure. A Russian official was quoted as saying that Russia would demand ‘tougher’ terms to sustain the PCA and this may trigger a crisis on both sides of the Euro-Russian trade front. The Russian establishment is annoyed by European politicians constantly harping on “human rights abuses” in Chechnya, where Islamist radicals are leading a secessionist campaign. Russian officials say their operations in the rebel province is a part of the global war on terrorism as the Chechnya rebels are known to have close links with the Al-Qaeda movement of Osama bin Laden. The Putin regime has developed a “healthy working relationship” with the Bush administration in the United States, but with the E.U., Moscow is often confronted with “areas of darkness” — as one Russian mediaperson put it. On its part, the E.U. has failed to evolve a “consensus approach” to Russia, mainly because the major member states are competing with one another to woo Russia on their own terms with high trade, investment and economic potentials at stake.

# Turning to NATO

By Elaine Sciolino

**T**HE NORTH Atlantic Treaty Organisation is back. The much-maligned Cold War military alliance lost its mission when its primordial enemy, the Soviet Union, collapsed, was ridiculed by this Bush administration, and was rendered powerless by its own divisions over the American-led war on Iraq.

Only 17 months ago, the United States Defence Secretary, Donald Rumsfeld, lectured NATO Defence Ministers in Warsaw that if NATO did not transform itself, "it will not have much to offer the world in the 21st century."

Now, the Bush administration is desperate to reduce its military presence and vulnerability in Afghanistan and Iraq. It is turning to NATO to expand its mandate in Afghanistan and play a substantive role in Iraq. "I believe in NATO," George W. Bush told Jaap de Hoop Scheffer, the new NATO secretary-general, when the two met in the Oval Office last month, according to senior NATO officials. "I believe NATO is transforming itself and adjusting to meet the true threats of the 21st century."

When Mr. de Hoop Scheffer, former Dutch Foreign Minister, pledged to work to get NATO to do more in Afghanistan, Mr. Bush replied, "I'm with you." When the conversation turned to Iraq, Mr. Bush said, "The more of a NATO role, the better."

Mr. de Hoop Scheffer, who was the Bush administration's choice to lead NATO, came home to Europe and pitched the new line. At a speech in Brussels on Tuesday, he said the alli-

ance was willing to deploy forces in Iraq. "Under the right conditions we could do it," Mr. de Hoop Scheffer told the German Marshall Fund's Trans-Atlantic Centre. If a sovereign Iraqi Government with U.N. backing were to ask for NATO's help, it would be difficult to "abrogate our responsibilities," he added.

create links with the American-led offensive military operation in the south that is struggling to rout the remnants of Taliban rule.

Washington also wants NATO to take command of the vulnerable 9,500-man multinational brigade in central Iraq, which is currently run by Poland, and possibly the larger

NATO country would approve the new request for troops if there was not an answer to the question of "who will come to the assistance" of the troops "in extreme circumstances," he said.

Asked whether the alliance could contemplate moving into Iraq when there was so much to do in Afghanistan, Mr. de Hoop Scheffer started on a long answer about how the mission was possible, and then said that as secretary-general he could not be expected "to bang my head on the table and say, 'This has to work.'"

On the positive side, France, whose opposition to the war in Iraq damaged its relationship with Washington, sees NATO as a vehicle for it to project its own military and political power and repair its American ties. In recent weeks, the U.S. has quietly welcomed two French one-star generals on to NATO's command, one at alliance headquarters in Mons, Belgium, and the other in Norfolk. France has not been part of NATO's military command structure since Charles de Gaulle, on a campaign to assert France's military autonomy, withdrew from it in 1966. Now, with about 2,000 troops in the first rotation of the 6,000-troop NATO Response Force, France is the force's largest contributor of troops.

A picture-perfect opportunity for Mr. Bush to patch up differences with President Jacques Chirac of France and Chancellor Gerhard Schroeder of Germany will come with the 60th anniversary of D-Day on June 6. — *New York Times News Service*

## *Desperate to reduce its military presence and vulnerability in Afghanistan and Iraq, the Bush administration is turning to NATO.*

Until NATO took command of the force that polices the Afghan capital, Kabul, and the area around it, the operation was in the midst of an identity crisis, uncertain of its role, its future, and what would constitute a military threat in the post-9/11 era. Its mission in stabilising Afghanistan represents NATO's first "out of area" mission beyond Europe; Iraq would be the second.

NATO's mission has become so broadly defined that Mr. de Hoop Scheffer announced during a trip to Greece on Thursday that NATO would help with security during the Olympics there in August. The alliance may provide AWACS surveillance planes and is expected to draw up contingency plans to help deal with a potential terrorist attack or natural disaster.

In Afghanistan, the United States is pushing NATO to deliver on an ambitious plan to extend its peacekeeping presence beyond Kabul and

Mr. de Hoop Scheffer has acknowledged his failure so far to persuade NATO nations to send more troops to Afghanistan, saying last week that force protection was a continuing problem. No legislator in any

→ Kiliamesh  
Feb 10 2004

# Divisions in the European Union

By Vaiju Naravane

THE LEADERS of France, Germany and Britain are to meet in Berlin on Wednesday for a summit meeting that will review the European Union's economic policy, social and labour market reforms, a first-ever constitution, the fight against terrorism, a common defence and foreign policy and a host of international questions including the West Asian crisis, Iraq and Afghanistan. The three are expected to make proposals on the basis of their exchanges to the E.U. presidency ahead of the European summit meeting to be held in May when the E.U. formally enlarges from 15 to 25.

The trilateral summit has given rise to ire in several second-rung countries such as Italy, Spain or Poland whose Governments resent attempts by the E.U.'s 'Big Three' to dominate proceedings and shape Europe in their vision and in keeping with their national interests.

On Monday, six Prime Ministers sent a joint letter to the Irish Prime Minister, Bertie Ahern, who currently holds the E.U.'s rotating presidency, calling for "sound budget policies" and economic reform. While the letter, signed by the leaders of Italy, Spain, Poland, the Netherlands, Estonia and Portugal, reads like a lecture on the need for sound economic policy and respect of E.U. regulations by the continent's major economies, it is in fact a broadside against the 'Big Three', particularly France and Germany, on the eve of a meeting that many in the Union see as being a raw display of arrogance and pow-

er. The letter's timing is certainly no coincidence. Italy and Spain in particular have expressed resentment at the trilateral summit, which they fear could be an attempt by Britain, France and Germany to build an informal directorate to drive the E.U. The letter is also being interpreted as a particularly stinging criticism of

***There is anger in several second-rung countries that the European Union's 'Big Three' — France, Germany and Britain — plan to shape Europe in their vision and in keeping with their national interests.***

France and Germany for flouting E.U. rules on budget deficits. The two are running deficits higher than the three per cent ceiling allowed by the E.U. Growth and Stability Pact. Last November, France and Germany pressured E.U. Finance Ministers to obtain a suspension of the rules thus escaping fines and other punitive action. This caused tremendous heartburn in several E.U. nations, particularly Spain and the Netherlands, who have worked hard to control their deficits. The six leaders called for the application of stability pact rules "consistently and on a non-discriminatory basis."

The leaders of the 'Big Three' have tried to play down the exclusive character of their meeting. The three top E.U. leaders have met informally before. This time, however, they are being accompanied by top Ministers and large delegations, which has sent

alarm bells ringing across Europe. This is "not about trying to create some directorate in Europe at all," the British Prime Minister, Tony Blair, said last week. "There are other areas where we work with other countries," a spokesman for his Downing Street office added. The French President, Jacques Chirac's

an opportunity to curb Franco-German enthusiasm for a totally separate E.U. military defence system and attempts to create structures that could jeopardise NATO.

For France the goal is to further cement already strong Franco-German ties. Mr. Chirac also plans to use this rapprochement with London to improve Paris' still strained ties with Washington.

For Germany this means a re-stating of its new-found strength and independence in terms of exercising foreign policy options. London's induction, making the E.U. engine a triumvirate rather than a duo also gives Germany more room to manoeuvre, allowing it to distance itself from France.

Jointly, Paris and Berlin see the inclusion of Britain as means to reassure several smaller, usually liberal states such as the Netherlands who are suspicious of the Franco-German partnership.

Decision-making has always been a tortuous and difficult process in the E.U. It will be doubly so now that the Union is being enlarged to 25 members. It is understandably tempting for the Union's largest players to wish to cut through the interminable bickering and red tape and plump for policy decisions on their own. But such behaviour is likely to sideline the Commission and make a mockery of the principles of equality that now govern the club. It will also serve to heighten the suspicion that now marks relations between the E.U.'s large nations and smaller members.

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# আঞ্চলিকতায় দোষ নাই

প্রথমে গ্যাট এবং পরে ডব্লিউ টি ও'র তত্ত্বাবধানে বহুপাক্ষিক বাণিজ্য চুক্তির প্রসারের কাজ চলিতেছে, যাহাতে একই চুক্তিতে সমস্ত দেশকে বাঁধিয়া একটি সর্বজনীন বাণিজ্য নীতি প্রচলন করা যায়। কিন্তু ইহারই পাশাপাশি চলিতেছে আঞ্চলিক বাণিজ্য চুক্তির বিস্তার, যাহাতে এক একটি অঞ্চলের দেশগুলি নিজেদের মধ্যে বাণিজ্য চালাইবার সুবিধাজনক শর্ত স্বীকার করিতে পারে। এই দুই ব্যবস্থার মধ্যে আপাতত বিরোধ আছে, সকলের জন্য একটাই বাণিজ্য নীতি থাকিলে আর আঞ্চলিক সুবিধার প্রশ্ন ওঠে না, ভারত এবং আমেরিকার মধ্যে বাণিজ্যের যাহা নিয়ম, যেমন আমদানি নিয়ন্ত্রণের যে ব্যবস্থা, ভারত এবং শ্রীলঙ্কা অথবা আমেরিকা এবং মেক্সিকোর মধ্যেও তাহাই প্রযুক্ত হওয়া উচিত। তবে তাহা আদর্শ পৃথিবীর কথা। বাস্তব আদর্শ নহে। আপাতত, কানকুনে ডব্লিউ টি ও'র মন্ত্রিস্তরীয় সম্মেলন বার্থ হইবার পরে বহুপাক্ষিক বাণিজ্য চুক্তির অগ্রগতি অনেকখানি ব্যাহত। এই অবসরে দুনিয়া জুড়িয়া আঞ্চলিক চুক্তি সম্পাদনের জোয়ার আসিয়াছে। ভাবখানি এই রূপ যে, সকলে মিলিয়া যদি উদার বাণিজ্যের আয়োজন করিতে না পারি, তবে অন্তত আপন আপন অঞ্চলে নিজেরা যতটা পারি বাণিজ্যের সুযোগসুবিধা বাড়াইয়া দই। ডব্লিউ টি ও'তে এই অবধি ২৬৫টি আঞ্চলিক বাণিজ্য চুক্তি নথিভুক্ত হইয়াছে। ২৬৫টি আঞ্চলিক বাণিজ্য চুক্তির মধ্যে প্রধান তিনখানি: (১) আমেরিকা, মেক্সিকো ও কানাডার মধ্যে সম্পাদিত 'নাফটা', (২) ইউরোপীয় গোষ্ঠী এবং (৩) পূর্ব ও দক্ষিণ-পূর্ব এশিয়ার দেশগোষ্ঠী 'আসিয়ান'। নাফটাকে দক্ষিণ আমেরিকায় সম্প্রসারিত করিয়া 'ফ্রি ট্রেড এরিয়া অব দি অ্যামেরিকাস' তৈয়ারির উদ্যোগ চলিতেছে। ইউরোপীয় গোষ্ঠীর সদস্য সংখ্যা ২৫ হইতে চলিয়াছে, ভবিষ্যতে তাহার এজিয়ার পূর্ব ইউরোপেও প্রসারিত হইতে পারে। আসিয়ান তো ইতিমধ্যেই জাপান, দক্ষিণ কোরিয়া ও চিনের প্রতি হাত বাড়াইয়াছে। জাপানও এই ধরনের আঞ্চলিক বোঝাপড়া সম্পর্কে তাহার ঐতিহাসিক অনীহা ছাড়িয়া আঞ্চলিক চুক্তিতে যোগ দিতে উৎসাহী। এই অবধি ভারতের আঞ্চলিক বাণিজ্য চুক্তি সাধনের উদ্যোগ সীমিত ছিল দক্ষিণ এশিয়ায়। তাহাতেও প্রাণের সাড়া মিলিত না। ইসলামাবাদে সার্ক শীর্ষ সম্মেলনের পরে দক্ষিণ এশীয় মুক্ত বাণিজ্য এলাকা বা 'সাফটা'র সম্ভাবনা কিছুটা উৎসাহিত হইয়াছে। শ্রীলঙ্কা ও বাংলাদেশের সঙ্গে ভারতের কিছু বাণিজ্যিক বোঝাপড়া হইয়াছে, আফগানিস্তানের সঙ্গে

অনুরূপ বোঝাপড়ার পথে কিছুটা অগ্রগতি হইয়াছে, ইরানের সঙ্গে কথা চলিতেছে। তবে সম্প্রতি ভারতের আঞ্চলিক বাণিজ্য প্রসারের প্রয়াস দক্ষিণ এশিয়ার গণ্ডি অতিক্রম করিয়া ঈষৎ অগ্রসর হইতে চাহিতেছে। ভারতের প্রজাতন্ত্র দিবস উপলক্ষে দিল্লিতে আসিয়াছিলেন ব্রাজিলের প্রেসিডেন্ট লুলা। সেই উপলক্ষে ব্রাজিল, আর্জেন্টিনা, উরুগুয়ে ও প্যারাগুয়ের সমবায়ে গঠিত 'মার্কোসুর' গোষ্ঠীর সঙ্গে বাণিজ্যিক সুবিধা বিনিময়ের চুক্তিতে ভারত স্বাক্ষর করিয়াছে, মুক্ত বাণিজ্য এলাকা তৈয়ারির কথাও বলা হইয়াছে। দক্ষিণ আফ্রিকা কাস্টমস ইউনিয়নের (দক্ষিণ আফ্রিকা, বতসোয়ানা, লেসোথো, নামিবিয়া ও সোয়াজিল্যান্ড) সঙ্গে একটি আঞ্চলিক চুক্তি সম্পন্ন হইতে পারে। তাইল্যান্ড ও সিঙ্গাপুর ব্যতীত আসিয়ানের সঙ্গেও চুক্তির সম্ভাবনা। সম্প্রতি বিমস্টেক-এর (বাংলাদেশ, ভারত, মায়ানমার, শ্রীলঙ্কা ও তাইল্যান্ড) মধ্যে মুক্ত বাণিজ্য চুক্তি স্বাক্ষরিত হইয়াছে, তাহাতে যোগ দিতে সম্মত হইয়াছে নেপাল ও ভুটান।

বাণিজ্যের মুক্তিতে দেশ ও দেশের মঙ্গল। সেই মুক্তি যদি বহুপাক্ষিক মঞ্চে, অর্থাৎ সমস্ত দেশকে সম্মিলিত করিয়া ঘটানো যায়, তাহাই শ্রেষ্ঠ উপায়। কিন্তু (ডব্লিউ টি ও'র শরিক) ১৪৮টি দেশের মধ্যে আলোচনা এবং মীমাংসা সহজসাধ্য নয়। এই কারণেই আঞ্চলিক বাণিজ্য চুক্তির বাস্তব কার্যকারিতা। ডব্লিউ টি ও'র সঙ্গে ইহাদের সরাসরি বিরোধ নাই, বরং কোনও কোনও ক্ষেত্রে, যেমন পরিষেবা বাণিজ্যে, আঞ্চলিক চুক্তির দ্বারা ডব্লিউ টি ও'র কাজের কিছুটা সুবিধা করিয়া দেওয়া হইতেছে। সুতরাং আঞ্চলিক চুক্তিতে উদ্যোগী হইয়া ভারত অন্যায় কিছু করে নাই। তবে অনেক সময় এই উদ্যোগের মাথামুণ্ডু বোঝা যাইতেছে না। যেমন, আসিয়ানের সঙ্গে যদি মুক্ত বাণিজ্য চুক্তি করিতে হয়, তবে আবার তাইল্যান্ড বা সিঙ্গাপুরের সঙ্গে স্বতঃ ভাবে চুক্তি কেন? আরও বড় কথা, মুক্ত বাণিজ্যের চুক্তি স্বাক্ষরেই চলে না, সেই চুক্তি দ্রুত ও সৎ ভাবে কার্যকর করিতে হয়। ভারত তাহা সর্বদা করে না। যেমন, নেপাল, শ্রীলঙ্কা ও বাংলাদেশের সঙ্গে বাণিজ্যের ক্ষেত্রে নানা অজুহাতে ভারত সমস্যা সৃষ্টি করিতেছে, গুণমানের নামে আমদানির পথে শুল্ক-অতিরিক্ত বাধা সৃষ্টি করিতেছে, অপব্যবহার করিতেছে অ্যান্টি-ডাম্পিং শুল্ক। বাণিজ্য মন্ত্রক তথা কেন্দ্র দেশের আমদানি-বিরোধী লবির চাপ অতিক্রম করিতে না পারিলে এই সকল অব্যঞ্জিত বাধাসৃষ্টি চলিবেই। বিশ্বায়নের দুনিয়ায় ভারতের অগ্রগতি তাহাতে ব্যাহত হইবে, এ বিষয়ে কোনও সন্দেহ নাই।

R. Rajan

# Trading friends

India adds a few, but must set higher goals

The original 'B' was missing, Bhutan stepped in to fill the breach caused by the late attack of cold feet by Bangladesh, and Nepal joined the grouping as the BIMSTEC free trade agreement was signed in Phuket over the weekend. But optimism if any stemming from this initiative, which has its roots in times before the Asian economic crisis, must be tempered by the knowledge that it has in the years since limped its way to Sunday's conclusion. The development thus, while expected, isn't exactly like to set either the Jamuna or the Chao Phrya on fire. For one, the two largest players in the collaboration — India and Thailand — have other preoccupations. Thailand sees in BIMSTEC a manifestation of its largely Buddhist way of life where the effort is to ensure that all large forces are adequately counter-balanced. Thus, having inked just such an agreement with China last year, Bangkok was anxious to involve the other large country in its neighbourhood in at least the appearance of expanded trade ties. India, on its part, while similarly anxious to weigh in with countries in the region to neutralize Beijing's trade influence, really has, or at least ought to have, its eyes set on the larger Asean and the Pacific Rim.

However, this is a time for India to consolidate trade ties, and announce its presence to the continent and to the world. If New Delhi plays its cards right, and if the upcoming election does not result in a sharp change in trade policy, it could emerge as a global player of note as soon as in the next decade. Already, there are fears in several Asian capitals that China may be a bubble waiting to burst; commentators point to similar investor enthusiasm in Indonesia a few years ago that ended with a huge crisis for that country and its neighbours. And ugly duckling India — even with its plodding bureaucracy and slumberous work culture — could well emerge as the graceful swan that bedazzles investors.



## **Bimstec group okays draft treaty on free trade**

**Phuket:** India and six other countries forming the Bimstec economic group on Saturday agreed on a draft treaty to abolish tariffs and throw open their resources for free trade amongst themselves.

Commerce minister Arun Jaitley discussed the draft of the framework agreement with his counterparts from Bangladesh, Myanmar, Sri Lanka, Thailand, Nepal and Singapore. They will sign it on Sunday at the end of their two-day meeting here.

Stressing the need to set up a more substantive and meaningful economic cooperative framework, Thai commerce minister Watana Muangsook said, "Our success in establishing the free trade area will greatly increase both our inter-regional and intra-regional trade. We are yet to tap our enormous potential and resources."

Bimstec was formed in 1997 and is still to hold its first summit. A meeting was proposed to be held on February 9 this year but had to be postponed as Prime Minister Atal Bihari Vajpayee could not attend due to the forthcoming elections in India. P71



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**WTO / SANCTIONS AGAINST U.S.**

## **EU, others' request referred to arbitration**

**GENEVA, JAN. 26.** Requests by the European Union and seven other countries to start trade sanctions against the U.S. over an illegal trade law were referred to arbitration on Monday, officials said.

The countries had asked the World Trade Organization for permission for the sanctions in retaliation for Washington's failure to repeal the so-called Byrd Amendment — a law that gives American firms hundreds of millions of dollars raised in fines levied on foreign rivals.

"This is the first time in WTO history that so many members have acted ... in a single case," said Sergio Marchi, the Ambassador of Canada, which is one of the countries that brought the action.

"It is the clearest possible signal of the breadth and depth of concern about this measure among the membership," Mr. Marchi told a meeting of the 146-country WTO.

He added that the Byrd

Amendment has a "chilling" effect on trade between the U.S. and its partners.

Although the U.S. acknowledges that it has not repealed the law, U.S. diplomat, Steven Fabry, said arbitration is needed to decide the level of sanctions that each country can apply. The arbitration normally takes 60 days.

Under the three-year-old Byrd Amendment — named for its sponsor, U.S. Sen. Robert Byrd — hundreds of millions of dollars in fines collected by the U.S. Government have been handed over to companies that lodge complaints against foreign exporters judged to be selling products in the U.S. at artificially low prices.

The U.S. steel industry has been the major beneficiary, while other recipients include makers of pasta and candles.

The complainants claim that the law punishes exporters to the U.S. twice because first they are fined and then those fines

are passed on to their competitors.

The Geneva-based WTO had ruled the measure illegal under international law and gave the U.S. until December 27 to act. Although the Administration has recommended that the amendment should be repealed, Congress has yet to act.

The complaining countries — the 15-nation European Union, Japan, Brazil, Canada, Chile, India, South Korea and Mexico — want to impose sanctions by increasing import tariffs on select U.S. goods by the same amount that was collected in fines charged on their exporters in the previous year.

Even when the arbitration is complete, the complainants could decide to delay imposing the sanctions. They may prefer to use the threat of sanctions as a "smoking gun" to force the U.S. to repeal the Byrd Amendment more quickly or to obtain concessions in other trade negotiations. — AP

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