

India-UK trade to touch \$10 billion: envoy

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PRESS TRUST OF INDIA

NEW DELHI, Dec. 11. — Trade between India and UK is expected to grow 20 per cent year-on-year this fiscal to touch \$10 billion, Britain's High Commissioner to India, Mr Michael Arthur, said today.

"In the coming years, bilateral trade between India and the UK is expected to grow by 20-25 per cent per annum," he said at a seminar on 'The Changing Pattern of Indo-British Links', organised by Institute of Marketing and Management.

Mr Arthur said UK is the second largest foreign investor in India and was third largest source of new foreign direct investment in the country this

year. "In the next three to four years FDI from UK to India will grow significantly as we are seeing greater interest in Britain about India," he said.

"Investment by Indian companies in UK has also picked up in a big way in the last two-three years. India is the eighth largest investor in UK and the second biggest investor from Asia after Japan," he said adding most of the investments in UK by Indian companies were in IT though investment in biotechnology was also picking up.

Investment relationship between India and UK is becoming a two way flow, he said. Mr Arthur said new models of economic relationship between India and UK would emerge

which would include joint ventures and partnerships where value would be added in both the countries. He said areas where companies in UK would like partnerships with Indian firms include automotive, aerospace, agriculture, infrastructure and services.

The British High Commissioner said as Indian agriculture diversifies, UK's companies, which have business involvement in Europe, can help them access European markets while the British government would work towards opening agriculture market in the continent. Mr Arthur said quality of debate on outsourcing in UK displays a better understanding of its economic necessity.

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THE STATESMAN

Blair walks extra mile for better Indo-UK ties

Vir Sanghvi
New York, September 21

WHEN TONY Blair stood up at 10 Downing Street and called India "the world's greatest democracy"—did he mean largest or was he putting us ahead of the US? — there was a palpable sense that the British Prime Minister was going out of the way to make an extra effort for Indo-UK ties.

As he himself said, India and the UK now have better relations than at any point in the last 50 years or so.

The brief meeting with Manmohan Singh over a light lunch at Downing Street was meant to be an opportunity for the two men to get to know each other—they had only met briefly as part of a group earlier. It went off better than anyone had expected and it is a measure of the new closeness between the two countries that rather than discuss Indo-UK relations, they discussed the state of the world.

Iraq did not dominate the discussion. Britain has accepted that India will disagree and agreed to let that be. Instead, they spoke about Western concerns over the rest of the region including Iran over which India is believed to have some influence. Blair also welcomed India's efforts to help in the restoration of normal life in Afghanistan.

On Indo-Pak relations, Blair welcomed the Manmohan Singh government's efforts at resuming the dia-

logue but the Indian Prime Minister warned that the peace process would be derailed if the cross-border terrorism continued.

Singh's concerns about terrorism probably accounted for Blair's unusually strong denunciation of terrorist violence in South Asia at his press conference. India had been agitated by what it regarded as the ambiguity of recent remarks made by British ministers regarding the reconstitution of the Security Council. Foreign Secretary Jack Straw, in particular, had seemed to be backtracking on Britain's commitment to help India become a permanent member of the reconstituted Security Council.

Before Singh met Blair, Natwar Singh asked Straw if Britain had changed its position. Straw insisted that it had not and said that the confusion was because some remarks he made at Chatham House had been misreported. Nevertheless, Singh raised the subject forcefully with Blair who assured him that there was no change in the UK's stand.

Afterwards, Manmohan Singh said—in private—that he had been impressed by Blair's enthusiasm and obvious sincerity. Asked by a cynical observer if he hadn't been too easily taken in by Blair's famous charm, Singh smiled. "If I think somebody is sincere, then I continue to hold that view till it is proved otherwise," he said.



Prime Minister Manmohan Singh on his arrival in New York on Monday.

THE HINDUSTAN TIMES

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PTI

India, Britain to set up joint economic & trade panel

Press Trust of India

LONDON, Sept. 20. — India and Britain today decided to set up a ministerially-led Joint Economic and Trade Committee to further develop a strategic economic relationship and business-led vehicles to enhance bilateral trade and investment in specific sectors, including services and knowledge-based industries.

They also decided to establish an Indo-British Economic and Financial Dialogue on bilateral and global issues, on financial systems, and to enhance economic and financial cooperation.

The decisions were taken during the wide-ranging talks the Indian Prime Minister, Dr Manmohan Singh had with his British counterpart Mr Tony Blair at a luncheon meeting here covering all international and bilateral issues of mutual interest.

"We will enhance our dialogue on international trade and investment issues," a Joint Declaration issued at the end of the parleys at the British Prime Minister's official residence 10

Downing Street, said.

It said: "Our economic ties will continue to expand. We will establish a ministerially-led Joint Economic and Trade Committee to further develop a strategic economic relationship, and develop business-led vehicles to enhance bilateral trade and investment in specific sectors including services and knowledge-based industries."

At this important time in the development of international trade regime, "we will work closely together for a successful conclusion to the WTO's Doha Round of multilateral trade negotiations," the two Prime Ministers said.

The Joint Declaration said: "The UK and India agree to expand cooperation in the fields of civilian nuclear activities, civilian space programmes, and high technology trade, in accordance with their international obligations."

Describing India and the UK as natural economic partners, it said "as India emerges as a global power, trade and investment relations are becoming more diverse. Bilateral

trade grew by over 20 per cent last year. We want this rapid growth to continue. But the real partnership lies in the strength of investment in both directions." The UK is the second largest investor in India.

India was the 8th largest investor in the UK in 2003. It is one of the fastest growing, investing in the UK's knowledge economy. The UK provides an important bridge into the European market, attracting more than 60 per cent of India's investment in Europe, it said.

Stating that shared democratic values and a commitment to human rights, justice and the rule of law underpin relationship between the two countries, the Joint Declaration said: "We share a global vision of peace, security and shared prosperity, based on sustainable development.

"We have shared interests in combating key global challenges — terrorism, poverty, HIV/AIDS, environmental degradation, climate change, drugs, international crime, illegal migration and trafficking in people. We will step up our bilateral cooperation on these issues."

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India, U.K. to combat terrorism

India
uk news

By Harish Khare

LONDON, SEPT. 20. The Prime Minister, Manmohan Singh, and his British counterpart, Tony Blair, today signed a Joint Declaration, defining "a comprehensive strategic partnership" and avowing to "take our relationship to a new level."

Building on the 2002 New Delhi Declaration, the Blair-Manmohan Singh statement talks of the two countries working for "a safer and more prosperous world." It notes that "the United Kingdom will continue to work for India's Permanent Membership of the United Nations Security Council."

Reflecting the convergence on the issue of terrorism, the Declaration commits the two countries "to combating terrorism in all its forms and manifestations." The two countries "will work together to try to ensure that the global norms against terrorism are upheld by all countries."

There is an agreement to cooperate "to counter money-laundering and terrorist financing" as well as "in the fight against international, organised and serious crime..."

Global challenges

The two countries expressed a "shared interest in combating key global challenges — terrorism, poverty, HIV/AIDS, environmental degradation, climate-change, drugs, international crime, illegal migration and trafficking in our people."

On economic issues, India and Britain agreed to "work closely together for a successful conclusion to the World Trade Organisation's Doha Round" of multilateral trade negotiations. There is also a desire to expand cooperation in "the fields of civilian nuclear activities, civilian space programme, and high technology trade, in accordance



A WARM WELCOME: British Prime Minister Tony Blair greeting Prime Minister Manmohan Singh at his residence in London on Monday. — AP

with their international obligations." On bilateral economic relations, the Declaration recognises the growing bilateral trade, which grew by 20 per cent

last year.

The two Prime Ministers committed themselves to holding annual summit meetings, in London and New Delhi, and

agreed to "continue the high-level dialogue established through our Personal Envoys."

'New mindset in India': Page 11

"A strong, mature relationship"

AT A time when the Blair Government faces a deepening crisis of credibility relating to its role in the war of invasion and occupation of Iraq, the Secretary of State for Foreign and Commonwealth Affairs, **Jack Straw**, has been in India focussing on strengthening the "partnership" between his country and India. In this interview given to *The Hindu* in Bangalore on February 7, Mr. Straw responds briefly to **N. Ram's** questions about the justifiability of going to war in Iraq and the WMD issue before addressing various aspects of a bilateral relationship that is "mature ... and better balanced than ever before." He also provides his impressions of, and insights into, contemporary India.

N. Ram: Foreign Secretary, your whole case for going to war in Iraq seems to have collapsed. The widespread perception here, in India, is that it is a war of invasion and occupation, without any legitimacy. And the whole case was built on WMD [Weapons of Mass Destruction]. They're not going to be found, are they?

Jack Straw: Well, let me say this. The case was built on [United Nations Security Council] Resolution 1441 [of 2002]: the clear breach by Iraq going back to twelve years of obligations under Security Council resolutions. And the view that we took about Iraq's possession of weapons of mass destruction, both in terms of *materiel* and capability, was the same view as was taken by the whole of the rest of the world. So it wasn't only the United Kingdom and the United States who believed that Iraq had weapons of mass destruction. It was also France and China and Russia and the other members of the Security Council. Every single one of them said unanimously, in Resolution 1441, that Iraq posed a threat to international peace and security because of its proliferation of weapons of mass destruction, its long-range missile systems, and its defiance of the U.N. And in all the debates we had this time last year, nobody was saying Iraq did not pose a threat. The only issue was: how do you deal with the threat?

Now, it's my view that history will prove us right. I still believe now that we were right to take the action we've taken. And if you look at what Dr. David Kay, the former head of the Iraq Survey Group, said last week: he made remarks about his own belief that no direct *materiel* would be found, but he also said that they had already found quite sufficient, in terms of capability, laboratories and deceit and defiance, to have justified already the military action that we took. Could I just add this point? I think historians will also say — when they look at this last year — that we have made the world a safer place indirectly. Because I think it is unlikely that the cooperation we're now receiving from Iran on its covert nuclear weapons development and from Libya, and the exposure of a nuclear network under Dr. A. Q. Khan, none of these would have happened. The latter is something that has concerned India very greatly. So I think people will see this in a benign way.

There seem to be marked differences on this issue between political India, including the Government, on the one hand and your Government. Did this figure in your high-level deliberations during this visit?

No, it didn't, as a matter of fact. I was asked about it when I gave the [Madhavrao] Scindia Memorial Lecture yesterday evening. But not in my discussions. I said in a lecture and I think in a different context, so did [External Affairs Minister] Yashwant Sinha when he gave the Woodrow Wilson Lecture in Washington, that close alliances between the U.K. and the U.S., and [the partnership] between the U.K. and India don't mean that you have to agree on everything. It means, however, that when there is a disagreement, you handle it in a way that doesn't produce conflict.

If I may now turn to the main agenda of your visit, bilateral relations. Let me start with the political aspect. Could you set forth your vi-

sion of the political side of this India-U.K. partnership, especially what has happened since the New Declaration was signed (on January 6, 2002 by Prime Minister Tony Blair and Atal Bihari Vajpayee)?

As a pretty frequent visitor to India over the last twenty-five years and someone who has taken a close interest in its development and the nature of the relationship with the United Kingdom, I think that the relationship, first of all, is now a mature one. That it is mutual and it is better balanced than it's ever been before. In a sense, Bangalore tells you the whole of that story, because you not only have trade, you have investment. I've just been to Infosys; there you have a world-leading ICT company, which is providing the highest tech services to leading U.K. companies. Equally there are plenty of companies from the U.K. providing several services or trading goods back here ...

Your assurance that you won't move for any restriction on outsourcing to India must be music to their ears.

Our own history tells us that protection leads only ever to short-term gains, but always long-term pain. And in the 1920s and 1930s, European countries and the United States went increasingly for protection. It was a vicious circle. My own constituency [Blackburn] was a textile town; indeed at the time of the Raj it exported a very high proportion of its production to India and to China, not least because of the outrageous restrictions imposed on textile production here in India. Time and again the cry went up in favour of protection. But although it's no longer a textile town, my constituency has benefited from free trade. And what we know in the U.K. is that, of course, at any one time there are going to be some companies that lose work. We have responsibility to those companies and to their work people and former work people. But we also know that if you get a virtuous circle going, you increase trade in services as well as goods and investment flows, everybody benefits. And that's the message which Prime Minister Blair, Patricia Hewitt, Secretary of State for Trade and Industry, and I have been broadcasting.

I interrupted you on the political vision.

The political vision — it's a very strong, deep, mutual and balanced relationship and one which we want to see growing stronger every day and one which recognises the increasingly important strategic role of India. I published in January a Strategy for the Foreign Office and indeed international priorities for the Government as a whole. That expressly identifies India as one of our key strategic partners for the future and, on the best evidence of growth trends, as a country which is going to become the sixth, fifth, fourth largest world economy, overtake the U.K., and then be at least the third largest economy within probably my lifetime and yours.

You've expressed a certain level of satisfaction over what's going on between India and Pakistan, particularly on the issue of Kashmir. Could you lay out for us, for our readers, your current, updated stand or position on the Kashmir dispute?

My position on Kashmir is the same as my position has always

been, as it was two years ago when I was involved in some very intensive diplomacy between India and Pakistan. And that is this is a bilateral dispute which has to be resolved bilaterally — it obviously has its international dimensions, which is why we and the U.S. were so active in terms of our diplomacy when there was genuine risk that it could turn into a nuclear confrontation. But it is an issue which has to be discussed bilaterally because it is about what has happened here, in the sub-continent, and the last thing we have to do is offer any "solutions" to two proud independent nations. It's for these two to work through. But what I would say is that the statesmanship shown by Prime Minister Vajpayee and by President Musharraf is unquestionably the best way forward. Taking it, building up confidence, a step at a time, building up the trade and human links between India and Pakistan as well as, hopefully and quite shortly, more human contacts across the Line of Control with the bus service between Srinagar and Muzaffarabad. That's the way, I think, to make progress. But I have lived with the Kashmir dispute in my constituency because I've got 15,000 people from Pakistan, 15,000 from India. I'm familiar with it. The people from Muzaffarabad aren't 8000 km away, they are down the road. And what I know, from my own Indian and Pakistani constituents, is that they have a huge sense of relief, that the anxiety of families on both sides of the Line of Control and the hatreds are gradually being dissolved. And that's wonderful.

Another question in the political realm. We've seen this huge controversy in Pakistan over the revelations about this A.Q. Khan nuclear network. But there is virtually no discussion of India's nuclear weaponisation. All fingers are pointed to Pakistan; of course, it's about export ... but the concern is gone at your end?

First of all, India is not a member of the NPT [Nuclear Non-Proliferation Treaty].

Nor is Pakistan.

Nor is Pakistan. But there are international obligations against proliferation whether you are a member of the NPT or not. India is not a member of the NPT. It has been very careful indeed about the security of its nuclear weapons capability and there is not a scintilla of evidence that India has ever been involved in any proliferation whatsoever. So we greatly respect the way in which India has operated in this regard and it primarily does put it in a different category from that relating to Dr. A. Q. Khan. The other fact is that India is a democracy and democracy, we know, is quite a constraint on governments and properly so. We would like, over time, obviously to see India in the NPT and we welcome the recent set of proposals between the U.S. and India over civil nuclear cooperation. We're looking at whether we can pursue that ourselves.

I've read your highly positive observations on respect for diversity and pluralism in India. But surely some comment is called for on the politics of hate, the violations of this respect that have taken place. Some horrible things have happened in India, which show that there are people and sections who do not respect diversity and pluralism.

Indeed, I was in India, throughout the period in November and December 1992, during the great tension over the Ayodhya mosque, and then the trouble that happened and the communal violence that took place. And I was also in India when the train was burnt ...

In Godhra.

... in Godhra and then you had the very serious communal violence. As you may know, two British citizens were killed in that violence and they are relations of constituents of mine. What happened in Gujarat was outrageous, that communal violence. It caused great concern to my constituents and to the British Government. You get these problems, not necessarily to that degree, in many countries. It is incumbent on governments to take appropriate action to deal with them.

Turning to investment, are you satisfied with the trends after the recessionary phase?

You get cycles everywhere, but the India cycle is like that [signals upwards], it's doing well. And we've had one of the longest periods of sustained growth in the U.K., ever. I keep wondering when it is going to finish but so far, touch wood, it hasn't. And we have always sought to be open and very international in our approach to business and trade and investment. And there are a lot of investment opportunities here. And don't forget that two things that greatly facilitate investment and trade flows both ways are aspects of shared culture and language. And the fact that there is this very large Indian diaspora in England ...

1.3 million strong.

... yes, and growing, vibrant and diverse itself — Hindu, Sikh, Muslim and some Buddhist.

And trade, two-way trade, is in good health?

I think so. [Turns to British High Commissioner Michael Arthur who says: "Creeping up very nicely."]

Development assistance: you are thinking of 200 million pounds a year?

Yes, it's the largest development assistance programme of the United Kingdom anywhere in the world. And it's at an interesting stage because India is now seeing itself as a donor. That's been a very important programme. [High Commissioner Arthur adds that "on target is 300" million pounds.]

Britain and India have an interesting partnership in the area of education and knowledge. Is that going to become very big? Scholarships, online opportunities to study and gain knowledge ...

The British Council, as you see along there, has got not only a physical library, but also a virtual library. They've just put online very big reference data bases so that people in this area of south India as across India can access this huge virtual library and, as I was told by one of the local staff, avoid the traffic jams in Bangalore, which are certainly worse than when I was last here, in 1992. So that's important. The number of students from India going to British universities has increased now to 14,000 a year, by a factor of three or four.

And I may add, from my field, that they are going to the U.K. for journalism education as well, which was unknown in the U.K. a few decades ago.

Yes. When I went to University, which was about forty years ago, about eight per cent of the age group went to University. Today it's 44 per cent and rising. It's huge. What's interesting is — I'm sure this debate is round the world — when it went up from six to eight per cent, there were people who said that more meant worse, on the basis there was some kind of physical quantum of intellectual knowledge! Kingsley Amis said, with the Robbins report, more gets worse!

A Labour versus Tory argument?

Well interestingly enough, it wasn't, because it was modernists versus traditionalists. The report came out of this big committee of enquiry chaired by Lionel Robbins — he'd been an associate of Keynes and then ran the LSE — this committee was established by the Conservatives in 1960 and reported in 1962. It was implemented by Labour in 1964. That was the background.

India has decided to institute dual nationality with certain restrictions, without the vote basically. Will this make a real difference to your constituents and to the 1.3 million strong Indian diaspora in the U.K.?

What it has meant up to now is that Indian citizens who wanted to maintain their rights in India could not apply for British citizenship. If you are a Commonwealth resident in the U.K., you've got a right to vote even without being a citizen. But this is a much more balanced arrangement. Again, I think it shows a maturing of the relationship between the U.K. and India. This is a very self-confident, very vibrant country. I was first in Bangalore twenty-five years ago. It is the same but it is also quite different.

'Resume WTO negotiations immediately'

By Our Special Correspondent

BANGALORE, FEB. 7. The British Foreign Secretary, Jack Straw, today said that it was necessary to resume negotiations of the World Trade Organisation (WTO) immediately and that both India and Britain had a common interest in ensuring that the round reached a "liberalising conclusion".

Addressing members of the industry on "Britain and India: a changing and prospering partnership" here, Mr. Straw said that at the Doha Round of WTO, India's active engagement was a conditional success.

Welcoming the statements made by the Union Commerce Minister, Arun Jaitley, reaffirming India's commitment to the trade round, Mr. Straw said it was a sign of a growing and changing partnership.

Both countries were seeking global dispute settlement arrangements. Britain would not

practise protectionism and would continue to open up its economy. The policy emanated from the thinking that Britain as a whole would benefit.

Global free trade would have a positive impact on the economies of the world, and it was wrong to presume that powerful multinational companies and rich countries would amass wealth. "Breaking down barriers will help the poorest most of all." The European Commission had estimated that free trade would increase world income by \$400 billion, or 1.4 per cent of the world's GDP, he added.

Mr. Straw said protectionism was more harmful than beneficial, and pointed out that subsidies in the Organisation for Economic Cooperation and Development of India (OECD) member-nations amounted to more than half of the national incomes of the whole of sub-Saharan Africa.

Talking about agriculture, he

said it was a bone of contention between Europe and countries such as India, with the latter seeking more access to European markets. Protectionism in agriculture had increased the cost of food. It was estimated in the European Union that the cost of food for a family of four was \$1,500 per annum.

Job outsourcing

On the issue of job outsourcing, he said the markets had developed outsourcing, and globalisation was creating jobs in India, the U.K., and elsewhere. There were 5,500 call centres with a workforce of 4,000 in the U.K. A few call centres were moving to other countries including India while some were moving back to the U.K., he added

Mr. Straw said there was an amazing change in the business climate in India and a "palpable feel good" factor.

The number of Indian companies listed on the London

Stock Exchange was more than those on the NASDAQ and the New York Stock Exchange put together.

Two-thirds of overseas software professionals in the U.K. were from India, and the Indian community, which was 1.3 million strong, was the largest single ethnic minority and a prospering one.

Praising Bangalore for the strides it had made, Mr. Straw recalled his visit 25 years ago on a honeymoon and his stay at Hotel West End.

He said there had been an "astounding" growth in the city, particularly in the knowledge-based sector. Britain was linked through Indian IT companies such as Wipro, Mindtree, and Infosys.

There were 70 British companies in Karnataka. Britain was the third largest investor in India, and in the past five years, Indian investment in the U.K. had increased.

'Terror is common agenda of Britain and India'

British Foreign Secretary Jack Straw feels there can't be two definitions of terrorism and terrorists can't be excused

Pramit Pal Chaudhuri
New Delhi

British foreign secretary Jack Straw says the war on terror was necessary, never mind the lack of trophies. In an interview to the Hindustan Times, he says India has a significant role to play in this war. Excerpts:

How are India and Britain working together on fighting terrorism?

My conversations with Deputy Prime Minister L.K. Advani were principally on terrorism. When I came to India three-and-a-half years back, we had discussed this. This cooperation is now pretty much operational. India and the UK share a common agenda on terrorism. We share the same threat. One has only to think of our British consul general, members of his staff and British businessmen and visitors who were killed by an al-Qaida associate in Istanbul and other terrible terrorist outrages by similar organisations. This sort of thing lead us to operationally share activity. We have a shared interest and a shared view in terms of an international convention on terrorism. We share a definition of terrorism.

Have India and the UK agreed on the definition of terrorism?

I don't think there is much difference between India and Britain on the issue of defining terrorism.

But the fundamental issue is, under what circumstances can people be engaged in what you and I would call terrorism, be excused on the ground that they are fighting for their freedom.

The answer from the Indian government and the British government is that these situations are very limited, if not zero.

Our view is that terrorism is terrorism is terrorism and that's your view as well. That's the view of any victim of terrorism.

Do you feel the war on terrorism is making progress?

The number one point is that the war on terrorism is necessary. Progress has been mixed but is moving forward, because we have to.



"As far as India-Pakistan relations are concerned, it is a great tribute to Prime Minister Atal Bihari Vajpayee and President Pervez Musharraf that there has not only been a big decline in tensions, but also a positive progress on the whole bilateral relationship, including Kashmir. When I look back, two years ago, few on either side had dreamt of the progress that has been made recently..."

As we saw in the recent explosion in the Moscow metro, people can be under threat anywhere, including Indian businessmen and British tourists in Moscow. Progress is being made.

A really serious effort to disrupt Al Qaida is being made. Military action is still go-

ing on in the border areas of Pakistan and Afghanistan. I saw a bit of this when I visited with coalition forces in Kandahar when I was in that region in July. We cannot rest in this campaign. After all, we cannot politically negotiate with al-Qaida because they have no coherent political demands. But what makes al-Qaida threat more difficult is that there are no political demands. They only go in for terror and killing all in the name (of Islam), and this is a complete pervasion of Islam.

If democratisation is the means to fight al-Qaida, what role do you envisage for India in this process?

India has a very big role in all this. India is the world's largest democracy by a big measure. The next largest fully functional democracy is the United States and it's one third your size. India is a world leader in democracy, not only in total numbers but also and in the complexity of your society.

If you look back at what you achieved in the past 60 years, there is no particular reason why India shouldn't have become a prosperous functional democracy. The potential for internal conflict, with so many different religions, castes, would seem large. Yet democracy has been achieved.

What is your assessment of Indo-Pakistani relations?

As far as Indian and Pakistani relations are concerned. When I look back, two years ago when I was last here, few on either side dreamt of the progress that has been made.

It is a great tribute to Prime Minister Atal Bihari Vajpayee and President Pervez Musharraf that there has not only been a big decline in tensions but there has also been positive progress on the whole bilateral relationship — including one part, but only one part, the issue of Kashmir.

Are you concerned about the outcry against outsourcing?

The debate in the UK is different from the debate in the US.

There is a basic recognition of the importance of free trade from which we benefit and you benefit and both sides lose in protectionism.



Jack Straw with wife Alice Perkins at the British Trade Office in Bangalore on Saturday.

REUTERS

Khan's issue concerns entire world: Sinha

By Amit Baruah

NEW DELHI, FEB. 6. Breaking its silence on Abdul Qadeer Khan's "confession" about the sale of nuclear secrets, India said today this was an issue that concerned the entire international community and would not end with the Pakistani scientist being "pardoned."

In response to a specific question at a joint press conference, the External Affairs Minister, Yashwant Sinha, said after meeting his British counterpart, Jack Straw: "Obviously, it appears to me, that things [the Khan affair] will not stop here because it is not merely an internal matter of Pakistan. It is a matter which concerns the entire international community."

"Pakistan itself is not a signatory to the Nuclear Non-proliferation Treaty but as Jack Straw said Libya and Iran are. There are issues which will have to be debated by the IAEA [International Atomic Energy Agency] and elsewhere and resolved so that we have more responsible behaviour from countries which have nuclear capability," he said.

"I don't really have much to say. Dr. Khan has been pardoned... we don't know what the charges were against him because our system is different. "In our system, somebody is

issue concerns entire world: Sinha

ended as a result of the military takeover. It is not for me and Jack [Straw] to decide here what will happen in the next meeting of the CMAG..."

Mr. Sinha and Mr. Straw agreed that Indo-British relations are in fine fettle. Mr. Sinha said that high technology cooperation had been identified as the "driving force" for the bilateral relationship. "We'll work on some of these issues further."

Mr. Straw felt that India and the U.K., apart from cooperating in foreign policy matters, had established an increased balance and symmetry in their trade and investment relationship.

On the release of Peter Bleach, a convicted British national on the charge of gun-running in India, Mr. Straw said he had already expressed his gratitude to Mr. Sinha for the decision to free him.

"I will express the same sentiment to the Deputy Prime Minister L.K. Advani when I see him," Mr. Straw said, conceding that it was a difficult decision to free Mr. Bleach.

After talks with his counterpart this afternoon, the British Minister also met Mr. Advani, the Commerce Minister, Arun Jaitley, and the Leader of the Opposition, Sonia Gandhi. Mr. Straw will be in Bangalore on Saturday.



The British Foreign Secretary, Jack Straw, with the Deputy Prime Minister, L.K. Advani, at the North Block in New Delhi on Friday. — Photo: Shanker Chakravarty

Kingdom wanted nations to observe their obligations under the NPT.

Asked about the "different yardsticks" used by the U.K. on the proliferation issue for Iraq and Pakistan, Mr. Straw said the situations were different. The U.K. and the U.S. believed that Iraq was in breach of key U.N. Security Council resolutions.

On Pakistan's re-entry into the Councils of the Commonwealth, Mr. Straw said he had a brief discussion with Mr. Sinha. "Our understanding is the

same..." he stressed, pointing out that this was not a matter to be decided upon bilaterally by India and the U.K. Such a decision could only be taken by the Commonwealth Ministerial Action Group or the Commonwealth as a whole.

On the same issue, Mr. Sinha clarified that Pakistan's suspension from the Commonwealth was not a bilateral matter between India and Pakistan. "It's not an India-Pakistan issue...we were not even in the CMAG in 1999 when Pakistan was sus-

India, Britain to set up anti-terror framework

Press Trust of India

NEW DELHI, Jan. 30. — India and Britain today decided to set up an institutional framework for counter-terrorism and intelligence sharing and signed an agreement on the return of Indian nationals who remain in that country without permission.

"We've decided to set up an institutional framework for counter-terrorism and intelligence sharing, which will be formalised soon," Deputy Prime Minister Mr LK Advani told reporters after signing with his British counterpart Mr David Blunkett the agreement on returning Indian immigration offenders from that country.

Observing that this was the "first agreement of its kind" to be signed by India with any country, Mr Blunkett said it was "an indication of tremendous strides taken together in counter-terrorism operations".

To questions on funds being raised in the UK to finance terror groups, the British Home Minister said immediate action would be taken against such activities if any information was passed on to it.

The new agreement provides for the quick return of Indian nationals who remain in the UK without permission. The increased cooperation of the Indian authorities would help reduce delays in returning those who've destroyed their travel documentation, British high commission officials said.

Mr Blunkett said: "The agreement we've signed with India today demonstrates our commitment to improved cooperation between our two countries on illegal immigration. We'll continue to welcome Indians travelling legitimately to the UK as visitors, students or on business but we will take swift action to remove those who break immigration rules."



Mr LK Advani and British home minister Mr David Blunkett in Delhi on Friday. — AFP

The British minister said the two sides had also agreed to "a joint meeting to explore the opportunities for further increasing cooperation on policing issues". He said India and Britain were "sending signals" by signing such a major accord. "It's an indication of tremendous strides taken together in counter-terrorism operations."

Mr Advani said the two countries, whose common bond was their commitment to democracy, shared a lot in common. "Our cooperation has been very close on all issues including terrorism. Our commitment to democracy makes us fight terrorism jointly."

Mr Blunkett said Britain now had a new legislation on counter-terrorism and stopping funding of terrorism. "It's a challenge for the two

UK backs Indo-Pak peace efforts

NEW DELHI, Jan. 30. — Britain today expressed "wholehearted support" to the Indo-Pak peace efforts. "We're keen to provide moral support" to the peace dialogue, British home minister Mr David Blunkett told reporters after a 30-minute meeting with Mr LK Advani here. Referring to Mr Advani's recent talks with the Hurriyat, he said: "Britain is extremely supportive of the initiatives taken in this regard as also the specific initiative taken by the Deputy Prime Minister on Kashmir." — PTI

countries. The formalisation of the Joint Working Group (on counter-terrorism and drug trafficking) will speed up sharing of information between India and Britain."

Arms-runner Bleach may be freed

By Akshaya Mukul
TIMES NEWS NETWORK

Reuters

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New Delhi: Peter Bleach, a British citizen, jailed since 1995 in the Purulia arms drop case, is to be freed soon.

The decision to release Bleach came after a meeting of deputy Prime Minister L.K. Advani with British home secretary David Blunkett. During his visit to Britain last July, Mr Advani had assured British Prime Minister Tony Blair that he would ask law minister Arun Jaitley to take a second look at the case. "The law ministry has told us that release could be possible. The decision could be taken soon."

Mr Blunkett responded in equal measure: "I am very pleased. This would improve my reputation back home as I am known for sending and keeping people in prison... I am very pleased that Mr Advani is prepared to let one out."

But, till last year the same home ministry had opposed the release of Bleach tooth-and-nail. The Delhi high court, which was seized of Bleach's petition seeking a directive to the home ministry to decide on the mercy peti-



Deputy Prime Minister L.K. Advani with British minister David Blunkett after their meeting in New Delhi on Friday

tion he had sent to President A.P.J. Abdul Kalam, was told that not only has his plea been rejected by the President but reasons for the same could not be shared with his lawyer.

"The file containing the reasons for rejecting the petition will be shown to the court if so directed by the honourable court," the home

ministry said in a letter to the HC. A senior official in the home ministry admits a lot has changed after Mr Advani's visit to the UK last year. According to him, the surest way to get Bleach out would be to make him file a mercy petition before the President again.

"The President would act

on the advice of the law and home ministries to release Bleach," he says.

Bleach is serving a life sentence for his involvement in the air-dropping of a cache of arms—assault rifles, anti-tank missiles, rocket launchers and ammunition—in Purulia district on December 17, 1995.

Indo-UK air service talks start

NEW DELHI, Jan. 27. — The long-pending bilateral talks between Indian and Britain over the issue of air services began today.

The two-day talks could result in more British airlines flights to south Indian cities like Bangalore, Chennai and Hyderabad, said officials in the civil aviation ministry.

The last round of bilateral talks between the two countries was held in June 2002.

Senior officials in the civil aviation ministry said while the designated airlines from Britain are looking at a higher frequency of flights and new destinations especially in south India, the Indian side is seeking peak hour slots at the Heathrow airport at London.

The Indian delegation is headed by the civil aviation secretary, Mr K Roy Paul, said officials.

At present British Airways operates 19 weekly flights to India, including a daily flight to both Delhi and Mumbai. Another British airlines, Virgin Atlantic, has three weekly flights.

Officials said the pressure put by Indian expatriates in Britain who are keen to have more direct flights to India is likely to be a key factor in these talks as the expatriate community has often expressed reservations about having to travel to India either through the Gulf region or some other third point.

However, even if the Indian side allows an increase in number of flights to the existing Indian cities or to new cities, British Airways might not be the sole beneficiary as there are three designated airlines in Britain — BA, Virgin Atlantic Airways and British Midlands which are likely to compete for new routes and an increased number of flights. — SNS