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High expectations and doubts

Although the policy for setting up Special Economic Zones (SEZs) was mooted way back in April 2000, it is only recently, at the implementation stage, that it is coming under close scrutiny. The SEZ Act was passed in 2005 and the rules were notified in February this year. Since then there has been support as well as criticism of the scheme. SEZs are specially demarcated areas, whose developers and units locating there enjoy substantial tax concessions and other incentives, aside from a proactively helpful regulatory environment. Units coming up – early applications are from information technology and other services sectors with a few in manufacturing – will have access to world class infrastructure that is to be developed simultaneously. There is no change contemplated in the labour laws, however. China and a few other Asian countries have made their versions of SEZs a big success. As critics have pointed out, conceptually and in mode of implementation, there are many differences between India's proposals and the schemes elsewhere. For instance, the geographical size of an average SEZ in China, unlike in India, is very large and China's success story is attributed substantially to this factor.

More than 110 proposals have been cleared. There are high expectations as to the quantum of investments that would flow into the SEZs and the number of new jobs to be created over the next five years or so. Sceptics, however, point out that the experience with export processing zones created to boost exports and generate jobs in a similar fashion does not support such optimism. It is entirely possible that some of these concessions are challenged by an importing country under the WTO rules. Much of the criticism has been about the means. The SEZ strategy is bound to create fiscal distortions and ultimately affect revenue buoyancy. In the past too, similar incentives meant to influence investment decisions such as concessions for setting up units in backward areas led to sub-optimal resource allocations. There is also the real possibility of existing units in the domestic tariff area moving to the SEZs, proving the point that large scale diversion of investments rather than fresh investments will take place. The Government however has promised to plug this loophole. It is possible for a unit to move from one SEZ to another within a block of 15 years and enjoy preferential tax treatment in perpetuity. More broadly, the criticism that the new export promotion strategy is intended to create tax shelters for some influential sections cannot be wished away. The emphasis on infrastructure upgradation is laudable but the selectivity embodied in it will probably lead to a postponement of the much-needed effort for the country as a whole. Also, the relatively developed States will get the bulk of the new SEZs.

3/15/06

Missing the April deadline

Members of the WTO who missed the April 30 deadline for arriving at the modalities for agriculture and non-agricultural market access (NAMA) have been exhorted by Secretary-General Pascal Lamy to have a "shared sense of urgency" and strive for an agreement. No new date has been set, but obviously an early breakthrough, however improbable it might seem, would be crucial. It is clear that, even going by the chequered history of the Doha round, the latest failure is more than just the missing of yet another deadline. So much hope was pinned on the December 2005 Hong Kong Ministerial meet to take the Doha Development round substantially forward: the expectation was that two-thirds of the agenda would be successfully negotiated, leaving the balance to be wrapped up in 2006. However, the only significant achievement of the Hong Kong meet was to keep alive the Doha round, and the spirit of multilateral negotiations it embodied. All the 149 countries unanimously approved the draft text treaty. Yet the fact that there was no other result of note brought into sharp focus the major points of disagreement among the trading nations.

The issues of developed countries reducing agricultural subsidies and the lowering of the tariffs for industrial products have remained unresolved. In Hong Kong, India and other developing countries negotiating as a bloc wrested one important concession from the EU and the U.S. — the phasing out of all subsidies by 2013. To be really effective, the loopholes that allow hidden subsidies in export credit and food aid will have to be plugged. Moreover, the related contentious issue of domestic support has eluded an agreement. As the subsequent bickering between the U.S. and the EU shows, the differences within the developed world — always a disruptive factor — have actually widened after Hong Kong. As for NAMA, "the principle of less than full reciprocity" was accepted and developing countries are not bound to cut tariffs to the same extent as developed countries. Here again, the gains from the acceptance of such important principles can be consolidated only if the complex modalities are worked out and agreed upon. Four months after Hong Kong, there has been little progress in resolving the two contentious issues and in breaking new ground in services. India and a few other developing countries have pointed out that development issues that were supposed to occupy centre stage have been relegated to the background. Yet no one disputes the fact that no trade agenda, let alone the one so momentous as the Doha round, can ever move forward without broad political support. The future of the round and the very efficacy of multilateral trade negotiations depend on how quickly trade negotiators, who will be meeting in Geneva, succeed in breaking the impasse.

06 MAY 2006

The Asian way of development

THE 39th Annual Meeting of the Asian Development Bank (ADB) has just concluded. The impressive convention centre in Hyderabad, perhaps the only one of its kind in India, enabled us to host this prestigious event after a long time.

The Asian Development Outlook 2006 published on the eve of the conference presents a comprehensive economic report on the 43 developing

countries. The report highlights the need for expansion and improved coordination of macro-economic variables could mitigate these concerns. Fourth, Asia's pace of growth could induce environmental disasters and the strive for cleaner, more efficient energy technologies needs acceleration. Finally, growing income inequalities and inability to provide gainful employment to its large population would create social unrest.

The economic outlook says that at least 500 million people in the region are either unemployed or underemployed, out of a total labour force of 1.6 billion. The employment pressures would further increase between 2005 to 2015, with another 240 million people being added to the labour force and the need to find over 750 million new jobs in the next decade. None of the above risks is either new or surprising. They however deserve concerted and co-ordinated efforts; the ADB must foster meaningful dialogue.

In respect of India, the outlook is a bit cautious even while projecting a growth rate of 7.6 per cent this year, followed by 7.4 in 2007 and an average annual growth of 8-8.5 per cent between 2006-2010. Of course, this assumes the continuation of fiscal consolidation, significant improvement in infrastructure, improved rural productivity and human development, in addition to improving the investment environment by lowering the cost of doing business.

I was somewhat amazed to find that notwithstanding our huge claims about economic liberalisation, procedural simplification and de-bureaucratization, India ranks so poorly in the index presented in the outlook on 'Doing Business'. The index ranks economies from 1-155 based on parameters like obtaining licences, hiring and firing of

from the
RINGSIDE
N K Singh

member countries of the Bank. ADB President Haruhiko Kuroda expects continued growth buoyancy this year and the next year. However, "higher energy prices with full pass-through to end-users will ease growth rates to 7.2 per cent this year, and which may come down further to about 7 per cent in 2007 as cyclical support for growth rates".

Within this broad projection, there will be significant sub-regional and country diversities. Broadly speaking, the projected growth rates are contingent on resolving several risk factors. First and foremost, the challenge to health and social sector which may arise from an avian flu, which could mutate into a global pandemic. Second, a disorderly adjustment in structural imbalances, precipitating a sharp fall in the real value of the US dollar. Third, a possible sharp increase in long-term US interest rates, making exports to the US expensive even while domestic demand sags under the impact of higher interest rates. Trade would suffer in a disorderly adjustment. Contra-cyclical fiscal ex-

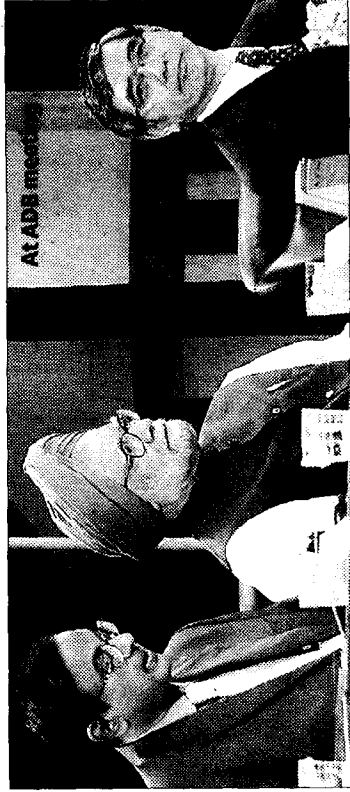
ing a minimum political consensus within coalition partners.

Time is running out even while crude prices are on a relentless upward curve with unabated geopolitical uncertainties. There will never be a political consensus which is fully satisfactory and the transition recommended by the Expert Committee which mitigates any sudden shock to consumers should be implemented without delay.

Finally, beyond the Outlook 2006, the ADB must address the more basic question—if over the years it has addressed the obligations contained in Article 2(iii) of the Charter—namely of assisting better coordination of development policies and making economies in the region more complementary while promoting orderly expansion of their foreign trade.

The analysis rightly exhorts the need to seek multilateral arrangements recognising the limitations of a disorderly spaghetti bowl of preferential bilateral sub-regional arrangements. Given the maturity and strength of Asian economies this is the right time to strive for an Asian Union, embedded in which is the concept of an Asian Currency Unit. Europe took many decades to establish the European Union, a movement which has recently been stalled given problems of unemployment and immigration. Multiplicity of groupings in Asia (ASEAN plus others) is neither rational nor inclusive enough. They fall far short of the dream of an Asian Union or what the Prime Minister describes as a Pan Asian FTA. The ADB has failed to actively address this broader vision. It must now be a catalyst for both technical work and fostering policy dialogues on a more integrated Asia. Advantage India is comforting but an inclusive Advantage Asia remains a quest. The Asian Way of Development makes this an inescapable challenge.

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the economy is likely to weather the transition to a new fuel price regime, economic uncertainties resulting in inflationary pressures remain a worry. Second, if the capital and closely linked real-estate market over-heating on the strengths of strong portfolio investment inflows unwind in a disorderly fashion, it could shake investors and consumer confidence. Third, poor monsoon adversely affecting the rural income base. And finally, an assumption that the recommendation of the Rangarajan Committee report on fuel prices would be substantially implemented without jeopardising fiscal targets.

Out of the aforesaid risks, monetary authorities are vigilant on incipient inflationary pressures and also on a possible disorderly real-estate over-heating. Monsoons are exogenous but India's vulnerability and dependence on the monsoon have substantially moderated, with much higher contribution to the GDP coming from the services sector. However farm incomes have a multiplier effect and a sharp decline could depress the current consumer buoyancy. The pass-through on fuel prices remains problematic and Chandrabaram while recognising this in his address to the ADB conference is seek-

Notwithstanding our claims about economic liberalisation, procedural simplification and de-bureaucratization, India ranks poorly in the index presented in the Asian Development Outlook 2006 on 'Doing Business'. China is at 7, Pakistan at 60, and Bangladesh at 65. India is ranked 116

labours, getting credit, enforcing contracts among others. Not surprisingly, Singapore ranks at 2, China at 7, Thailand at 20, Pakistan at 60, Bangladesh at 65. India is ranked at 116. If the methodology and data are acceptable, it is yet another wake-up call on improving our investment climate. Clearly the success achieved so far remains grossly inadequate.

The risk perceptions for India in the outlook rest on four issues. First, while

07 MAY 2006

Current oil prices unsustainable: ADB

Statesman News Service

HYDERABAD, May 3: ADB president, Mr Haruhiko Kuroda, today said oil prices are now unsustainably high and asked oil producers to invest more in exploration and refinery process.

"Oil prices should stabilise. Prices should be at sustainable levels. Oil prices now are unsustainably high. Oil producers should invest more on exploration and increase refinery capacities", he told a Press conference on the opening day of the ADB's annual meet here.

While responding to a question on global oil price rise, he said: "We hope regional economies would continue to grow well

(despite the rise). The growth in the Asian region is expected to drop marginally from 7.4 per cent to 7.2 per cent. This is on the assumption that crude prices do not go up".

He said one of the main focus areas of the ADB is to see that development does not happen at the expense of the environment. The ADB is giving loans of around \$1 billion to develop green energy and to provide market incentives to those who facilitate clean energy development. "In the past 15 years we financed many green energy projects. Even \$1 billion is not so great", he added.

Mr Kuroda made a significant observation with regard to Asian countries. "Many Asians are benefit-

to ensure the poor are included in and benefit from economic growth", he said.

For this there are a number of challenges. For instance, broad-based growth can only be achieved if people have access to services such as clean water and sanitation and the poor get education and jobs. Also the greatest threat to private investment in many countries is the high risk arising from regulatory weaknesses, policy uncertainty and market distortions, he said.

"We must improve governance and maintain our vigilance against corruption. This is a critical moment for Asia. How we respond to these challenges will shape the region's



Members of left parties protest against the ADB Governor's meeting in Hyderabad on Wednesday. ■ AFP

from the region's poverty - living on less than \$1 a day is rapidly declining. But I have also seen how many others still live in the shadow of persistent poverty. This is a major challenge

future", he said.

Lending doubled

ADB president, Mr Haruhiko Kuroda today said the multi-lateral lending agency would double its lending to India to touch \$2.65 billion by 2008.

The focus areas of the new funds would be transport, water, energy management and urban development. "ADB is proud of its commitments to India and hopeful of further strengthening cooperation. The funding would be more than doubled", he told a Press conference.

India has done exceedingly well ever since it opened its economy. Yet, the country needed more investments in infrastructure, he said.

TUESDAY, APRIL 18, 2006

Ensuring equity in global trade

The World Trade Organisation (WTO) report on trends in trade in 2005 and prospects in 2006 highlights the weak spots in terms of economic growth. According to WTO economists, growth in global trade has, in the past decade, been consistently double the growth in the global economy. This is apparently reflective of the fact that in an increasingly open tariff regime, goods tend to be produced and traded on the basis of comparative advantage. Global merchandise trade growth in 2005, at six per cent, was substantially lower than the growth of nine per cent in 2004. The WTO's prognosis for 2006 is a slightly higher trade growth at seven per cent in 2006, but this is subject to many uncertainties that could undermine the upside potential. The report shows that the weakest spot in global economic – and hence trade – growth currently is Europe, where developed nations such as France, Italy, Germany, and the U.K. recorded economic growth ranging from near zero per cent to less than two per cent and where high unemployment and low levels of growth in consumption marked the domestic scenario. In contrast, economic growth was the highest in China and India, followed by many other developing countries. Even within the 25-member European Union, the 10 new members from Eastern Europe fared better than others. Lower economic growth contributed to a deceleration in the U.S.' merchandise imports. Japan just started showing signs of recovery after a decade of stagnation. Merchandise exports globally were dominated by oil, with producing countries in parts of Africa, West Asia, South America, and the Commonwealth of Independent States (CIS) experiencing a boom in exports, while the trade deficit widened in oil importing countries, including the U.S. Fuel, iron and steel, and chemicals recorded price gains in global trade, while farm products and manufactured goods faced a weakening or stagnation on the price front. Trade in commercial services was expanding but figures for these in real terms are said to be unavailable globally.

Referring to the report, WTO Director-General Pascal Lamy said that “persistent imbalances, driven largely by macroeconomic factors, continue to be a cause of concern in some major economies” and that in such a climate, members of the organisation must “strengthen the global trading system” by arriving at an “an equitable, relevant and ambitious agreement” under the Doha Round. While there may be many perspectives and prescriptions in respect of individual sectors of production as also services, the world needs to recognise that the “shifting economic circumstances, major advances in technology and emergence of new players” that indicate “the cusp of big changes”, to which Mr. Lamy has referred, call for responses that would take note of the interests and concerns of diverse sections. Equity at the level of the member-nations of the WTO without reference to the impact on different players within economies – such as wage workers, farmers, and small enterprises – may prove elusive.

18 APR 2006

In breach of world trade rules

The Dispute Settlement Body of the World Trade Organisation (WTO) recently ruled illegal certain provisions of the U.S. laws — and thereby hangs a tale. The point of interest in this matter for the wider world is not just the merits of the complaint — raised mainly by the European Community — that U.S. laws allowed export subsidies to its corporations operating overseas in violation of GATT/WTO agreements. The significance lies in the course the case took in the WTO. The story-inside-story of the “Foreign Sales Corporation case” started with the raising of the dispute by the European Community as early as 1997. Every known dispute resolution process of the WTO — consultations, constitution of a panel to hear disputes, appellate panel, compliance review panel and arbitration — was gone through, each at least twice over, to get the U.S. to honour the first ruling that went against it. In the course of these tortuous proceedings, the U.S. introduced two new laws, ostensibly to ensure compliance of national laws with the first final ruling of WTO bodies in the case, but these two laws also have now been held to contravene GATT/WTO agreements. For some time in the intervening period, the European Union had imposed retaliatory sanctions against the U.S., as allowed by WTO regulations, by way of compensation for the damage to its interests arising from the U.S. failure to honour the world trade body’s verdict.

The whole case is illustrative of how even the most ardent champion of the WTO system finds it difficult to align domestic interests and pressures with the WTO regime despite the fact that the U.S., as required by its Constitution, had got the Uruguay Round agreements ratified by Congress. Similarly tortuous has been the case related to the Byrd Amendment, introduced during the Clinton administration in 2000, which enabled U.S. manufacturers involved in anti-dumping complaints against imports, to be given the proceeds of the punitive levies. The refund of duties was challenged in the “Byrd Amendment case” in the WTO by major trade partners like the EU and also countries like India. Held illegal by a WTO panel and the appellate panel, the American law was again subject to a dispute regarding the time asked for by the U.S. to enforce the ruling. It was finally repealed by Congress in February, though only with prospective effect from October 2007. There are, of course, a few more landmark cases of other major trading powers evading implementation of decisions of the world body, although ultimately they fell in line. The lesson from all this is that fair trade is easy to preach but difficult to practise within the framework of the nation-state system. On the positive side, it shows that unlike many other multilateral institutions, including the United Nations, the WTO is a forum where the mighty can lose a case as easily as humble members and the rule of (WTO) law, even if not entirely equitable, does prevail.

Telling the Taliban

Suryanarayan's tragic death calls for an intelligent increase in India's presence in Afghanistan

THE Taliban's brutal killing of K. Suryanarayan, an Indian telecommunications engineer working for a Bahrainian company in Afghanistan, is a test of Delhi's political resolve. The nature of the demand — that all Indians and Indian companies working in Afghanistan should withdraw — and the time frame of for meeting it — 24 hours — suggest the killers had no intent to negotiate. It was an attempt to intimidate India into ending its high profile role in the current international effort to promote and peace and stability in war-torn Afghanistan. In developing a coherent response, India must unambiguously signal that there would be no down-grading of Indian presence in Afghanistan. Any policy movement in that direction would be a victory for the Taliban's actions in Afghanistan against India. Having tested India in the Kandahar hijacking of IC 814 and found India wanting, the Taliban might have a low opinion of India's ability to withstand pain. As more and more Indians find their way to far away and often turbulent places around the world in search of economic rewards, the government is no position to offer protection to all of them. While maintaining its correct policy of not accepting the demands of those who take Indian

citizens hostage, Delhi needs to strengthen its capacity to collect information, assess the risks involved and inform those who are prepared to embark on difficult postings.

Traditional Indian fatalism and lack of regard for life, has meant many Indians in Afghanistan, about 1300 with government aided projects and hundreds of others working with private companies, disregard personal security procedures that seek to limit the potential threats to their life. Both Suryanarayan and Ramankutty Maniappan of the Border Roads Organisation who was abducted and beheaded by the Taliban in February violated the cardinal rule in Afghanistan of not traveling in the country side without security cover.

Meanwhile India has some proving to do to with the Taliban. One way of demonstrating it is to raise the level of force protection for government personnel working in Afghanistan. Another is to significantly expand India's assistance in the training and arming of Kabul's security forces, including the Afghan National Army and police. Together, these should convince the Taliban and its supporters in Pakistan, that India is determined to raise the political costs to those who are threatening India's interests in Afghanistan.

সহযোগিতার হাত

উত্তর পূর্বাঞ্চলের বিচ্ছিন্নতাবাদী সন্ত্রাসের সমস্যা মীমাংসার অভ্যন্তরীণ উপায়গুলি এক রকম। কিন্তু এ সমস্যা দীর্ঘায়িত হওয়ার পিছনে বাহিরের কিছু ভূ-রাজনৈতিক বিষয় আছে, যেগুলির নিরসন হওয়া দরকার। এমনই এক বিষয় প্রতিবেশী রাষ্ট্রগুলিতে বিচ্ছিন্নতাবাদীদের পলায়ন, আশ্রয়, প্রশিক্ষণ ও সরবরাহের ঘাঁটি অটুট থাকা। এগুলি ধ্বংস না হওয়া পর্যন্ত অঞ্চলে সন্ত্রাসবাদী তৎপরতা প্রশমিত হওয়া কঠিন। মায়ানমার ভারতের পূর্ব প্রান্তের জঙ্গলপাহাড় সমাকীর্ণ এক দুর্গম দেশ। দুর্গমতা কোথাও এত নিশ্চিহ্ন যে হাঁটা-পথে ঘাঁটিতে পৌঁছাইতে জঙ্গিদেরও পনেরো দিন লাগিয়া যায়। এমন একটি দেশের সহিত ১৬৪০ কিলোমিটার দীর্ঘ প্রহরাহীন, বেচনীহীন সীমান্ত অনায়াসে পারাপার করে জঙ্গিরা। নাগা জঙ্গিরাই প্রথম মায়ানমারকে নিজেদের গোপন ঘাঁটি হিসাবে ব্যবহার করিতে শুরু করে, ক্রমে মিজো, মণিপুরি, আলফা জঙ্গিরাও। মিজোরা সন্ত্রাস পরিহার করিয়া গণতন্ত্রে স্থিত হইয়াছেন। নাগাদের বৃহত্তম জঙ্গি সংগঠন আইজাক-মুইভা গোষ্ঠীর এন এস সি এন আপাতত সংঘর্ষবিহীন শর্ত মানিয়া অস্ত্র সংবরণ করিয়া আছে। কিন্তু খাপলাও গোষ্ঠীর নাগারা এবং তাহাদের প্রশ্রয়ে লালিত আলফা জঙ্গিরা মায়ানমারে রহিয়াছে। ইহাদের শিবির ভাঙিয়া বিতাড়নের আশ্বাস তাই ভারতের পক্ষে সুসমাচার।

আলফা জঙ্গিরা ৮৭-৮৮ সাল হইতেই মায়ানমারে ঘাঁটি গাঢ়িতে শুরু করে। সে সময় তাহাদের অভিভাবক ছিল খাপলাও গোষ্ঠীর নাগারা। কিন্তু এত দুর্গম-দূরবর্তী স্থান হইতে তৎপরতা চলাইবার অসুবিধার কারণে '৯২ সাল নাগাদ তাহারা ভুটানে ঘাঁটি স্থানান্তরিত করে। ভুটান সরকার ও ভারতীয় ফৌজের যৌথ অভিযানে সেই ঘাঁটিগুলি নিশ্চিহ্ন হইলে পুনরায় আলফা মায়ানমারের নিরাপত্তায় ফিরিয়া যায়। সেই সঙ্গে অবশ্য বাংলাদেশেও তাহাদের ঘাঁটি রহিয়াছে। বাংলাদেশ সরকারকে বারংবার অনুরোধ করিয়াও ওই সব জঙ্গি ঘাঁটির অস্তিত্ব পর্যন্ত স্বীকার করানো যায় নাই। মায়ানমার সরকার কিন্তু অতীতেও কখনও তাহার ভূখণ্ডে ভারতীয় বিচ্ছিন্নতাবাদীদের ঘাঁটি গাড়ার বিষয়টি অস্বীকার করে নাই। মুশকিল হইল, এত দুর্গম অঞ্চলে ওই সব ঘাঁটি যে মায়ানমার সরকারের শাসনও সেখানে পৌঁছায় না। তা ছাড়া সরকার-বিরোধী কাচিন গেরিলাদের তীব্র প্রতিরোধও সরকারি বাহিনীকে জঙ্গি দমনে বাধা দেয়। তবু মাঝেমধ্যেই মায়ানমার সরকার ওই দুর্গম অঞ্চলে অভিযান চলাইয়া আলফা ও নাগা জঙ্গিদের দমন করিতে চেষ্টা করিয়াছে। অতীতে মায়ানমারের স্বেচ্ছাকৃত কূটনৈতিক নিঃসঙ্গতার কারণে নয়াদিল্লির সহিত ইয়াঙ্গনের সম্পর্কে উষ্ণতার অভাব ছিল। গত কিছু কাল যাবৎ শীতলতা কাটিতেছে। এক দেশের ভূখণ্ডকে অন্য দেশের আঞ্চলিক অঞ্চলতা ধ্বংসের কাজে ব্যবহৃত হইতে না দিবার ন্যূনতম কূটনৈতিক সৌজন্য দেখাইতে মায়ানমার সরকার প্রস্তুত। এই মর্মে ভারতীয় প্রতিনিধিদের আশ্বস্তও করা হইয়াছে।

স্বাধীনতার পর হইতে উত্তর-পূর্বাঞ্চলের বিচ্ছিন্নতাবাদী সন্ত্রাস ও তাহার মোকাবিলায় এ যাবৎ ৫০ হাজার মানুষের প্রাণ গিয়াছে। মিজো এবং বড়ো জঙ্গিরা বন্দুক ফেলিয়া দিয়া গণতন্ত্রের পথে আসিয়াছে। আইজাক-মুইভা গোষ্ঠীর নাগারাও সরকারের সহিত বৈদ্যোগ্য লইয়া দফায়-দফায় আলোচনা চলাইতেছে। বড় গোষ্ঠী বলিতে কেবল আলফা জঙ্গিরাই অবশিষ্ট। মণিপুরি ও ত্রিপুরি বিভিন্ন ছোট ছোট জঙ্গি উপদল ইতস্তত তৎপর হইলেও তাহাদের সংগঠন তত মজবুত নয়। আলফা নেতৃত্ব নিজেদের মনোনীত মধ্যস্থতাকারী মারফত সরকারের সহিত আলোচনার প্রক্রিয়া শুরু করিয়াও সমান্তরালে নাশকতামূলক অপকর্মও করিয়া চলিয়াছে। নূতন করিয়া কর্মী সংগ্রহ করিয়া মায়ানমারের ঘাঁটিতে তাহাদের প্রশিক্ষণের জন্য পাঠানো হইতেছে। প্রশিক্ষণ শেষে উজনি অসমে ফিরিয়া সেই গেরিলারা সশস্ত্র অন্তর্ঘাতের কাজে লিপ্ত হইতেছে। উৎসমুখেই যদি তাহাদের গতি রুদ্ধ করা যায়, তবে ব্রহ্মপুত্র উপত্যকায় তাহাদের দমনের কাজটি অপেক্ষাকৃত সহজ হয়। ভারতীয় ফৌজ এ জন্যই মায়ানমারের সশস্ত্র বাহিনীর সহযোগিতা চাহিয়াছে। মায়ানমারের জঙ্গল যদি ভারতীয় বিচ্ছিন্নতাবাদীদের আতিথ্য না দেয়, অন্তত একটি বিপদ দূর হইবে।

U 1 MAY 2006

India, Thailand to double trade

NEW DELHI, May 1: India and Thailand are exploring opportunities to double the annual trade to \$4 billion in the next two years and expand the list of items that could be traded from 82 to about 5,000 in the same period.

"A working group from Thailand has been meeting with the officials concerned here to double the trade volume from \$2 billion to \$4 billion in the next two years and include many items in two-way trade," Thai Ambassador to India Mr Chirasak Thanasant said here at a CII-organised conference. He said the group is working to expand the current list of 82 items to about 5,000 items, besides discussing to delete some "items that are of concern" to Thailand.

He, however, refused to divulge details of the items

where Thailand has showed reluctance.

"Trade between the two countries, post FTA, has grown to \$2 billion from less than a billion dollar in 2004. We hope that it grows further as there are huge opportunities of collaboration for business houses from the two countries, chairman, Board of Trade of Thailand, Mr Pramont Sutivong said.

"Food processing, gems and jewellery, pharmaceuticals, spare parts and tourism are some of the many areas where the two countries can cooperate and help strengthen respective economies of the two nations," he said. Speaking on the occasion former CII president Mr Sunil Kant Munjal said there are great opportunities in food processing sector which could be tapped. ■ PTI

THE STATESMAN

02 MAY 2006

ASEAN +3 meeting over 'Asian Current Unit' irks India

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We will be watching the developments: Chidambaram

Ashok Dasgupta

HYDERABAD: The Union Government does not appear to have taken very kindly to the ASEAN +3 countries (China, Japan and South Korea) holding a day-long conference to discuss the 'Asian Current Unit' (ACU) initiative without inviting India for participation during the four-day annual meeting of the Asian Development Bank (ADB) which concluded here on Saturday.

Responding to the development in a wide-ranging interaction with select newsmen here, Finance Minister P. Chidambaram said: "We are neither happy, not unhappy."

Elaborating on the issue, the Finance Minister said India had not taken a formal position over the proposal by the extended

ASEAN bloc to set up an ACU. The matter pertained to "the realm of the future" and India would be keenly watching the developments in this regard. He was confident that when a view was firmed up, "India will have a say."

To a question as to whether India's signing FTAs (free trade agreements) indiscriminately with various Asian countries would not hit the domestic industry, Mr. Chidambaram noted that the Government's moves in this regard were "slow and cautious" and the country's self-interests were being kept in mind. The benefits of such FTAs would be mutual.

As for the proposal for such an agreement with China, Mr. Chidambaram said a pact would be entered into only when the two

sides were fully satisfied. Pessimistic views in this regard did not take India's growing potential into account, he said. In fact, the country's growing economic strength and rising clout had been brought to the fore during the ADB annual meeting, he said. "Governor after Governor spoke about India's prowess," he said.

Oil price

On the soaring crude oil prices and the steps that the Government might have to take, including a hike in prices, to insulate the economy, Mr. Chidambaram said it was a matter for the Ministry of Petroleum to decide and take the matter to the Cabinet. A decision would be taken by the Ministry of Petroleum "at an appropriate time", he said.

NUKE PACT SUPPORT POSSIBLE IF INDIA INSPIRES 'ADEQUATE TRUST'

Japan may back Indo-US deal at NSG

Indo-Asian News Service

NEW DELHI, May 7: Ahead of the Nuclear Suppliers Group's meeting in Brazil next month, a key politician from Japan's ruling party has indicated that Tokyo would consider supporting the India-US nuclear deal if there is "adequate trust" between New Delhi and the international community over its nuclear programme.

"As far as peaceful uses of nuclear energy are concerned, Japan is not opposed to it," Mr Kisaburo

Tokai, director general of the international bureau of the Liberal Democratic Party (LDP), said.

"If there is complete trust between India and the international community and India complies with provisions of the International Atomic Energy Agency (IAEA) on the safeguards issue, then Japan has no problems with it," he stressed.

Mr Tokai was here as head of a four-member delegation of MPs who were visiting India to study the country's growth story and

prospects of better India-Japan relations.

Mr Tokai, however, underlined that Japan, a victim of the only nuclear attacks in history, advocated universal nuclear disarmament and sought India's cooperation in pushing it in various bilateral and multilateral forums.

"Japan's position has always been complete disarmament. We need to ensure there is complete disarmament and complete elimination of nuclear weapons," said Mr Tokai, former senior vice-minister

for education, science and technology.

Japan is an influential player in the 45-nation NSG that controls global exports of nuclear technology and fuel and holds the key to facilitating civilian nuclear cooperation with India.

If Japan backs nuclear cooperation with India at the NSG meet, it will be a big diplomatic gain for New Delhi as it was one of the few countries that expressed its reservations over the Indo-US civilian nuclear deal at the meeting of the NSG held last year.

Japan, which backs stronger non-proliferation institutions, can also help India deal with tricky issues of nuclear safety.

The two countries had agreed to establish a new framework to discuss the issue of civilian nuclear cooperation during Japanese foreign minister Mr Taro Aso's visit here early this year.

Japan, which never missed an opportunity to criticise India's nuclear tests in 1998, has softened over the years and forged a strategic partnership with

New Delhi during the visit of Japanese Prime Minister Mr Junichiro Koizumi last year.

Rebutting speculations about Japan quitting the G4 initiative for expansion of the UN Security Council, Mr Tokai clarified that Tokyo was still very much a part of the G4 grouping that comprises India, Japan, Brazil and Germany.

"We need to build international consensus on expansion of the UN Security Council. Certain steps have to be taken to push it forward," Mr Tokai

said.

Mr Tokai, however, rues that despite shared values of democracy, free market and open societies, economic relations between India and Japan have not grown to the extent they should have.

"Being major powers in Asia, India and Japan should play a bigger role on the global stage. We have to give more time to explore ways and means to make this relationship more powerful in political, economic and cultural terms," Mr Tokai asserted.

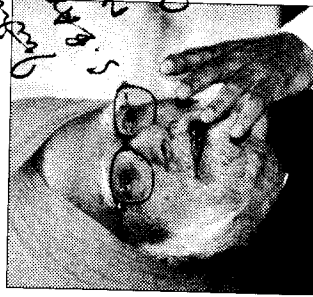
FREE TRADE AGREEMENT | MoS Jairam Ramesh raised same points day before letter

On Sonia's FTA concern, PM said nothing to worry

KANDULA SUBRAMANIAM
NEW DELHI, MAY 9

ON APRIL 10, just a day before Congress President Sonia Gandhi sent a letter to Prime Minister Manmohan Singh expressing reservations on the free trade agreement with ASEAN countries, Minister of State for Commerce and member of the National Advisory Council Jairam Ramesh had raised the same points at a financial writers' forum, saying India should be cautious while entering into such agreements.

On the ASEAN FTA, Ramesh had said palm oil, tea, pepper, coffee and textiles are some areas where the entry must be cautious. On the Lankan FTA, he



said: "Our free trade agreement with Sri Lanka may benefit India and Sri Lanka but may not have a positive impact on the state of Kerala."

On May 5, however, when the PM addressed the Asian Development Bank AGM at Hyderabad and announced India's intention to press ahead with FTAs in Asia, it was well after he had assuaged Congress chief Sonia Gandhi's



concerns over FTAs hurting farmers' interests.

In fact, Singh had replied to Sonia's letter on April 20 assuring her that farmers' and India's interests would be protected in the FTA with the ASEAN countries. The experience with FTAs, he had noted, was positive the world over and any decision would be taken keeping in mind India's geopolitical and eco-

nomic interests.

Thereafter, the Prime Minister also chaired a meeting of the Trade and Economic Relations Committee (TERC) on May 3, where he discussed the issue of the negative list in the FTA and the rules of origin issue as well.

Ramesh is not part of the TERC and the commerce ministry is represented by Commerce and Industry Minister Kamal Nath. When contacted, Ramesh said: "I have read about the letter (in the newspapers) where she has expressed concerns on the FTA and I'm sure they will address." Asked if he had helped draft the letter, he declined to comment.

Currently, the Indo-ASEAN FTA is still under discussion. There are around 900

items on the negative list, amounting to one-third of tradeable items being out of the scope of the proposed agreement. Added to that the TERC also discussed the rules of origin issue to ensure that goods from say China are not routed through the ASEAN countries.

The argument being given by detractors of the FTA is that the bone of contention is that it is lopsided and unlike the one with Singapore, it includes only goods and does not include service industry and investments.

Sources who attended the TERC meetings on the ASEAN FTA said India wants services to be included but the ASEAN countries are resisting the same and want to initially limit it to goods alone.

10 MAY 2005

INDIAN EXPRESS

Engineer's killing premeditated: Saran

11/5 10-1
Qaidi & his neighbours - Akhbar

"It is obvious abductors did not want to negotiate"

Special Correspondent

NEW DELHI: Describing the killing of engineer K. Suryanarayana by the Taliban as "premeditated," India on Sunday said he was murdered even before a team led by an External Affairs Ministry official reached Kabul.

Confirming the news, Foreign Secretary Shyam Saran said at a press conference here that Mr. Suryanarayana's body was found between Qalat and Ghazni on Sunday morning. "It is obvious that the kidnappers were not interested in negotiating for his release but had premeditated his killing. The outrageous demand that all Indians should leave Afghanistan within 24 hours testifies to the real motivation behind this act of terror," he said. Mr. Saran said India was appalled by "this dastardly and inhuman act of terror" on the part of the Taliban and its sponsors. The slain engineer, who was working for a Bahrain company Al Moayed, had, like many of his other compatriots, been making a contribution to Afghanistan's reconstruction.

Extending condolences to the bereaved family, he assured them that every effort was being made to bring the perpetrators to justice.

Mr. Saran said that soon after



CONSOLATION: Andhra Pradesh Chief Minister Y. S. Rajasekhara Reddy consoling the family members of K Suryanarayana at their residence in Hyderabad on Sunday. - PHOTO: K. RAMESH BABU

the abduction a crisis management team was convened to monitor the developments and work out measures to deal with it. Prime Minister Manmohan Singh had followed the developments.

A team led by a senior MEA official that included experts in handling hostage situations was promptly despatched to Afghanistan, to assist the Indian Embassy to deal with the situation.

"We had been in constant communication with the Afghan

authorities, with the international security forces deployed in the Zabul area and with our network of contacts in the country, to make every effort possible to bring this unfortunate incident to a satisfactory conclusion. However, Suryanarayana was brutally murdered even before the MEA team landed in Kabul this morning," he said.

Killing condemned: Page 12

01 MAY 2005

আবার সামনে এল পাক মদতের প্রশ্ন

নিজস্ব সংবাদদাতা, নয়াদিল্লি, ৩০ এপ্রিল: তালিবানের খপ্পরে তিন দিন বেঁচেছিলেন মনিয়াগ্লান কুট্টি। সূর্যনারায়ণের এতটা সৌভাগ্য হল না। অপহরণের পর দেড় দিনও কাটেনি, আজ সকালে আফগানিস্তানের জনবিরল সড়কের উপরে পাওয়া যায় তাঁর মুণ্ডহীন দেহ।

অথচ এমনটা হওয়ার কথা ছিল না। কুট্টির পরিণতি যাতে অন্যদের না হয়, তার একটা হাওয়া মাত্র কুড়ি দিন আগেই উঠেছিল দিল্লিতে। তুলেছিলেন আফগানিস্তানের প্রেসিডেন্ট হামিদ কারজাই স্বয়ং। প্রধানমন্ত্রী মনমোহন সিংহের পাশে দাঁড়িয়ে তিনি পাকিস্তানের প্রতি আহ্বান জানিয়ে বলেছিলেন, আসুন, উপমহাদেশে সন্ত্রাসবাদ নির্মূল করতে আমরা হাতে হাত মিলিয়ে কাজ করি।

কুড়ি দিনের মধ্যে সূর্যনারায়ণের নৃশংস মৃত্যু উপমহাদেশের রাজনৈতিক কূটনীতিকেই প্রশ্নের মুখে দাঁড় করিয়ে দিল।

আর সেই প্রশ্নকেই সামনে এনে বিদেশ সচিব শ্যাম সারন তালিবানের মতো জঙ্গি গোষ্ঠীগুলির 'মদতদাতা'দের বার্তা পৌঁছে দেওয়ার চেষ্টা করলেন।

বস্তুত, তালিবানের পিছনে ইসলামাবাদের মদত রয়েছে, এই জল্পনা নতুন নয়। তালিবান যখন আফগানিস্তানে ক্ষমতায় ছিল, তাদের হাতে গোনা বন্ধু রাষ্ট্রের অন্যতম ছিল পাকিস্তান। সিন্ধু দিয়ে তার পরে অনেক জল বয়ে গিয়েছে। পারভেজ মুশারফও এখন সন্ত্রাসবাদের বিরুদ্ধে লড়াইয়ে আমেরিকার সহযোগী। কিন্তু মুশারফ না চাইলেও পাক প্রশাসনের একাংশ, বিশেষত সে দেশের গোয়েন্দা সংস্থা আইএসআইয়ের কর্তাদের সঙ্গে তালিবান নেতাদের ঘনিষ্ঠ যোগাযোগ নিয়ে অতীতে বারবার প্রশ্ন উঠেছে। আজ সারন তাঁর বিবৃতিতে খোলাখুলিই বলেছেন, সন্ত্রাসবাদ দমনে সব দেশকেই এক সঙ্গে কাজ করতে হবে। ভারত এবং পাকিস্তান, কেউই তার বাইরে নয়।

ভারত-পাক শান্তি প্রক্রিয়ার গুরুত্বপূর্ণ পটভূমিতে দাঁড়িয়ে হয়তো মুশারফ নিজেও তা-ই চান। কিন্তু প্রশ্ন হল, বাস্তবে তা কতটা সম্ভব? পাক-আফগান সীমান্ত অঞ্চলে, বিশেষ করে

ওয়াজিরিস্তান এলাকায় ইসলামাবাদের নিয়ন্ত্রণ সামান্য। বিভিন্ন উপজাতি গোষ্ঠীশাসিত এই এলাকায় তালিবান এবং তাদের সহযোগী জঙ্গিদের প্রভাব মোটেও হেলাফেলার নয়। তা ছাড়া, আফগানিস্তানের পুনর্গঠনে ভারত যে গুরুত্বপূর্ণ ভূমিকা গ্রহণ করেছে, সেটাও ইসলামাবাদে অনেকেরই মাথাব্যথার কারণ। কারজাইয়ের ভারত সফরের সময় কাবুল-নয়াদিল্লি সমঝোতার প্রেক্ষিতে পাক-আফগান সম্পর্কের নয়া বিন্যাস নিয়েও বিভিন্ন মহলে বারবার কথা উঠেছে। সেই পরিস্থিতিতে আফগানিস্তানে ন্যাটো বাহিনী প্রবেশের ঠিক আগেই তালিবানদের এই হামলা উপমহাদেশের রাজনৈতিক কূটনীতিতে বড় সমস্যা তৈরি করতে পারে বলে মনে করা হচ্ছে।

আরও একটা বিষয় তুলে আনছে



কে সূর্যনারায়ণ

সূর্যনারায়ণের মৃত্যু। সেটি হচ্ছে আফগানিস্তানে কর্মরত ভারতীয়দের নিরাপত্তা।

কাল তালিবানের হুমকিতেই বলা হয়, ২৪ ঘণ্টার মধ্যে সব ভারতীয়কে দেশে ফিরে যেতে হবে। কিন্তু সেই সময়সীমা কাটার আগেই খুন করা হয় সূর্যনারায়ণকে। সেকেন্দরাবাদের বাসিন্দা এই ৪১ বছর বয়সী মেকানিক্যাল ইঞ্জিনিয়ারের বিরুদ্ধে তারা মার্কিন গুপ্তচরবৃত্তির অভিযোগও আনে। হত্যার কথাও নিজেরাই ঘোষণা করে তালিবান জানায়, পালাতে গিয়েই প্রাণ হারালেন সূর্যনারায়ণ।

আফগান পুলিশের টহলদারি বাহিনী আজ সকালে জাবুল প্রদেশের হাসান কারিয়েজ এলাকায় প্রধান সড়কের উপরে মুণ্ডহীন দেহটি পড়ে

থাকতে দেখে। সেটি শনাক্ত না হওয়া পর্যন্ত ভারতীয় রাষ্ট্রদূত রাকেশ সুদও ঘটনাটি বিশ্বাস করতে চাইছিলেন না। কিন্তু সেই কাজ সেরে সূর্যনারায়ণের সহকর্মীরাই জানিয়ে দেয়, তালিবানের দাবিই ঠিক।

খবর পাওয়ামাত্র দিল্লিতে মন্ত্রকের কর্তাদের নিয়ে বৈঠক করেন বিদেশ সচিব শ্যাম সারন। পরে সাংবাদিক বৈঠকে সারন কড়া ভাষায় এই ঘটনার নিন্দা করেন। কোনও রকম আলোচনার সুযোগ না দিয়েই যে সূর্যনারায়ণকে খুন করল তালিবান, সে দিকে নির্দেশ করে সারন বলেন, "এ থেকেই পরিষ্কার, আলোচনার ইচ্ছাই অপহরণকারীদের ছিল না। আগে থেকেই তাদের হত্যার পরিকল্পনা ছিল।" পরে বিদেশ মন্ত্রকের তরফে জানানো হয়, সূর্যনারায়ণের দেহ ভারতে ফিরিয়ে আনার জন্য যথাযথ ব্যবস্থা নেওয়া হচ্ছে। আগামিকাল সকালে নিহত ইঞ্জিনিয়ারের দেহ হায়দরাবাদে পৌঁছে দেওয়া হবে।

সারনের কথা থেকে পরিষ্কার, এই ধরনের ঘটনায় পিছু হটেবে না ভারত। তারা আফগানিস্তানে কাজ চালিয়েই যাবে। তালিবানের দেওয়া হুমকি মেনে নিলে, আফগানিস্তানে কর্মরত সব ভারতীয়েরই এর পরে প্রাণ সংশয়। কাজ যদি চালিয়েই যেতে হয়, তবে এই কর্মীদের নিরাপত্তা কী হবে? বিশেষ করে সূর্যনারায়ণের মুণ্ডহীন বিকৃত দেহ ভয়ঙ্কর বার্তা পৌঁছে দিচ্ছে ভারতীয়দের কাছে। কেউ পালাতে চাইলে তাকে গুলি করে মারা হবে (সেটাই তালিবানের দাবি), দেহ বিকৃত করা হবে কেন?

কুট্টি-হত্যার পরে বিষয়টি নিয়ে এক দফা আলোচনা হয়। বর্ডার রোড 'জর্গনি' ইজেশনের শতিনেক কর্মীর নিরাপত্তা সুনিশ্চিত করতে ইন্দো-তিব্বত সীমান্ত বাহিনীর চল্লিশ জন কমান্ডোকে আফগানিস্তানে পাঠানো হয়। ফেব্রুয়ারিতে বিদেশ ও স্বরাষ্ট্র মন্ত্রক সূত্রে জানানো হয়, আইটিবিপি'র আরও তিনশো জওয়ানকে আফগানিস্তানে পাঠানো হবে। সূর্যনারায়ণের হত্যার পরে স্বাভাবিক ভাবেই প্রশ্ন উঠেছে, নিরাপত্তার দিকটি এত অবহেলিত কেন?

এবং আজকের সাংবাদিক বৈঠকে এই বিষয়টি নিয়ে বিশেষ কিছুই বলতে চাননি সারন।

TUESDAY, MAY 2, 2006

India's troubles in Afghanistan

Forced out of power in Afghanistan in 2001, the Taliban remains an oppressively domineering militia outside the bounds of civilised, humane conduct. By abducting and killing the Indian telecom engineer, K. Suryanarayana, without giving Indian officials any space for negotiating his release, the Taliban reinforced its image as a beyond-the-pale outfit rooted in obscurantism in the name of religion. According to one report, Suryanarayana was shot dead when he attempted to flee captivity; his body was found beheaded. But irrespective of the immediate circumstances surrounding the tragedy, the Taliban had really no intention of sticking to the deadline it set for the withdrawal of all Indians working in Afghanistan. The 24-hour deadline itself was unrealistic, a clear indicator that the plan behind the abduction was to shock and awe the people of India — not wrest any concessions. From the beginning, the Taliban seemed intent on forcing India to disengage itself from any form of cooperation with the changed order in Afghanistan. Significantly, the killing came within weeks of a high-profile visit to India by President Hamid Karzai. Last year, Maniappan Raman Kutty was killed within a couple of months of Prime Minister Manmohan Singh's visit to Afghanistan and within days of India awarding the Indira Gandhi Peace Prize to Mr. Karzai. By all accounts, the Taliban appears to resent India's growing involvement in the development of Afghanistan's infrastructure, and its repeated endorsement of the leadership of Mr. Karzai. Following the United States-led invasion in 2001, New Delhi ended its deep association with the Northern Alliance; since it was not involved in the military action, the Taliban did not identify it as an "enemy." However, the situation has changed over the past two years on account of the personal rapport Mr. Karzai has built with the Indian leadership. For the Taliban, India is now a collaborator — and a soft target.

From the Indian perspective, a close relationship with Afghanistan is desirable. Among other things, it helps to neutralise Islamabad's clout in the region. Sections within the Pakistan establishment have used the Taliban as a weapon against India. A committed relationship with the Karzai Government has its strategic advantages, but New Delhi must take care not to be perceived as embodying an extension of American interests in Kabul. Without being seen as succumbing to vile acts of terrorism, India should re-evaluate its current policy of close identification with specific political factions within Afghanistan. However much security measures are strengthened for the 2,000 Indian nationals working in Afghanistan, there can be no protection against the threat of abduction from free-roaming outlaws. The challenge before India is to increase its stake in the long-term development of Afghanistan and strengthen people-to-people contacts without appearing to take sides in the political factional wars in that country.

02 MAY 2006

THE HINDU

সংশয় শান্তি-প্রক্রিয়ায় পাক নির্দেশেই খুন সূর্য, দাবি তালিবান জঙ্গির

নিজস্ব সংবাদদাতা, নয়াদিল্লি, ১৪ মে: তালিবানের ইস্তেহ ছিল না। কিন্তু পাকিস্তানের গুপ্তচর সংস্থা আইএসআই চেয়েছে, তাই খুন হতে হল ভারতীয় ইঞ্জিনিয়ার কাসুলা সূর্যনারায়ণকে।

আফগানিস্তানের এক টিভি চ্যানেলকে এই ভাবেই 'পর্দার পিছনের সত্য' জানিয়েছেন তালিবানের এক কমান্ডার। নাম প্রকাশে অনিচ্ছুক সেই কমান্ডারের বিবৃতির পরেই উপমহাদেশের আকাশে নতুন মেঘ। দ্বিপাক্ষিক আলোচনা, আস্থাবর্ধক ব্যবস্থা চলা সত্ত্বেও এই নিয়ে ভারত-পাকিস্তানের মধ্যে জলঘোলা হওয়ার যে প্রবল সম্ভাবনা দেখা দিয়েছে, সেটা স্বীকার করেছেন কূটনৈতিক বিশেষজ্ঞরাও। নয়াদিল্লি মুখে এ সব কোনওটিই মানতে নারাজ। তবে তারা ওই কমান্ডারের দাবি খতিয়ে দেখবে, সে বিষয়ে কোনও সন্দেহ নেই।

কারণ, এই বিবৃতিকে প্রামাণ্য ধরলে একটি বিষয় দিনের আলোর মতো স্পষ্ট: তালিবানের সঙ্গে তাদের যোগাযোগ এতটাই গভীর যে, এখনও জঙ্গি গোষ্ঠীটির সিদ্ধান্ত বদলে দিতে পারে পাক গুপ্তচর সংস্থা আইএসআই।

বস্তুত, আইএসআইয়ের কার্যকলাপই ভারত-পাক শান্তি প্রক্রিয়ায় অন্যতম কাঁটা। তালিবানের সঙ্গে তাদের যোগসাজশও নতুন কিছু নয়। এমনকী, ৯/১১-এর পরে পাকিস্তান আন্তর্জাতিক স্তরে অবস্থান বদলে ওসামা বিন লাদেন ও মোল্লা ওমরদের বিরুদ্ধে লড়াইয়ে আমেরিকার সহযোগী হলেও আইএসআইয়ের একাংশকে এখনও বাগে আনতে পারেননি পারভেজ মুশারফ।

শান্তি প্রক্রিয়ার মধ্যেও তাই জঙ্গি গোষ্ঠীগুলির সঙ্গে পাকিস্তানের যোগাযোগ নিয়ে সদাসতর্ক কেন্দ্রীয় স্বরাষ্ট্র মন্ত্রক এবং গোয়েন্দা বাহিনী। প্রতিরক্ষামন্ত্রী প্রণব মুখোপাধ্যায়ও সম্প্রতি বলেছেন, নিয়ন্ত্রণরেখা বরাবর ৫৯টি পাক জঙ্গি গোষ্ঠী এখনও সক্রিয়। শুধু তাই নয়, সূর্যনারায়ণের হত্যাকাণ্ডের পরে তালিবানের 'মদতদাতা'দের কড়া ভাষায় সমালোচনা করেছিলেন বিদেশ সচিব শ্যাম সারন।

আফগান টিভিকে দেওয়া সাক্ষাৎকারে নাম না জানা তালিবান কমান্ডার কী 'সত্য' উদ্ঘাটন করেছেন?

তিনি বলেছেন, সূর্যনারায়ণকে হত্যা করতে চাননি তালিবানের জাবুল প্রদেশের কমান্ডার আমির খান হাকানি। কিন্তু আইএসআইয়ের নির্দেশে মৌলবী মহম্মদ আলম আন্দারের নেতৃত্বাধীন বাহিনীর এক জঙ্গি সূর্যকে খুন করে। গত ২৮ এপ্রিল অপহৃত হন সূর্যনারায়ণ। তালিবান হুমকি দেয়, ২৪ ঘণ্টার মধ্যে আফগানিস্তানে কর্মরত সব ভারতীয় দেশে ফিরে না গেলে তাঁকে হত্যা করা হবে। কিন্তু সেই সময়সীমা শেষ হওয়ার আগেই জাবুল প্রদেশের হাসান কারিয়েজ এলাকায় প্রধান সড়কের উপরে সূর্যের মুণ্ডহীন দেহ পাওয়া যায়।

স্পষ্টতই তালিবান কমান্ডারের এই বিবৃতি অস্বস্তিতে ফেলেছে পাকিস্তানকে। তারা অবশ্য অভিযোগের কথা উড়িয়ে দিয়েছে। পাক বিদেশ মন্ত্রকের মুখপাত্র তসনিম আসলাম বলেছেন, "আজকের যুগে যে কেউ ইন্টারনেটে নিজেকে তালিবান বলে দাবি করে খবর ছড়াতে পারে। এ ধরনের রিপোর্টে প্রতিক্রিয়া জানানোর কোনও মানে হয় না।" পাকিস্তান সরকার নাগরিক-হত্যার বিরোধী, এ কথা জানিয়ে তসনিম আরও বলেন, ভারত সরকারি ভাবে এ রকম কোনও দাবি জানালে ইসলামাবাদ অবশ্যই প্রতিক্রিয়া জানাত।

কিন্তু এ সব বলার পরেও পাকিস্তানের অস্বস্তি কমছে না বলেই মনে করছেন কূটনৈতিক বিশেষজ্ঞরা। বিশেষ করে সূর্যনারায়ণের হত্যার পর পাকিস্তান ও আফগানিস্তানের উপরে যে দ্বিমুখী চাপ সৃষ্টির পরিকল্পনা নিয়েছে নয়াদিল্লি, তাতে ইসলামাবাদ কিছুটা হলেও বেকায়দায়। কূটনৈতিক মহলের মতে, তালিবান কমান্ডারের সাম্প্রতিক দাবি প্রমাণ হোক বা না হোক, অদূর ভবিষ্যতে উপমহাদেশের কূটনীতির উপরে তার প্রভাব পড়ার যথেষ্ট সম্ভাবনা।

পরিস্থিতি বুঝে আফগানিস্তানও পাকিস্তানকেই কাঠগড়ায় দাঁড় করিয়েছে। সে দেশের সেনাপ্রধান জাভেদ লুদিন বলেছেন, এ ধরনের ঘটনায় পাক গোয়েন্দা সংস্থার জড়িত থাকার অভিযোগ আফগানিস্তানের পক্ষে খুব গুরুত্বপূর্ণ। তাঁর মন্তব্য, "কোনও আফগান নাগরিক এই রকম অপরাধ করতে পারে না।" ইসলামাবাদ এই বিষয়ে তাদের অবস্থান পরিষ্কার করে জানাবে বলেও মনে করছেন তিনি। লুদিনের এই মন্তব্যের পিছনে পাকিস্তানের দিকে যে স্পষ্ট খোঁচা রয়েছে, তা নিয়ে অবশ্য কোনও মন্তব্য করতে চায়নি ভারতীয় বিদেশ মন্ত্রক।

এর পর ছয়ের পাতায়

পাক নির্দেশেই

প্রথম পাতার পর
মুদ্রবিধবস্ত আফগানিস্তানের
পুনর্গঠনে ভারতের ভূমিকা গোড়া
থেকেই ইসলামাবাদের না-পসন্দ।
ভারতের সহায়তায় জারাজ-ডেশারাম
প্রধান সড়কের কাজ সম্পূর্ণ হলে ইরানি
বন্দর চাহ-বাহারের সঙ্গে
আফগানিস্তানের সরাসরি যোগাযোগ
স্থাপিত হবে, যার ফলে স্বাভাবিক
ভাবেই করাচি বন্দর তথা পাকিস্তানের
উপরে কাবুলের নির্ভরতা অনেক কমে
যাবে। কন্দহর, জালালাবাদ ও হিরাতে
ভারতের নতুন কনসুলেট খোলা
নিয়েও পাকিস্তানের অসন্তোষ চাপা
থাকে। পরিস্থিতি বদলে দিয়েছে
সূর্যের হত্যা। তার পরেই সজ্ঞাসবাদ
নিয়ে পাকিস্তান ও আফগানিস্তানের
উপরে পাল্টা চাপ দেওয়ার কৌশল
নিয়েছে নয়াদিল্লি। হত্যাকাণ্ডের পর
পরই শ্যাম সারন বিবৃতি দিয়ে সে
কথাই বুঝিয়ে দিয়েছিলেন। এ বার
তালিবান কমান্ডারের বিবৃতির পরে
পাকিস্তানের অস্বস্তি আরও বাড়বে।

India and Nepal to sort out role of third parties

15/5 CRAJA MOHAN

KATHMANDU, MAY 14

AS THE international community prepares to involve itself in the unfolding peace process in Nepal, New Delhi and the new civilian government here are yet to define the nature and scope of the role for third parties.

India, which has traditionally opposed external involvement in Nepal, today recognises that the participation of other countries could have some beneficial impact on the peace process. India is fully conscious that working with the global community was critical in getting King Gyanendra to end his authoritarian rule.

Many interested parties from around the world are seeking to muscle in on the peace process in Nepal—from the Carter Centre in Atlanta, named after the former US President Jimmy Carter, to Erik Solheim, the Norwegian peace initiator in Sri Lanka. But the Indian government, already under criticism from the Opposition for departing from its so-called Monroe Doctrine in Nepal, might be in no mood for an expansive international intervention in the Himalayan Kingdom.

Meanwhile, in their 12 point agreement last year, the Seven-Party Alliance and the Maoists called for a UN role in creating a violence-free environment during the transition period and also acknowledged the potential role of “international interlocutors” in the dialogue between the two sides.

Monitoring the current ceasefire, disarmament of rebel forces, and political dialogue between the political parties and the Maoists are three potential areas for international. India

is unlikely to oppose international monitoring of the ceasefire and the fairness of the elections to the Constituent Assembly. On disarmament, differences between the political parties and the Maoists on the sequence and timing of the process are already visible. While all major political formations agree on the role of the UN in the disarmament, key Nepalese leaders here insist that India should lead the international effort.

However, there is growing political resistance in Kathmandu to the notion of “third party facilitation”. Having conducted a triumphant movement against the King, the political classes are brimming with a new confidence in their ability to bring the Maoists into the mainstream.

Nepal imports India

NEW DELHI: In a bid to boost Nepal's economy, the Union Cabinet has decided to withdraw the 4 per cent additional custom duty on Kathmandu imports. This translates into a revenue loss of nearly Rs 80 crore for India, but is an opportunity for Nepalese businessmen to increase exports—currently worth \$560 million—to India.

Sources confirmed that the UPA government decided to waive off the duty imposed on all imports in the 2006-7 budget for Nepal on the request of the Girija Prasad Koirala government. India did not grant this economic favour to King Gyanendra though he too had requested a waiver earlier this year. The Finance Ministry is working out the details before a formal waiver notification is issued. This step is seen as a measure to stabilise the Nepalese economy that is expected to register less than 1 per cent growth this year. —Shishir Gupta

15 MAY 2006

INDIAN EXPRESS

As Darjeeling votes in the West Bengal Assembly polls today, its biggest leader returns to the spotlight touting a controversial autonomy proposal

Ghisingh back in the mountain mainframe

NIRAJ LAMA

"I AM planning to write a book on Subash Ghisingh. It will be called 'Ghisingh, an Enigma or a State agent?'" So said Kul Man Lama, one of the principal advisers to the Gorkha National Liberation Front president when the latter spearheaded a 28-month long violent agitation for separate state of Gorkhaland in the late 1980s. This was last autumn when the Darjeeling hills waited expectantly for the outcome of tripartite talks between Ghisingh, the Centre and the West Bengal government.

The GNLF leader himself was emerging in the political arena after a long hiatus. He had closeted himself after an assassination attempt on him in February 2001, thereafter attending only religious ceremonies and occasionally delivering long metaphysical speeches — and becoming more enigmatic than he ever was.

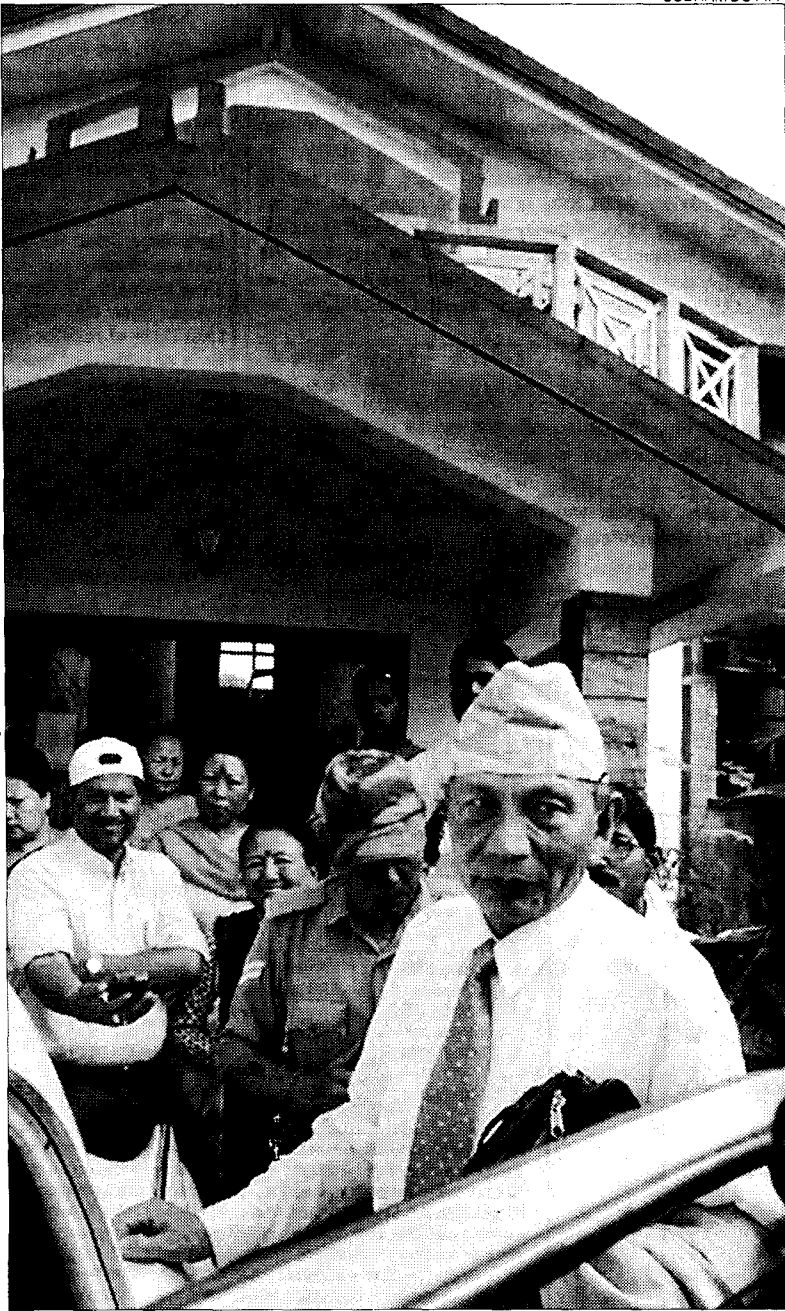
Ghisingh, pushing for the Sixth Schedule, was returning after talks with New Delhi when his convoy came under an armed attack in a desolate part of a highway in the hills. His political revival was timed with the Darjeeling Gorkha Hill Council election that was due March 2004, and he picked up the threads right away: he threatened not to allow the holding of the election, until the council was included in the Sixth Schedule. Finally, on 6 December 2005, a Memorandum of Settlement was signed between the Centre, state and Ghisingh, agreeing for the inclusion.

There is an irony to Monday's polling in Darjeeling for the West Bengal Assembly elections. It is now more than two years that the election to Darjeeling Gorkha Hill Council is due; it is a year to this month that the hill panchayats have been "functioning" despite their term having expired. The entire system is in limbo, held hostage by one man.

Perhaps having been denied their franchise so far, the hill people are showing extra enthusiasm for Monday's polls, as do the Opposition candidates. The CPI-M is the only national party in the fray but the main battle will be fought between the ruling Gorkha National Liberation Front and the anti-GNLF coalition Peoples Democratic Front; it will see the demand for autonomy, including the separate state of Gorkhaland, reverberate along the ridges.

The CPI-M would be satisfied in dividing Opposition votes in favour of the GNLF, given that bonhomie between the State government and Ghisingh has scaled new heights. The latter received his fourth extension from the government as "caretaker and sole administrator" of the DGHC in March.

By disavowing, for all practical purposes, the demand for Gorkhaland, Ghisingh has made himself the favourite of the State-government. And Writers' Buildings, in return, is ready to do anything to accommodate their trusted man — whether suspending elections or granting a carte blanche when it comes to administering the hills, including usage of monies.



The ethnic fissures that are emerging among the Nepalese of the hills in the wake of the Sixth Schedule proposal is unprecedented. If they continue to remain divided on tribal and non-tribal lines, an ethnic conflict, like the kind that occurred in the Sixth Schedule district of Karbi Anglong last October, cannot be ruled out. Observers are tempted to surmise that the Centre and the state, with the connivance of Ghisingh, are encouraging divisions among the hill people to undermine the demand for Gorkhaland

The December MoS has all the makings of another protracted process that will long fester on the backburner of the national polity. The GNLF is pressing hard, touting the MoS as a major achievement towards autonomous rule in the hills, while the Opposition has dubbed the agreement a "Memorandum of Surrender." There are fears that the proposal in its present form would balkanise the hitherto homogeneous hill society.

The main controversy regarding the MoS centres on the composition of the 33-seat council: 10 seats for tribals, 15 seats for non-tribals, three for "all communities" and five to be nominated by the Governor.

It's the first time the DGHC sees reservation based on ethnicity. Given that only Tamangs and Limboos among the Nepali-speaking are recognised tribals, while the majority — over a dozen other Nepali ethnic groups — belong to the General category, the latter are understandably unhappy and anxious over their fate once the MoS is implemented.

The ethnic fissures that are emerging among the Nepalese of the hills in the wake of the Sixth Schedule proposal is unprecedented. In the coming years, if the hill people continue to remain divided on tribal and non-tribal lines, an ethnic conflict, like the kind

that occurred in the Sixth Schedule district of Karbi Anglong last October, cannot be ruled out. Local political observers are tempted to surmise that the Centre and the state, with the connivance of Ghisingh, are encouraging divisions among the hill people to undermine the demand for Gorkhaland.

The Sixth Schedule of the Constitution currently comprises special provisions for administration of Tribal areas in Assam, Meghalaya, Tripura and Mizoram. The governance of the autonomous district and regional councils instituted under the Schedule is carried out by an elected council. The Governor oversees it all. Tribal laws prevail in these councils while state laws are extended only after approval by the Governor. The council enjoys significant powers to legislate and impose taxes.

In contrast, the level of autonomy vested in the Darjeeling Gorkha Hill Council — set up in 1988 following a two-year-long violent uprising for separate statehood — is negligible. In several instances it has seemed farcical: even though vesting the DGHC with only executive powers, the government still failed to depute the required number of staff in various transferred departments. The Special Central Assistance of just Rs 22 crore annually amply reflects the position of DGHC on the priority list.

Prima facie the agreement to include the DGHC in the Sixth Schedule is a step up. Importantly, the DGHC would now find a place in the Constitution of the country. (Having been instituted under a State Act, the DGHC can be dissolved by the State Assembly without any recourse.) But the Sixth Schedule for the Darjeeling hills, as outlined in the MoS, has been greatly watered down and it is hard to believe that it would fulfill the political and economic aspirations of the hill people.

Tellingly, the MoS concludes that it "is the full and final settlement of the Darjeeling Hill Areas issue and no further demands in this regard would be entertained."

Election campaigns of both the GNLF and the PDF have centred on the Sixth Schedule. The PDF, which includes All-India Gorkha League, Communist Party of Revolutionary Marxists, GNLF (C) and the BJP (a minor character in the alliance), has decided to oppose the Sixth Schedule in its present form. Their manifesto includes creation of Gorkhaland. On their part, the GNLF leaders are parroting Ghisingh's claim that the Sixth Schedule is a better option than Gorkhaland.

The Sixth Schedule is a complex issue with a lot of political fodder. Sadly, it has caused the campaign to overlook other equally real and pressing issues like antiquated and broken infrastructure, unemployment and lack of enterprises, threatened environment, serious violation of democratic norms, and an endemic corruption. And also the arbitrariness of the elections itself when it comes to the hills.

(The writer is a freelance journalist based in Darjeeling)

Doha Round: Hopes even after missing a deadline?

Progress depends principally on the U.S. and the EU

THE DOHA development round of the World Trade Organization received a setback at the end of last month when trade negotiators failed yet again to reach an agreement on the modalities for cutting agricultural tariff, domestic farm subsidies and tariffs on industrial products (Non-agricultural Market Access - NAMA). The April 30 deadline was set at the close of the Hong Kong ministerial meet (December 2005).

FINANCIAL SCENE

The Hong Kong ministerial promised much but its main achievement has been to keep the Doha round of multilateral negotiations alive. All 149 countries that attended signed the draft declaration. A few months before the ministerial there were great expectations: it was hoped that as much as two-thirds of the Doha agenda would be wrapped up at Hong Kong leaving the balance to be completed by 2006. In the event those expectations were belied.

From hindsight they appear to have been a wish list from trade officials intent on breaking the logjam and pushing the trade talks closer to fruition.

Unfinished agenda

The Hong Kong meet did deliver on two specific items of relevance to India and other developing countries. The agreement to phase out subsidies on agricultural exports by 2013 was claimed to be a major concession wrested from the developed countries. The other concession was in NAMA. The principle of "less than full reciprocity" was accepted: developing countries would not be required to lower their tariffs to the same extent as the developed countries. However, as in agriculture there has

been no agreement on the exact mechanics for such reduction. Besides, there was very little progress on services and, even in agriculture, the vexatious question of domestic support remains.

To resolve all these - mainly the unfinished Hong Kong deliberations - it was agreed to convene another high-level meeting of trade ministers by April 2006. If everything had gone according to plan that would have put a political seal on the modalities in agriculture and NAMA that were expected to be finalised through some intense negotiations by trade experts at Geneva and a few other places. Negotiations did take place but once again breakthroughs were elusive leaving no options to the WTO but to call off the proposed ministerial in April.

No new deadline

No new deadline has been set. In March, WTO Secretary General Pascal Lamy had said that missing the April deadline would be a "huge collective mistake." He has now urged members to engage in non-stop negotiations on agriculture and NAMA in the coming weeks. He has also said that waiting until July for the modalities in the two areas "would guarantee failure."

Egging on trade negotiations is one of the principal tasks of the WTO, especially its Secretary General. Raising expectations, as was done before Hong Kong, is one of the accepted ploys to energise negotiators. Predicting dire consequences in

case the original promises are not met even partially is the other part of the strategy. Both have been in evidence recently.

Intractable farm issue

Not that in the instant case they are not warranted. The Doha round was launched in November 2001. Modalities on agriculture were expected to be finalised by December 2003. That remains the most intractable item in the agenda till date and the one that has to be tackled before anything else.

It is going to take plenty more besides cajoling and threats to move forward substantially. Many observers feel that very little has been achieved in the four months since Hong Kong. Differences between the U.S. and the European Union in agriculture, always a potent disruptive factor, seem to have increased. As for developing countries, many share India's view that despite the nomenclature very few development issues have been discussed so far.

One factor that underlined the urgency was that U.S. President George Bush's "fast track" power to submit a trade deal expires in mid-2007. As long as the power vests with the President, Congress cannot carry out amendments to the deal. Any delay in the agreement could therefore see the rampant protectionist sentiment in the U.S. resurfacing to the detriment of multilateral trade.

Already in the U.S. the extent of domestic support to agriculture has been opaque and largely

kept out of the current discussions. Even with lower tariffs foreign agricultural products will not be able to compete in the U.S. domestic market.

Much of the objection to agricultural tariff reductions in Europe has come from the fact that unlike in the U.S. where farming is an industry, it is a way of life there. Cheaper imported products will threaten the socio-economic fabric. Such arguments heard in France and a few other countries find resonance in countries such as Japan too. This may sound illogical but has widespread support across the political spectrum in many countries of the EU.

In India, of course, agricultural issues have more to do with sustenance and food security. There are certain issues that are simply non-negotiable. Opening up trade in a way that does not disrupt the agrarian economy is one of them.

To the extent that further progress depends principally on the U.S. and the EU the outlook does not seem bright. For developing countries such as India multilateral trade as being promoted under the WTO banner is perhaps the only option.

If the Doha round does not succeed the alternative will be a further mushrooming of bilateral trade agreements. Recent experience has shown that such arrangements do not always work to the advantage of both countries. Those who remain optimistic over the Doha round point out that missing deadlines by themselves need not have catastrophic consequences. The expiry of U.S. fast track authority is still 15 months away.

Also, the ongoing negotiations in agriculture are particularly challenging because unlike in NAMA, no agreements have been reached before.

C. R. L. NARASIMHAN

FOR DEVELOPING COUNTRIES MULTILATERAL TRADE AS EMBODIED BY THE WTO IS THE WAY FORWARD. THERE IS THEREFORE PLENTY AT STAKE IN SPEEDING UP THE DOHA ROUND.

08 MAY 2005 THE HINDU

No compromise on agriculture, industry at WTO: Kamal Nath

Emerging economies should not be given raw deal, Lamy told

Sushma Ramchandran

NEW DELHI: India on Wednesday declared that it will not compromise on interests of either agriculture or industry at the World Trade Organisation negotiations. Commerce and Industry Minister Kamal Nath told visiting WTO Director General Pascal Lamy that emerging economies should not be asked to pay the price for the successful conclusion of a deal under the Doha Development Round.

Mr. Nath said that "while timelines or deadlines are important, this cannot be at the cost of the development content of the Doha Round which was launched with the aim of reducing global trade imbalances in favour of developing countries."

Sensitivities

Briefing newsmen, he said Indian farmers had no place in the global trading system owing to the huge agriculture subsidies of developed countries, which distorted markets. Indian agriculture was not commerce but a way of life and any deal that led

to its displacement was unacceptable. He said any tariff reduction moves must take these sensitivities on board. This was the reason for the proposal to have Special Products and Special Safeguard Mechanism.

Similarly, he pointed to the need to address the sensitivities of the small scale and infant industries in the negotiations. It had to be borne in mind that the developed countries took over 50 years to reduce tariffs so their indigenous industry could reach where they were today. "Our industry needs similar flexibilities," he said.

'Moment of truth'

Mr. Lamy urged India and other developing economies to adopt a flexible approach on industrial tariffs in a bid to meet the April 30 deadline for concluding talks on agriculture and industry. Describing the deadline as the "moment of truth," he said developed countries such as those in the European Union and the U.S. would have to reduce agricultural subsidies as well as tariffs. He felt, however,

that developing countries such as India, Brazil and South Africa would also have to reduce industrial tariffs.

Stressing that he was "catalysing" the most important deal for every country, he said India could do much more by way of reducing tariffs to reduce the wide gap between applied tariffs and those bound at the WTO. India would have to make its contribution on tariff reduction and maintained that the Hong Kong agreement provided enough policy space.

Opening up of market

He noted that this was a "development" round and trade needed to be re-balanced in favour of the developing countries. The opening up of the market had to be in the right proportion for everyone and three quarters of the membership comprising developing countries would not agree to any dilution of the development ambition.

Upbeat about meeting the deadline, he said the technical negotiations had widened and there was a potential for a deal

by that date. He said there was a General Council meeting on April 18 in Geneva and a ministerial meeting could follow if there was a forward movement.

Big picture

Earlier, speaking at the stakeholder interaction organised by UNCTAD, Mr. Lamy said the big picture was all about rebalancing the world trading system.

Responding to stakeholder interventions, he said that the trading system was imbalanced and there was need for reform. He did not agree with those who suggested that India and other developing countries did not need the WTO.

Mr. Lamy also met industry leaders at a meeting organised by the Federation of Indian Chambers of Commerce and Industry (FICCI).

According to a FICCI release, Mr. Lamy said India had offensive interests in services and to wrest the concessions needed for easier movement of professionals, it would have to pay by further opening up its services sector.



TRADE MEETING: WTO Director-General Pascal Lamy with Union Commerce Minister Kamal Nath in New Delhi on Wednesday. - PHOTO: S. SUBRAMANIAM

U.S. blocking WTO bid: Putin

Vladimir Radyuhin

MOSCOW: President Vladimir Putin has accused the United States of trying to block Russia's entry into the World Trade Organisation. Mr. Putin said new demands put by Washington had thrown back the process of Russia's accession to WTO.

"We have received a list of questions from our American colleagues requiring additional negotiations which we considered wrapped up long ago," he told an annual meeting with business leaders in the Kremlin on Wednesday.

"They are artificially pushing us back in our negotiating process," he said in televised remarks.

America's new demands appear to dash Moscow's hopes of completing WTO entry talks by the Group of Eight summit meeting in St. Petersburg in July which Mr. Putin will chair as Russia holds this year's rotating presidency of G-8.

Mr. Putin said Russia was still keen to join WTO, but not at any price. "We confirm our interest in joining WTO, but declare that we will do so only if this step will meet the interests of all parties, above all Russia and its economy." The U.S. is demanding, among other things, that Russia open up its market for American airlines and banks.

The Atlantic

The GM foods divide

In a draft ruling, the Dispute Settlement Body (DSB) panel in the World Trade Organisation (WTO) has upheld a 2003 complaint by the United States, Canada and Argentina that the European Union's (EU) *de facto* moratorium on authorisations for Genetically Modified Organisms (GMO) and GM foods between 1998 and 2003 and continuing national bans was a contravention of trade rules. The ruling does not, however, vindicate the stance of the champions of biotechnology that genetically engineered variants should be treated in the same way as conventional crops. Although the DSB panel did not examine the safety aspect of biotech products from the standpoint of environment and human health, it seems to have disagreed with the U.S. view that there were no scientific issues involved in the dispute. For one, it has sought expert scientific opinion and, for another, the main findings in the ruling relate to violations of the trade related food safety and plant and animal health provisions under the Agreement on Sanitary and Phyto Sanitary (SPS) measures. The burden of the complaint by the U.S., whose annual agricultural exports to the EU amount to 12 per cent of its total farm exports, centred on the EU's denial of approvals of GM strains of cotton, maize and sugar beet; whereas Canada and Argentina viewed the refusal as a form of discrimination among like products. The EU's defence was based on the differing risks between conventional and genetically modified organisms and the distinct authorisation mandated for GM products in the United Nations Biosafety Protocol.

The DSB panel noted that during the period of the moratorium clearances were refused by individual member-states of the EU for 24 out of the 27 biotech products, even though scientific approvals had been obtained from expert committees. Accordingly, it has suggested that the failure of the European Commission to nullify the bans imposed by Germany, France and Italy, among other countries, could amount to a violation of the provisions against "undue delay" in the SPS Agreement. It also saw little justification in the failure by these countries for conducting risk assessment of specific biotech products despite the existence of scientific evidence. It is possible that the DSB panel's interim report, which is a part of the ongoing judicial process of dispute resolution in the world body, will constitute the final ruling due soon. But it is unlikely that the WTO decision will make material difference to current EU regulation on GMOs. The U.S. complaint at the WTO coincided with the coming into force of the Cartagena Protocol on Biosafety, as also the introduction of the new EU-wide law allowing the resumption of imports of biotech products. Environment lobbies that have from the beginning viewed the timing of the complaint as a means to pre-empt the developing world from following the EU course on genetically modified foods are sure to feel vindicated in their position following the draft ruling.

21 MAR 2006

G-6 parleys fail

Press Trust of India

LONDON, March 12. — India and five other key WTO powers, which held a meeting here with an aim to break the deadlock in the global trade talks, have failed to achieve a breakthrough, but expressed commitment to meet challenges on the key issues of agriculture, services and non-agriculture market access.

Commerce and industry minister Mr Kamal Nath, who represented India at the two-day Group of Six (G-6) meeting which concluded last night, said that during the discussions he told the developed countries clearly that "there is no question of compromising India's agriculture sector." "India has 300 million poor people earning less than a dollar per day. This round is to lift the poor people and their standard of living. There is no for-

There is no question of compromising India's agriculture sector. India has 300 million poor people earning less than a dollar per day. This round is to lift the poor people and their standard of living. There is no formula yet on the card. There is only hope

mula yet on the card. There is only hope," he told newsmen.

India was opposed to the question of market access which upset subsistence farming, he noted.

The G-6 meeting was attended by the US, Brazil, the European Union, Japan and Australia, besides India to discuss issues relating to the ongoing Doha Round of multilateral trade negotiations of the World Trade Organisations (WTO).

European Trade Commissioner Mr Peter Mandelson, who chaired the talks, noted they had a "good meeting so far... Our job is to build consensus. We don't expect to make a breakthrough." He claimed they had made progress in a number of areas but declined to elaborate.

"We remain committed to meet the challenges we set in Hong Kong (talks) on key issues of agriculture, services and non-agriculture market access," Mr Mandelson said.

Brazilian foreign minister and chairman of G-20, Mr Celso Amrion, said he did not see at the meeting the "click" to make an agreement possible.

The US trade representative Mr Robert Portman said "we continue to be very focussed on the question of non-agriculture market access for developed countries in developing countries."

... 2006

THE STATESMAN

10-10 2015 Joining the Madrid system

The annual data on international applications for trademarks registration, released by the World Intellectual Property Organisation (WIPO), show the kind of importance China has acquired in the global market. At the same time, they have lessons for India, which is acting slowly on its declared intention to join the Madrid System of filing international applications for registration of trademarks and service marks in various countries through a single agency. During 2005, China emerged at the top of the ranking in terms of "designation" by foreign applicants for trademarks, edging out Switzerland and the Russian Federation. It has also become the largest applicant, among developing countries, for foreign registration of its own trademarks. The meaning of all this is that, on the one hand, more and more businesses in leading economies that set store by their brands seek a market share in China, by 'designating' it in their applications. On the other hand, Chinese entrepreneurs and enterprises are increasingly realising the value brands bring to them and hence seek to register trademarks and service marks in other countries.

It cannot be disputed that it is the large and multinational corporations that are way ahead of others in terms of ownership of popular brands. There are MNCs in various sectors of production, especially consumer goods, that own hundreds of brands. However, it will be wrong to conclude that multilateral trade treaties and arrangements like the Madrid System for the registration of trademarks benefit only big businesses. On the contrary, more than 80 per cent of users of the system are small businesses that own up to two trademarks and 96 per cent up to 10 trademarks. This is not surprising, considering that the Madrid System (similar to the Patent Cooperation Treaty or PCT in the case of patents) offers a simple and low-cost alternative to filing applications for registration (or renewal) of trademarks in the intellectual property (IP) offices of many countries separately. India has said that it would join the Madrid System after making due preparations, including modernisation of its trademark offices. Investment and action in this direction should be expedited and Indian providers of goods and services enabled to take advantage of the system without further delay. It also needs to be noted that the Madrid System does not prevent trademark owners from routing their application through the IP offices of member-countries other than their own. If India does not accede to the system early, Indian businesses may be forced to put in their international applications from the IP offices of third countries by setting up minimal operations prescribed for this purpose.

Spotlight on India, China at Davos

DAVOS (SWITZERLAND): As curtains came down on the annual meeting of the World Economic Forum (WEF) here on Sunday, the spotlight remained on India and China, with global business leaders expressing interest in tapping the booming economies of the two Asian giants. 2-6-9

This was a clear shift from the last two editions of the meeting. In 2004, the discussions revolved around China, India, Russia and Brazil. Last year, China took the centre stage.

At the final session of the WEF on Sunday, the former World Bank president, James Wolfensohn, termed as "hugely important," the global shift to India and China — the two most populous countries, whose growing economies and huge domestic markets have attracted loads of foreign investments.

"We're moving from six billion to nine billion people in the next 50 years... hence the focus on India and China," he said. — PTI

30 JAN 2006

THE HINDU

Greater sensitivity needed at WTO

The World Trade Organisation's decision to extend, by seven-and-a-half years, the period available to least developed countries (LDCs) for bringing their intellectual property rights (IPR) rules in line with the relevant WTO agreement, is welcome for more than one reason. The decision, taken by the WTO Council on TRIPS (Trade Related Intellectual Property Rights) Agreement of 1994 just a few weeks ahead of the Hong Kong ministerial meeting last December, will afford more time for the LDCs (till July 2013) to prepare themselves for adopting the TRIPS regime covering patents, trade marks, copyrights, industrial designs, and other forms of intellectual property. It is at the same time an acknowledgment that the pursuit of globalisation with the aid of political and economic clout of the developed world cannot deliver results if the realities of the highly diversified and unequal status of national economies are ignored. The WTO decision also exempts the LDCs – of whom there are 32, including Bangladesh and Nepal in India's neighbourhood from the requirement of granting exclusive marketing rights (EMRs) for drugs pending the adoption of a product patent regime. The concept of EMRs, built into the TRIPS as part of the 1994 Marrakesh package establishing the WTO, was itself highly flawed. The EMRs in effect tended to neutralise the transition period given to developing countries and the LDCs for adopting a product patent regime for drugs and also linked the grant of EMRs in one country to grant of a patent in another.

Bulldozing countries in various stages of development to adopt a common IPR standard has, not surprisingly, proved problematical because even among the developed countries that can be said to have reached certain minimum level of industrialisation and economic progress, there are many differences on basic IPR-related issues. The U.S. and the European Union differ on whether patents have to be granted on the basis of first-to-apply or first-to-invent and on whether oral or published evidence of "prior art" is relevant. More strikingly, in August 2005, the EU saw its directive on harmonisation (within the Union) of national patent laws relating to software being thrown out by the European Parliament by a massive vote of 648 to 14. Against this background, it is doubtful whether the mere extension of "trade related technical assistance" to the LDCs and developing countries under the WTO to help them adopt the global standards of IPR protection determined by developed countries will be enough to bridge the gap resulting from development lags and the colonial and geopolitical intervention in their domestic affairs.

LOK SABHA ■ Kamal Nath says declaration at the Hong Kong meet addresses India's core concerns

WTO: Left, Opposition unhappy with govt

EXPRESS NEWS SERVICE
NEW DELHI, DECEMBER 21

BOTH Opposition and Left MPs were unhappy with Commerce Minister Kamal Nath's statement in the Lok Sabha on the outcome of the Hong Kong Ministerial conference of the World Trade Organisation.

In his statement to the House, the Commerce Minister stated that the WTO ministerial declaration in

Hong Kong had addressed India's "core concerns" and that there were "significant gains" in agriculture with safeguards for farmers.

After Kamal Nath's statement, the BJP's V.K. Malhotra said that the draft agreed upon at Hong Kong was not in India's interest, while Gurudas Dasgupta of the CPI pointed out that the minister's claims on the positive outcomes were exaggerated. During these statements, Speaker Somnath Chatterjee agreed that there should be a full discussion/de-

bate on the matter.

The minister in his statement said that the document "finally agreed upon, addresses our core concerns and interests and provides us enough negotiating space for future work leading up to modalities".

He added that "in agriculture, in domestic support, developing countries like India with no aggregate measurement of support commitments will be exempt from any cuts on their *de minimis* support". He also

said that the green box criteria would be reviewed so that programmes of developing countries which have minimal trade distorting effect would be incorporated in it.

Furthermore, Kamal Nath informed the Lok Sabha that "all forms of export subsidies by developed countries and other export measures with equivalent effect such as export credits, guarantees and insurance in excess of 180 days would, among other things, be eliminated by the end of 2013".



'India has managed adequate safeguards for farmers'

Left gets tough on two fronts

Statesman News Service

NEW DELHI, Jan. 24. — In what appeared to be a move to mark out the clear blue water between itself and the Congress even while ensuring the UPA stays in power, the Left today was strident in its demand that Mr Buta Singh be sacked and also chose the day to raise its objections to India's position vis-a-vis Iran on the nuclear issue.

The CPI-M today said the Bihar Governor should resign in view of the Supreme Court judgment against him, while the CPI demanded his immediate recall. "In the light of this judgment, it will be appropriate for Buta Singh to step down from the post of Governor", the CPI-M Politburo said in a statement here. Party general secretary Mr Prakash Karat also said: "I don't see any way other than Governor Buta Singh to step down". CPI general secretary Mr AB Bardhan said that in view of the Supreme Court judgment Mr Singh's continuance as Governor is "absolutely untenable" and the government should immediately recall him.

And seeking to mount pressure on the Centre on the Iran nuclear issue ahead of the 2 February IAEA meeting, the Left parties today warned the UPA government of a confrontation if it goes with the USA and EU to refer Teheran's case to the UN Security Council. The Left parties said they would meet here on 27 January to finalise their stand and hand over a note to Prime Minister Dr Manmohan Singh before the next IAEA meeting. Mr Karat said the CPI-M would hold protests all over the country against US President George W Bush during his scheduled visit to India in early March. "We have to give him a warm reception. So warm that he would feel the heat against American imperialism here," he said. In Kolkata, too, the Left was all fire and brimstone with Bengal party leader Mr Anil Biswas describing the President as "a robber and not a guest". It's hypocrisy if Dr Manmohan Singh doesn't want to learn patriotism from us even after entering into 11 secret Indo-US defence treaties, he added, apparently "provoked" by the Prime Minister's observation that he didn't need any lessons in patriotism.

THE STATESMAN

Keeping the Doha round alive

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A significant achievement of the just concluded Hong Kong ministerial meet of the WTO may well be the unanimous approval of the draft text by all 149-member countries. Yet such unanimity, while welcome from the point of view of keeping alive multilateral negotiations centred on the Doha round, ought not to be interpreted as a major substantive gain. The expectations from the ministerial meet were toned down substantially because of continuing differences over issues related to agriculture as well as non-agricultural market access (NAMA) and services. The earlier hope was that two-thirds of the Doha round agenda could be wrapped up at Hong Kong, leaving the balance for 2006. On the eve of the ministerial meet, such an outcome seemed remote. In the event, the most favourable verdict might well be, as WTO Director-General Pascal Lamy assessed it, that it has managed to put the (Doha) round on track after a period of hibernation. But that also implies that many substantive issues remain unresolved, raising the stakes for the ministerial meet to be held by April 2006.

India and other developing countries have reasons to be satisfied that they were able to negotiate as a bloc. However, even the few issues that were settled in their favour are subject to caveats and conditionalities. The phasing out of export subsidies on agricultural products by 2013 is claimed to be the biggest single concession wrested from the developed countries. For this to be effective, certain loopholes that allow hidden subsidies in export credit and food aid will have to be plugged. The phase-out is a small but important step but much needs to be done in the area of domestic support, where only the broad modalities for subsequent negotiations have been arrived at. Even the deal on cotton — expected to benefit some of the poorer African countries — is subject to an agreement being reached on eliminating all export subsidies by 2006. Under this arrangement, while the U.S. will abolish export subsidies on cotton by next year, India and other developing countries can retain higher tariffs to protect their farmers and ensure that food and livelihood concerns are met. Their need for a special safeguard mechanism based on price and volume triggers has been recognised. In NAMA, developing countries are not required to cut tariffs to the same extent as the developed countries. While the principle of “less than full reciprocity” has been recognised, there is no agreement on the exact mechanics for such reductions. Only subsequent discussions will bear out whether the developing countries have given away too much under NAMA in return for concessions in agriculture. There has hardly been any progress on the services front this time. From the standpoint of multilateral trade, the Hong Kong meet may be termed a modest success but, for the development agenda, it has only served to sharpen the focus on the more contentious issues that are pending.

WTO adopts declaration

Asha Ramachandran in Hong Kong

Dec. 18. — Defying predictions of a possible collapse, negotiators at the WTO Ministerial here today adopted a face-saving declaration on farm subsidies and industrial tariffs. The crucial breakthrough paves the way for a global trade pact next year.

The declaration sets an end-date of 2013 to eliminate all agricultural subsidies and accords greater flexibility in reducing tariffs in industrial goods. It also finalised a package for the least developed countries (LDCs) and relief for the African cotton producing countries.

The compromise declaration, while not meeting all of India's expectations, managed to address some of its global trade concerns. Hailing the declaration, the Union commerce and industry minister, Mr Kamal Nath, said: "This is a major step forward though it's not our destination... We got every bit of what we came here for. We negotiated from a position of strength." Mr Nath said the farmers' interests had been fully protected by securing an agreement that the WTO would not come in the way of domestic support to farmers in developing countries.

The biggest gain for India, Mr Nath said, was the exemption of developing countries with no aggregate measure-

Indian legislator held

HONG KONG, Dec. 18. — A farmer leader and Madhya Pradesh MLA was among 900 anti-globalisation protesters arrested by the Hong Kong police. Mr Sudhir Mishra, the leader of the Madhya Pradesh Kisan Sangarsh Samiti, was arrested last night along with other protesters as they marched towards the venue of the WTO Ministerial. Mr Mishra's arrest has evoked a strong reaction from other Indian farmers' groups camping here. — PTI

ment of support (AMS) — a trade distorting price support mechanism — from reductions in the so-called "de-minimis" levels of support and the overall cut in trade-distorting domestic support. Secondly, he added, the agreement allows developing countries to declare an appropriate number of Special Product or products kept outside the ambit of tariff reduction, on a self-selection basis.

On the Indian domestic industry, he said its interests had been fully protected. "Preservation of adequate negotiating space was a goal and has been ensured for the future. While building in necessary provisions to safeguard India's defensive interests, provision to promote our export interests too have been strengthened."

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THE STATESMAN

A POSITIVE STEP, SAY CHAMBERS ✓

WTO deal hailed

Press Trust of India

HONG KONG, Dec. 18. — Indian industry today welcomed the World Trade Organisation (WTO) deal terming it as a significantly positive step and complimented commerce minister Mr Kamal Nath for successfully negotiating several provisions of vital interest to India.

"A positive outcome of the Hong Kong Ministerial meeting is a welcome development of the Doha Round," Confederation of Indian Industries' (CII) vice president Mr R Seshasyee said and congratulated Mr Nath for safeguarding developing countries' interests at the talks.

Mr Seshasyee said it was important for WTO members to ensure that the development objectives of the round are met quickly.

Secretary general the Federation of Indian Chambers of Commerce and Industry, Mr Amit Mitra, particularly

welcomed India's initiative to build the grand alliance of 110 developing and least developed countries

"To form such a coalition cutting across levels of development and interests through a process of inclusion, engagement and commitment would not only strengthen the multilateral system but also safeguard a number of legitimate concerns of the developing world in agriculture, goods and services," Mr Mitra said.

The Associated Chambers of Commerce and Industry of India's president Mr Anil Agarwal said removal of tariff peaks and tariff escalations would help many of the sectors like textiles and leather on which there is an excessive duty in the developed countries.

Ficci said the flexibility to self-designate Special Products and price and volume triggers in Special Safeguard Mechanism would enable India to protect its livelihood and food security concerns.

THE STATESMAN

WTO mini-ministerial meet at Davos in Jan

Statesman News Service

NEW DELHI, Jan. 14. — Members of the World Trade Organisation (WTO) will hold a mini-ministerial meeting in the Swiss ski resort of Davos on the sidelines of the World Economic Forum (WEF) summit, to take forward last month's ministerial negotiations at Hong Kong. "The process is rolling at the end of this month and we don't want to lose momentum," commerce and industry minister, Mr Kamal Nath, today said at a seminar on post WTO scenario organised by the Confederation of Indian Industry (CII).

Elaborating on the road map laid out for the post-Hong Kong meeting, Mr

Kamal Nath said on the sidelines that some 30 ministers were scheduled to meet during 27-28 January followed by a series of bilateral talks. The first bilateral would be with the EU at Davos, followed by another with the US, for which the date has not been finalised, the minister said.

Mr Nath would be attending the WEF meeting during 24-29 January as part of the Indian delegation to the global conference, where India has been selected as the theme this year.

"We also want to have sessions with the LDCs (least developed countries) sometime in February," Mr Kamal Nath said. Similarly a G-20 meeting was being thought about but had also not been finalised.

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THE STATESMAN