

imprint

*India's Foreign Affairs Magazine. International relations.
India's imprint on the world in business and culture.*

Across the wall: The tiger and dragon meet

THE world's two most populous countries meet. The Chinese Premier Wen



The Chinese Premier
Wen Jiabao

Jiabao's four-day visit to India has to be read as a deepening of the increasingly friendly Indian-Sino relations. Things started looking perkier ever since

former Indian Prime Minister Atal Behari Vajpayee visited Beijing in 2003. After years of a strained relationship there are decreasing deterrents in the India-China rapprochement. The *raison d'être* is the potentially profitable economic factor that is glaringly obvious to both the countries. If there is collaborated alliance between the world's most densely populated countries then the sky is definitely the limit. On that note, Wen Jiabao has signed an agreement with India to expand civil aviation links. However, both India and China are inching forward slowly and cautiously toward a prospective future.

Trade Talk

Touching base in Bangalore, the Chinese Prime Minister had a hectic schedule incorporating meetings with the Indian Space Research Organisation (ISRO) and Tata Consultancy Services (TCS) amongst oth-

ers in Karnataka.

One can see why India's largest IT exporter and ultra-progressive space centre would be two important halts in the whistle-stop tour.

In 2004 China was the first Asian nation to launch a person in the orbit. On the other hand India is Asia's largest launcher of satellites. The two sides currently share a joint project in space applications and remote sensing and are planning on expanding this collaboration. Especially in the IT sector India and China have strong chances to emerge as global leaders. Jiabao's interest turned towards the Indian Institute of Science (IISc) and their R&D activities. Jiabao stated "If India and China cooperate, we will be able to lead the world IT industry one day".

In spite of China's avid interest in a Free Trade Agreement (FTA), India has decided to take baby steps

toward the topic. So while a joint study group works out the intricate financial details, experts believe the economic balance is tipping in favour of China. While China booms as a manufacturing power, India chugs behind in the agricultural sector. There can be no parity expected from such a partnership. India might have to wait for a few years before it can take on an FTA with the dragon.

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Ex Prime Minister of India

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Islam A.Karimov
April 4 to 6 |
| Prime Minister of China
Wen Jiabao
April 9 to 12 |
| Emir of Qatar
Sheikh Hamad bin Khalifa Al Thani
April 13 to 15 |
| President of Pakistan
General Pervez Musharraf
April 16 to 18 |

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PERSPECTIVE

Recap

It has been nine months since I took up the editorship of Imprint. I thought it better to do a recap of all I have commented upon in the last nine 'Perspectives'. After all, issues important enough to comment need not be forgotten. Also my intention is to put into perspective once again for all readers Imprint's mind on issues and editorial efforts. In our first issue (July -2004) 'How naive can you get' we took up the issue of Bush and Blair as liars and deceivers in launching the Iraq war in full knowledge that no WMDs existed. Worse still, since July, even Blair looks like he is going to stay back at 10 Downing Street. The spoils of war, it almost seems!! The hypocrisy of the media in the west is most worrying. *The Economist* called both the Bs 'sincere deceivers'. Since July even the US has agreed Iraq or rather Saddam Hussein, (remember he is alive) had indeed no WMDs and warned that if he is removed anarchy will prevail in Iraq. How true. In August 'Iraq votes on behalf of Middle-East in favour of India's permanent seat in the UN Security Council': Iraqi militants released Indian hostages all of them, unharmed. Most of us have forgotten. We must remain grateful. I saw in this action a signal by the Muslim world acknowledging India leading the world as an independent nation without any hidden agenda. The heart of the militants in releasing the hostages reflected the belief among Muslims that India did have empathy and acts without self-interest in the conflict among nations. I think Indian diplomacy will be found wanting if we do not reciprocate the goodwill of the Iraqis as best we can and fast. In September 'Global Leadership' spoke of M2S* at the UN: without passion and missionary zeal 'requesting' a seat for India. M2S doing his job, however boring has now been accepted as highly suitable for India to escape the virulent politics. M2S has been selected for the 'job' of representing all of Asia at the Bandung conference. I mentioned in this edit about India filling a vacuum in global leadership. A vacuum created out of the misdeeds in Iraq by the US/UK and an attempt by Germany and Japan to fill this vacuum. But India I thought with M2S' lacklustre performance at international leadership will not serve the purpose. Now I reason I was wrong. It's M2S's style that is winning support from many nations, who can be ready to accept India without the virus of our politics. The sincere CEO approach of Principal Manmohan Singh is actually showing India in a truer light of an intellectual with objectivity to lead the third world and also Japan. 'India has forgotten its manners' was the *Perspective* in the October issue. I pointed out that Indians have accepted bad manners as a rule of social equity. Enough damage has been done in these past decades of politicking with the caste and backward factors encouraging rudeness, disobedience, and challenge to the establishment. Once again in this recap I am more than happy to remind ourselves on this degradation in our culture that might now take many more decades to rectify. I read in Delhi a while ago that taxi drivers at the airport were being convinced that it is okay to be nice to foreign tourists! In November '04 'Ideology' clearly defined India's ideology that you cannot and must not divide a nation or a people on the basis of religion. Pakistan is trapped in its religion ideology. With respect to the UN Security Council a cartoon of a US cowboy boot with a spur and a dozen new UNSC members on the boot depicted the attitude of the US to the new aspirants. Since then Kofi Annan and Pushkin, and Koizumi have already visited Delhi to insist veto powers will not be given to India. We must not forget the Muslim or rather the Middle East does accept India as the right leader. There is a vacuum and India needs to play its cards absolutely correctly now. In December 'India becomes rich', and the new mantra of 'contrametroantibiultrasexual' (this word coined and copyright of the undersigned!) propagated by TOI confusing India with a rich country and also the first time I coined the names for Aloo Wah Lia and Chidu Baba, two believers who declare India as a rich rich country. About India refusing Tsunami aid, our Navy on rescue operations in Sri Lanka, Indonesia and the belief that we are a super power the reality check came in the January '05 issue 'Not really a Superpower'.

* M2S - Manmohan Singh

The brief for *imprint* is India's international economic relations, and India's foreign policy impacting economic development, as also the imprint of India globally, arising from the actions of our government. And of Indians in their achievements internationally.

In this issue I described the real power India has lies in the magic of Bollywood culture which attracts Tibetans outside the Patola palace, Chinese, Malays, Japanese, Arabs, Iranians, and now even Russians, Romanians, and the rest of Europe. But our disgraceful manufacturing competence has damaged our super power reckoning. When we have to purchase weapons worth US\$ 7.3 billion annually from other countries and our own production is pathetic in terms of value and technology. It is this fact that Putin came to remind us. And the US has recently also reminded us with an offer of F-18s putting us in the category of reliant state and not a superpower. Manufacturing was the emphasis of this *Perspective*. 'A cultural dynamism in foreign policy' in Feb '05 propagated India must invest millions in building permanent cultural centres for teaching Sanskrit, Indian dance, Astrology, Hindu philosophy and this is purely a foreign policy approach initiative appropriate to countries with a strong affinity to Indian mythology. In the last issue March 05 'Real Politik is what you make out of it' focused on the tendency to mistreat China and the habit in India to fall into the trap to confront the Chinese with animosity. This is with special regard to the hype in leading Indian newspapers of the F-18s to confront the Chinese. India is far from confronting China and friendship with China is the way forward.



Anil Chopra, Editor & Publisher

Across the wall: The tiger and dragon meet

(Continued from pg 1)

The two emerging super-powers have decided to further political and economic ties.

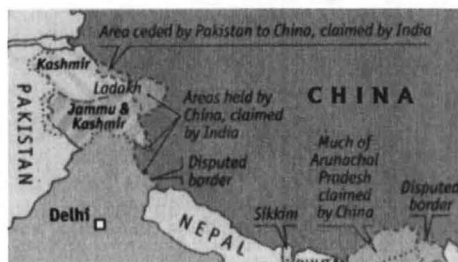
Jiabao and his 150-member delegation's high profile visit tried to cover as many aspects as possible. Accompanied by Chinese Foreign Minister Li Zhaoxing, Minister of Commerce Bo Xilai and Minister of Education Zhou Ji met with their counterparts Natwar Singh and Kamal Nath. Bilateral trade between the two countries reached US\$ 13.6 billion in 2004 and is pegged at a higher figure of US\$ 30 billion by 2010. China is already India's second-largest trade partner after America. There are multi-million opportunities in the sectors such as information, software services, steel, agriculture, pharmaceuticals, automobile com-

ponents, etc. There is a huge market waiting to be tapped into. Not only for China but for India equally.

Border Roger

National Security Advisor M K Narayanan held talks with Chinese Executive Vice Foreign Minister Dai Bingguo. They discussed "guiding principles and political parameters" for the settlement of the boundary dispute. Even though there has been no concrete resolution it is clear that there is scope for it in the future. Indian Prime Minister Manmohan Singh and his Chinese counterpart have endorsed the consequent agreement. India's key concern can also involve Sino-Pakistan defence and security rela-

tions. Up until now, China has been fuelling Pakistan's military, defence and nuclear capabilities. This is a direct implication on India's security concerns.



Disputed areas, India- China

Discussing the close Sino-Pakistan bond during this historic visit was not a very feasible idea however; it will have to be brought up in the future to safeguard India's security position. Another shroud that looms above the boundary problem is the war that India embarrassingly lost to China in 1962. With such a hotbed to play on,

Narayanan may have had to bite many of his words and use intense-diplomatic manoeuvres to carry forward his goal.

The 43 years old border dispute was one of the hot topic of discussion among defence and security issues. China's occupation of Aksai-Chin was in primary focus. After a round of talks on the border issue, it was mutually agreed to formulate "political guiding principles". Looking to mend fences the two Asian giants have consented on something termed as a "package settlement". This would require for India to accept China's rule in part of Ladakh and China to give up its claim on the Indian state of Arunachal Pradesh. Whilst such ideas are being discussed, the whole matter remains very much in the tentative territory bracket. The bright side is that this is a sure sign of an eagerness to establish trust and cooperation. Wen Jiabao also apprised India of China's acceptance of Sikkim as part of India by presenting a map that included the Himalayan kingdom within India.

A protocol on Cross Border Measures (CBM) was signed that does not allow for large-scale military exercises of more than one division near the Line of Actual Control (LAC). More so, such exercises should be held after giving the other side prior notices and not for purposes that involve the other side as a target.

The most touching entente was the decision to go ahead with the building of a Buddhist temple in Henan province of Central China. After decades of the Buddha-Ban, China has once more opened its doors for the land of the Lotus!



◀ The Indian PM addresses the National Assembly of Mauritius in Port Louis. In the background is Premnath Ramnath, Speaker of the Mauritius National Assembly. Manmohan Singh visited Mauritius at the end of March



▲ Welcome Mr President, your visit shall further expand friendly ties and activate unused opportunities: President of Uzbekistan Islam Karimov (l) being greeted by the Indian PM Manmohan Singh(r). In the middle is Karimov's wife Tatiana Akbarovna. Uzbek President visited India from April 4-6.



▲ Hail commerce for closer ties: Chinese Wen Jiabao(r) meets the Indian President APJ Kalam at New Delhi.



◀ Joining hands to combat terrorism: Indian PM Manmohan Singh with the Prime minister of Mauritius Paul Raymond Berenger in Mauritius. Indian PM signed four accords in the host country. It included one accord on setting of a JWG for combating global terrorism.

▶ An unarmed General: Pak President Pervez Musharraf praying at the Dargah of Ajmer Sharif, Rajasthan on his visit to India this April.



▲ Beginning of an era of mutual trust and cooperation between India and China. Indian PM Manmohan Singh(r) with the Chinese PM Wen Jiabao. April 05 witnessed a historic visit of the Chinese PM to India



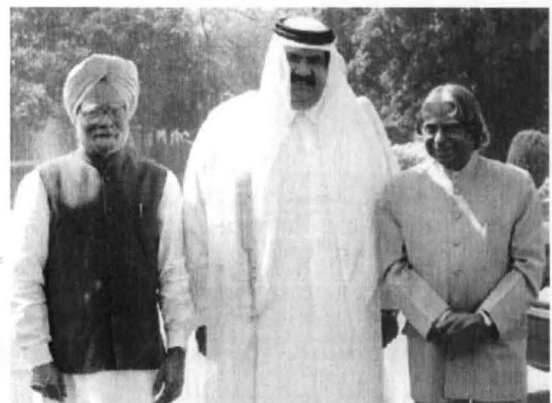
◀ A final stride towards comradeship: Indian Minister of External Affairs Natwar Singh exchanges documents after signing agreements with his Chinese counterpart Li Zhaoxing at Hyderabad house in New Delhi. In the background are the Indian and Chinese Prime Ministers.

NEWS



▲ **Open Skies:** US ambassador Robert Mulford (l) with the Indian Civil Aviation Minister Praful Patel (c), on the right is the US Secretary of transport Norman Mineta. The event was the signing of the open skies pact between India and US at New Delhi.

► **Hospitality** apart, now let us sit for some serious business in the future. General Musharraf dines with the Indian Prime Minister Manmohan Singh on his visit to India this month.



◀ **Nothing ventured, nothing gained:** Indian Minister of External Affairs, Natwar Singh in a solemn mood at a press conference with Condoleezza Rice in Washington DC. Natwar visited US in April.

▲ **India-Quatar** embarking on the path of friendship: Emir of Quatar Sheikh Hamad bin Khalifa Al Thani flanked by the Indian Prime Minister Manmohan Singh and the President of India APJ Abul Kalam. Emir of Quatar visited India in the month of April and some extremely crucial agreements were signed between the two countries.



▲ **Karachi Chamber of Commerce and Industry (KCCI)** President Khalid Firo with S Sen, Deputy DG of Confederation of Indian Industry in New Delhi. KCCI business delegation visited New Delhi in the beginning of April.

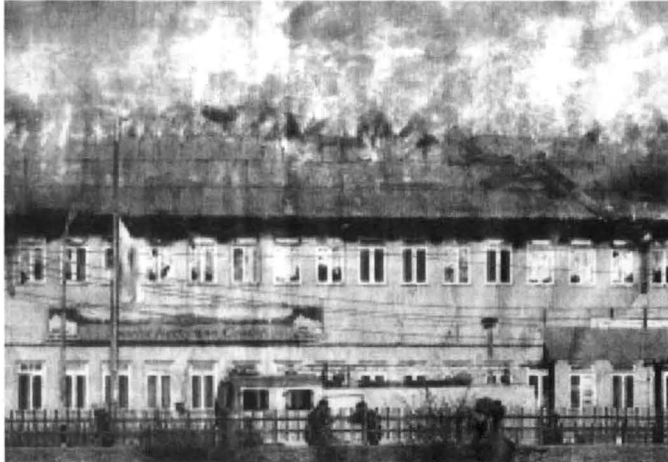


▲ **A friendship bus:** Indian Prime Minister Manmohan Singh at the launch of the Srinagar-Muzaffarabad bus.

Road to Muzaffarabad II : From Srinagar with love

THE enemy strikes once again, in their last attempt to derail the historic

Srinagar-Muzaffarabad bus journey. If India and Pakistan are ever to see eye to



Terrorists tried in vain to impede the launch of Srinagar-Muzaffarabad service.



Bus enroute to Muzaffarabad from Srinagar.



People rejoicing at the Aman Setu.

eye, it cannot happen with these pesky militants interference. This time round, they decided to attack the Tourist Reception Centre (TRC) complex that housed the 29 bus passengers scheduled to travel on the much awaited bus. On last count, only 24 brave passengers were still ready to cross the Line of Control (LoC). The *fidayeen's* were successful in setting the TRC's rooftop on fire but unsuccessful in their halt-the-bus mission.

No mark for guessing that such an attack was expected so a stinging fact remains; the attack was completely preventable. The Indian security forces that defended their front admirably must still be questioned on their lack of foresight measures. Yet again, India was brought to the firing line when actually such a situation could have been avoided with a high security plan. The pre-emptive assault on the TRC was 100 yards away and 24 hours before Prime Minister (PM) Manmohan Singh and UPA Chairperson Sonia Gandhi were to flag off the bus. The Indian security forces must blush in shame and embarrassment for not being able to prevent such an expected crisis.

On the flip-side the bus bounded towards Pakistan and triumphantly halted before Kaman Bridge to alight the 24 passengers that were meant to cross over to Pakistan occupied Kashmir (PoK). After about 57 years such a road journey has been attempted triumphantly. Indian Prime Minister Manmohan Singh and UPA Chairperson Sonia

Gandhi at Srinagar flagged off the bus. The road that joined the two nuclear-armed countries were planted with grenades and landmines that were thankfully discovered and deactivated in time. However minutes after the bus passed Patan, a town that is 27 kms from Srinagar it witnessed a bomb blast. Nevertheless the bus continued till it reached its destination. A giant leap for India-Pakistan relations, the road trip will stand as a symbol for the most harmonious times India has shared with its neighbour since independence. Concurrently, a bus departed from Muzaffarabad toward Srinagar carrying 30 passengers over to India. PoK Prime Minister Sikandar Hayat flagged off the bus. Manmohan Singh called their crossing over the Aman Setu or Peace Bridge into Indian territory "a small but significant step"

The bus has already gained popularity as the Hurriyat Conference (HC) leadership plans to make the journey into PoK by the 'caravan of peace' in May 2005. Significantly, some very important Kashmiri leaders have been denied visas by the Pakistani government. These include Mehbooba Mufti, Chief of People's Democratic Party; Omer Abdullah, National Conference leader and Pirzada Mohammad Sayeed, the State Rural Development Minister. Not a very good sign considering that these leaders would have liked to travel by the historic bus to Pakistan in order to seek a solution to a militant free Kashmir.

Musharraf says peace process is irreversible

THE President of Pakistan General Pervez Musharraf once again visited India. The President of Pakistan was in India from 16 to 18 April. During this trip he met

diplomatic preparations were done before hand. The visit which started as a trip to see the cricket match finally turned out to be a broader review of the 14 month peace process be-



Exchanging beautiful pictures: Manmohan Singh presents Pervez Musharraf a picture of his ancestral house, on his latest India visit.

with the President of India, APJ Kalam. He also met with the Prime Minister Manmohan Singh at least four times whilst spending a weekend watching cricket.

Just like his earlier visit to Agra he was able to create the same furore in the Indian political circles and media, as he did almost four years ago. But this time the General played a different tune than that at Agra. We all know that his Agra visit was a diplomatic disaster for India. There is no reason why we should harp about this now when enough is said and written about it. Still we should remember that what happened at Agra was a result of our inadequate diplomatic preparations. But this time India was prepared for the General's visit. Enough dip-

lomatic preparations were done before hand.

The visit which started as a trip to see the cricket match finally turned out to be a broader review of the 14 month peace process between the two nations. At present the state of affairs from July 2001, Agra Summit is totally altered. The incident of 9/11 and the events after it all across the globe have put pressure on Pervez Musharraf. Probably, this has helped in changing Musharraf's tone. Now he has to show to his friends in America that he is not supporting "Jehadis" and is putting some concrete effort towards peace in the region.

The significant outcomes of Musharraf's latest visit to India are multifold. Increase in the frequency of the bus service between Srinagar and Muzaffarabad; the significant development is that now trade trucks are going to be allowed on this route. By 1st January 2006 Khokrapar-Munnabao route

is to be re-established. Also, by the same time the Consulate General of the two countries in Mumbai and Karachi are to be re-established. A new bus service will start between Poonch in Kashmir and Rawalkot in Pakistan. Regarding Sir Creek and Siachen the existing institutional mechanisms should convene discussions immediately with a view of expediting the process of finding mutually acceptable solutions to both issues. It was decided by both countries that the Ministers of Petroleum and Natural Gas of India and Pakistan would meet in the month of May to explore cooperation in this crucial sector and also on the issue of the forthcoming pipeline. Another central decision was that the Joint Economic Commission is to be activated as soon as possible.

In a joint statement issued by the two countries it was said that the two countries would continue to address the issue of Kashmir that remains a flash point. The General mentioned that the peace process is irreversible. The President of Pakistan Pervez Musharraf also invited the Indian Prime Minister to Pakistan. This invitation was accepted by the Indian Prime Minister.

This visit of the President of Pakistan has displayed a new and changed face of Pakistan towards India. Now it is only time that will tell us whether the new face is for real or is it just a mask worn to impress America and the international media.

Sailing towards peace

THE direct trade between India and Pakistan is slowly increasing. At present a Pacific International airlines is clearing around 250-300 container loaded from Karachi. Encouraged by the response to the trade, this Singapore based company, is at present calling twice a month to the Mumbai port. In the near future it plans to call on Mumbai international port three times a month. Another shipping company, Shryas international is going to launch its services between the West coast of India and Karachi.

This recent service is extremely significant for the India-Pakistan trade. In January 1975 an agreement was signed between India and Pakistan. This protocol restricted transshipment cargo destined for a third country carried by the vessel of either country. This means a Pakistani vessel cannot carry cargo from JNPT to Colombo and an Indian vessel cannot pick up cargo for Colombo from Karachi. This hampers Indian and Pakistani companies and benefits a third country. At this juncture, if transshipment cargos are allowed by Pakistani and Indian flag vessels between the two countries then we are sure that the trade between the two countries will increase to \$ 6 billion per annum and our boat will sail smoothly towards our final destination that is, peace between the two countries.

India, Pakistan, and the F-16

by **Nishank Motwani**

THE triangular relationship between India-Pakistan vis-à-vis the US has plagued policy makers especially since both states went nuclear. India, being the greater power has dwarfed Pakistan both logistically and militarily. Yet in a time when the peace-process between both states has gained significant momentum, Pakistan has been given the green signal from Washington for unlimited purchase of F-16 A/B's. The generous US offer to President Musharaff was made due to his on-going effort on the "war-on-terror." With the de-hyphenation of the India-Pakistan relationship in lieu to the US, Washington offered a strong package to India.

Unlike the old versions of F-16's A/B Pakistan were to acquire, India was offered sophisticated F-16 versions C/D, the same as the USAF and its NATO allies operate. Moreover the US Navy's F/A-18's Super Hornet was made available as a possible contender for the Indian Navy's Aircraft Carrier Admiral Gorshkov, with full technology transfer. This sudden change of attitude from the US cannot go without question, when few months ago former Secretary of State Colin Powell on a visit to India and Pakistan did not inform the Indian administration on the US decision of granting Pakistan the status of a MNNA (Major-Non-NATO-Ally).

The offer made by the US to sell India advanced F-16 C/D's and F/A18 Super Hornet's along with their full technology transfer is a clear indication

that India does feature in the US's theatre of democratically-reliable-allies.

Whether this window of opportunity will be everlasting or close the moment the whopping \$6 billion dollar deal is signed to a competitor remains to haunt the military think-tanks. Simultaneously the Indian Civil Aviation sector is contending between Airbus and Boeing passenger airplanes for state owned carrier and operator Air-India, a deal worth \$5 billion. The US administration's interest in this trade is obvious, and has picked up even more pace with the announcement by the Minister of Civil Aviation Mr Praful Patel that the deal in all probability will be awarded to Boeing. The nature of timing between both civil and military contracts has allowed the Indian government to hedge its risk by awarding only one major contract to the US, while granting the other to the French, Russians, or Swedes.

The current strength of the IAF comprises of 683 total combat aircraft, with 83 trainer aircraft. While the sanctioned strength of the IAF is 45 squadrons (each with 18 aircraft), only 32 exist. The shortfall in the number of combat aircraft is further highlighted with the high attrition rate of MiG-21's, and the need for their immediate replacement as they present almost 50 percent of the combat fleet.

The IAF will need to find a suitable fourth generation fighter to maintain its superiority not only against Pakistan, but to deter the rapid military expansion China continues to under-

take. The CCS along with the IAF have received contenders from the French aircraft maker Dassault's Mirage 2000-V, Swedish JAS-39 Gripen, and Russia with the MiG-29M2. The most recent entrant is the US F-16 and the F/A-18 must be looked deeper than the finished product, as it requires the IAF to logistically and practically revamp its air-force stations, training facilities, armaments and infrastructure.

These revisions will prove to be a contract worth hundreds of millions of dollars due to its complementary nature.

The US has never been a reliable defence partner for India and for that case even Pakistan. Sanctions imposed after the Pokhran nuclear tests in 1998 directly affected the progress of the indigenous LCA 'Tejas.' As a result, supply of GE-404 engines suspended, thus setting back the development of the fighter by several years.

The 'Kaveri' engine being developed by the DRDO is still in the test phase and will require a greater allocation of resources for it to take flight. However with the supply gates re-open, access to GE-404 engines is once again possible. The government will allow work on the 'Kaveri' engine to continue as it may be inducted into the IAF in the long run.

The gateway to US technology has been seen as a force multiplier for any nation. India recently acquired AN/TPQ-37 'Fire-Finder' radars from the US in 2004, and has got the clearance to procure Israeli Phalcon Air-Borne-Early-Warning AWACS sys-

tem to be fitted onto Russian IL-72 aircraft, with a price tag of \$1 billion.

Pakistan's decision to purchase F-16's has been known ever since the Pressler Amendment blocked the sale of these aircraft due to Pakistan's aggressive military led nuclear arms development program. The non-sale of F-16's punished Pakistan, as the aircraft with little modification could be used to carry and deploy nuclear weapons. However Pakistan's successful development of its Hatf series of missiles took away the reason for aircraft to be used for a tactical/nuclear strike.

While the F-16 can carry nuclear weapons, it is unlikely they will be used for deep-strike targets against India, as the option of using a missile that has a proven capability and flies at 5-7 times the speed of sound is more attractive.

These aircrafts are much needed by the Pakistan Air Force as in the interim they had to purchase a jointly developed/produced technologically inferior fighter with China named 'Thunder'. Knowing the extent of defence cooperation between Islamabad and Beijing, the US has granted the sale of older F-16 A/B's, models that even if China has access to it wont be able to benefit from the state-of-the-art technology available on the F-16 C/D's considering it already exists in the surrounding world theatre with U.S. forces in S.Korea, Japan, and the flashpoint Taiwan.



Manmohan in Mauritius

THE Prime Minister (PM) of India Manmohan Singh visited Mauritius for a four day official meet in the end of the March this year. During this visit talks were held between the Indian PM and his Mauritian counterpart Paul Raymond Berenger on a wide range of issues of mutual interest. Manmohan Singh also addressed the National Assembly of Mauritius where he advocated that India and Mauritius should join hands in economic cooperation that is mutually beneficial to each other.

This visit was extremely significant in terms of signing of an agreement by both sides for setting up a Joint Working Group (JWG) for combating terrorism. This Joint Working Group, apart from combating terrorism will also work towards curbing organised crime, arms trafficking, money laundering. As a part of the agreement India and Mauritius are going to work towards finding the links between the terrorist organisations, their funding sources so that efforts could be done

to curb their activities. India and Mauritius are also going to cooperate with each other in carrying out the investigation, arrest, deportation, extradition and prosecution of the suspected terrorists.

Since quite some time there was a need of increasing the air connectivity between the two countries. The reason was the huge tourist flow as well as the rush of business travellers. A Memorandum of Understanding (MoU) to enhance the air service between the two

countries was signed during the visit. This visit was significant in terms of signing a MoU for cooperation in environment protection.

India gives utmost importance to maintain the security and sovereignty of Mauritius. Development and well being of this Indian Ocean island nation is among India's highest foreign policy priorities. A comprehensive Economic Cooperation and Partnership Agreement signed between the two nations is going to further perk India-Mauritius ties.

\$ 40 million contract for Rites in Angola

THE transport ministry of Angola has awarded five contracts amounting to \$40 million to the consultancy arm of Indian Railways (RITES). This contract is for implementing railway rehabilitation

projects in Angola.

Awarding of this project indicates a major breakthrough for RITES in Angola. The \$40 million project is one of the largest projects secured by RITES in recent years. The project

envisages deployment of Rites experts as part of technical assistance for a period of 18 months, training of senior Angolan officials in India, supply of diesel electric locomotives, five different types of pas-

senger coaches, diesel multiple unit train sets, self-propelled accident relief train, workshop equipment, inspection cars, railcum-road vehicles and other equipment required for railway rehabilitation.

Asia Pacific's top oil trading firm: IOC

SINGAPORE based Applied Trading Systems (ATS) has ranked Indian Oil Corporation (IOC) as the number one oil trading company amongst national oil companies in the Asia Pacific region. The survey covered 79 major petro-

leum trading companies in the Asia Pacific region. IOC, a state run refiner has topped the list second year in succession.

IOC has been ranked number one trading company ahead of Petronas of Malaysia, Sinopec of

China, Hindustan Petroleum Corporation Limited of India and Emirates National Oil Company of United Arab Emirates, states a company source.

In the year 2004-05, IOC imported almost 32 mil-

lion tonnes of crude oil and over one million tonnes of petroleum products while exported over one million tonnes of products. For the year 2005-06, IOC plans to import around 40 million tonnes of crude oil.

A new feather on Manmohan's turban

MANMOHAN SINGH, the current Prime Minister of India, is on this year's Time Magazine's list of the 100 most influential people in the world. This list comprises of individuals who by virtue of their acts, have the

power to influence the lives of the people in the world. Some other important personalities in this list are Condoleezza Rice, Martha Stewart, Clint Eastwood and Dalai Lama. Singh's profile is written by none other than

Amartya Sen, calling him, the blue turbaned revolutionary and terming him as the real architect of the pro-market reforms in India.

Manmohan Singh has been a famous professor, a superb civil servant, an astute

economist and also an outstanding Prime Minister. And we are sure that he would continue the reforms for taking India's economy ahead with the same earnestness as he has been doing till now.

GLOBAL INITIATIVES

Setting New Standards: International Energy Forum

THE need for oil is leading to the formation of new and unexpected partnerships in the world. Media mentions that India has now decided to push the International Energy Forum (IEF) as the main platform for energy and oil security of the developing nations. The IEF has 60 members largely from the developing world. The Indian Petroleum Ministry is planning to use the umbrella and credibility of the IEF to carry out four studies.

The four crucial areas

selected for the study are: Improvement in the oil market of the Asian countries; cross investment by producers and consumers; to improve energy efficiency and environment friendly fossil fuels. These studies are going to have a much larger acceptance.

Till now the Organisation of Petroleum Exporting Countries (OPEC) is one of the most powerful body in terms of deciding the production and pricing of liquid gold. Now the developing countries have IEF. It is an extremely

significant development because this new forum is being sighted as an alternative to OPEC and other platforms of the developed nations. In the near future the four key Asian buyers India, China, Korea and Japan are going to meet, although, till now no time frame has been set.

The Petroleum Ministry officials pronounce that even if this meeting is going to take place in the near future, the much publicized Asian marker is not at the top of the agenda. The reason could be that, estab-

lishing this Asian marker is a touchy issue and at present it is not appropriate to press it. This Asian marker is a benchmark for oil prices for Asian buyers but it is not finding a grand acceptance amongst the Asian sellers. Once a consensus is achieved between the two parties then the International Energy Forum will definitely provide oil and energy security to India and other members of the forum and no longer we will have to bow down to the fancies of OPEC countries.

India-Canada embark on a mission to increase trade

INDIA-CANADA trade mission was in India from April 3-7. The Canada's trade mission came to India under Minister for International Trade, James Scott Peterson. The trade mission visited Mumbai and Delhi.

Trade between India and Canada is on the uprise trend. This is good news for bilateral trade as well as bilateral relations. Canada is definitely making a headway in India. In the year

2004 the trade between the two countries increased by 12.1% as compared to the last year. On the other hand, according to the sources, there was a 14.5 % rise in the Canadian Merchandise exports to India, which attained a record high of \$875.4 million.

However, there are some trade barriers which are hindering extensive bilateral trade. Import duty in India is 29% higher than the other Asian countries.

This is a major obstacle which needs to be cleared. The trade mission was aimed at addressing issues which can further increase the bilateral trade. It also aimed at enhancing the science and technology collaboration between academic communities and the corporate sector. According to James Scott Peterson,

"This mission would help position India and Canada more strategically within regional and global mar-

kets, which India is dramatically reshaping." He also put in that India offers significant opportunities for Canadian Investment in the agriculture, financial services, transportation, energy and information and communication technology sector. Trade missions like the current one, will definitely lead to more discussion and engagement between the two countries which will in turn benefit the cross-continent commerce.

Global Offshore Outsourcing Summit

IN an initiative to launch India's presence in the global out sourcing market, the third Global Offshore Outsourcing Summit was held from April 20-21 at the ITC hotel Grand Sheraton & Towers in Mumbai.

The theme of this sum-

mit was 'Offshoring: The scaling challenges' that is issues related to capital investment, sales, marketing and HR were discussed. This summit was organised by the Indo American Chamber of Commerce (IACC) with the help of the US based Glo-

bal Indian Chamber of Commerce.

The summit looked into the unexplored IT destinations and also provided an opportunity to the Indian BPO companies to showcase their advantages. It also facilitated both the parties to

finally understand the global offshore outsourcing business.

In an interview given to a media reporter, Ashank Desai, Chairman of the »



**GLOBAL OFFSHORE
OUTSOURCING
SUMMIT 2005**

► summit expressed "If there is any country which can give us competition it is Philippines but still they have time to become our competitors. India's advantage is that it has the capacity of providing a

large manpower immediately for the industry. At present in the off shoring sector India is a dominant player with 70% share of the off-shored information technology and information technology enabled

services but it should not ignore the competition from the other English speaking countries all across the globe. These countries might succeed in taking away a major share of this crucial employment

and revenue generating sector if we don't maintain the quality of our work". This summit also helped foreign customers to know more about India and the vast opportunities offered by it.

Delhi-Yangon: Was Natwar able to rekindle an old flame?

NATWAR SINGH arrived in Yangon on the Armed Forces celebration day of Myanmar. Later he met with the Chairman of the State Peace and Development Council where top military leaders were present.

The Indian External Affairs Minister was received in Yangon by Minister U Nyan Win, his wife Daw Myint Soe, and senior officials of the Government of the Union of Myanmar. In Yangon, Natwar Singh met the senior general Than Shwe, Prime Minister Soe Win. He also held discussions with his counterpart U Nyan Win.

India and Myanmar relations since the colonial times thrived on the flourishing trade between the two nations. There was a time when traders used to visit Myanmar regularly for trading their goods. India was one of Myanmar's first neighbour nations to criticize the military repression of the pro-democracy activities. On the cultural front both countries shared common links. But there were some political events in the past which had a dampening effect on India Myanmar relations. In 1988, India was first to support the pro democracy movement in Myanmar. And in later years, India froze all its bilateral relations with Myanmar. However in 1993, the visit of

the then Secretary of Foreign Affairs, J N Dixit initiated the improvement in the relations. Now the India- Myanmar relations are better since the year 2000

The present policy

At this juncture what is India's policy towards Myanmar? Some researchers consider that India is currently playing a so called 'double game' policy. Sort of wait and watch what happens strategy. In fact, the three key factors which are determining India's new Myanmar policy are: Insurgency in India's North Eastern region; the China factor; and the inclusion of Myanmar into India's "Look East" approach.

Some foreign policy experts believe that India fears that if democracy returns in Myanmar then there will be a pro Chinese wave there. This would lead to India losing its foothold in its Eastern neighbour. However one must keep in mind that having cordial relations with Myanmar is extremely important for India due to its strategic location. If India has to maintain its close relations with its South Asian countries then Myanmar is its important gateway. Also India wants to seek Myanmar Junta's help in curbing the insurgency problem in the North-East.

So, cordial relations with Yangon are going to be of help to India in many ways.

Meeting with the leaders

"India welcomes the resolution of the Myanmar leadership to continue co-operating actively with India to strengthen security and thwart terrorist activities in the border region," spoke Natwar Singh during his talks with Gen Than Shwe. This signifies that although Myanmar's government is not progressing towards democracy, still India is interested in improving its relations with it. This move of India is being regarded as an effort to balance the influence of their mutual neighbour China.

On his meeting with Myanmar Prime Minister Soe Win and Foreign Minister NyanWin, Natwar Singh discussed a broad range of issues relating to politico-economic development in India and Myanmar.

Coming together on many fronts

On the economic front, India has given a seven million dollar line of credit (LoC) for the two telecom projects in Myanmar. Apart from this, India has also announced a grant of three million dollars for implementation of the IT related projects.

The two neighbours have

also agreed to collaborate in fighting terrorism, arms trafficking, money laundering, and organised international and cyber crime.

Besides this, the two countries are also going to accelerate the joint development projects such as highways connecting the two countries to Thailand and hydroelectric plants in the Chinuyn River in Myanmar. Both sides have approved upon the further dialogue regarding the pipeline project for the supply of the natural gas from Myanmar to India through Bangladesh.

Indian authorities term this visit as a highly successful visit. Indian Ambassador to Myanmar, R K Bhatia states "The visit lead to concrete results in terms of a closer political understanding and a very wide ranging dialogue. This visit also resulted in crafting of a clear plan for bilateral interactions in the coming year."

Attaining a closer political understanding with Myanmar is a diplomatic success for India and now it is for India to make the most of these good relations to obtain access to the Association of South East Asian Nations, as well as for the economic development of the border areas for the real solution of the insurgency problem in it's North Eastern states.

Delhi to Tashkent: Golden opportunities

PRESIDENT of the Republic of Uzbekistan, Islam Abduganievich Karimov visited India from April 4-6. The visiting President of Uzbekistan held meetings with the President of India APJ Kalam. Meetings were also held with the Indian Vice-President Bhairon Singh Shekhawat and other Indian political leaders.

This visit of the Uzbek President was a memorable one in terms of the signing of twelve cooperation agreements between the two countries. Extensive talks were held between the India Prime Minister (PM) Manmohan Singh and the Uzbek President Islam Abduganievich

Karimov. Four agreements were signed in the presence of the two leaders that ranged from areas on cooperation in the military sector, education, cultural cooperation and support to small and private entrepreneurship.

Uzbekistan and India deem that the development of trade and tourism between the two countries will lead to an increase in people to people contact; this will lead to further improvement in the relations between the two. Therefore a protocol of cooperation between the National Company of Uzbekistan and the Tourism Development Cooperation of India was signed

during this visit.

As a part of the various agreements signed, the trade bodies of India and Uzbekistan are going to collaborate. This includes cooperation between the Federation of Indian Chamber of Commerce and Industry and the Chamber of Commerce and Industry of Uzbekistan; Federation of Indian Export Organisations and the Chamber of Commerce and Industry of Uzbekistan; State Trading Corporation of India Ltd. and Agency for Foreign Economic Relations of The Republic of Uzbekistan.

The National Bank for Foreign Economic Activities of Uzbekistan and the Export Import Bank of India

are also going to collaborate in the future. The Tashkent State of Oriental Studies, Uzbekistan and the Galib Institute of India have also signed a protocol of understanding. The two sides have resolved to fight terrorism on a long-term and sustained basis and emphasized the need for early conclusion of the Comprehensive Convention on International Terrorism. The visit can be termed as momentous because with the signing of these significant agreements it is in no doubt that there will be a boost to the Delhi-Tashkent cultural relations and also to the trade taking place between the two countries.

Natwar's visit to US: All talks no gains

THE External Affairs Minister of India, Natwar Singh recently went to the United States on an official visit. But this visit did not gain any concrete results for India. Earlier last month, when the US Secretary of State Condoleezza Rice came down to India, there was a lot of hope about the US support to India for a permanent seat in the United Nations. However Condoleezza did not show any enthusiasm about this matter during her lunch

meet with Natwar Singh.

According to media reports, there was an announcement regarding the talks on defence and energy security. The Indian Defence Minister Pranab Mukherjee is expected to visit the US soon for talks on the defence issues, the Planning Commission issue, and Chairman M S Ahluwalia would stay back in US for the talks on nuclear and space cooperation issues. Apart from these developments there

wasn't any concrete announcement in any other area of bilateral interest. This public display of America's evident lack of support clearly puts a question mark on the strength of India's hold on the US administration.

There are some detractors in the Indian politics who have always believed that US delivers empty promises to India. The recent empty handed homecoming of the Indian External Affairs Minister

Natwar Singh has further given extra ammunition to these sceptics. But on the other hand the engagement with US is a long term one and it cannot be measured in terms of the immediate gains. So best is to wait and see how Natwar and Manmohan will draw on their diplomatic skills to entice the US to support India for a permanent membership of the United Nations Security Council and other cooperation agreements.

Double Talk: US denial of visa to Modi

GUJARAT Chief Minister Narendra Modi has been denied a visa to enter the United States of America. Soon after Modi's existing tourist/business visa was re-

voked, India protested against the US decision terming it "uncalled for and displays a lack of courtesy and sensitivity towards a constitutionally-elected Chief Minis-

ter (CM) of a state of India".

The diplomatic visa was denied on grounds that the Asian-American Hotel Owners' Association invited Modi as chief guest

to their annual meeting and was hence not an official visit. Most of the members of this association are originally from Gujarat and were most upset at the sudden turn »

of events.

Indian Foreign Secretary Shyam Saran summoned Robert Blake, US Deputy Chief of Mission to urgently reconsider the issue and convey India's strongly felt regret. Blake

would report India's concern and request for reconsideration to Washington but explained that the reasons Modi was denied entry was based on American Law and reports filed by the In-

dian Human Right's body. On the basis that the Gujarat CM has been indicted in violating religious freedom he may not be eligible for a visa. America has obviously made its stance very clear,

that is; international religious freedom perpetrators such as Ariel Sharon, certain Saudi Princes and Chinese Official may enter the United States with a visa but Modi shall not.

Is there an arms gate emerging from ISRO?

VIKRAM SARRABHAI Space Research Centre (VSSRC) is amongst Indian Space Research Organisation's (ISRO) entities which are still in the US commerce department's list that have to take special clearance from the US authorities if they have to import any equipment for the organization. Recently, there were some reports in

the media that VSSRC has obtained some high end equipments.

This deal was reportedly arranged by a Bangalore based company Humtek Communications and a South African businessman Asher Karni. There were also some reports in the media that ISRO had links with Humtek Communications. In one foreign court

Karni had pleaded guilty for arranging illegal exports of American made equipment to both India and Pakistan.

Reports also mention that some speciality missile companies were booked from a US manufacturer. These were booked by Karni and the recipient was VSSRC. However it is not yet clear whether the goods sold by

Karani were useful for making nuclear weapons or not.

The ISRO officials have denied having any such links with Asher Karni or Humtek Communications. The government of India is at present tight lipped and waiting for the investigations to be completed before any official comment is made.

Royal Unloyal: Gyanendra to visit China

FEW weeks after the royal coup, King Gyanendra of Nepal, has decided to put his first step outside the Himalayan kingdom. And whither dost thou go? To China. This shall be his first foreign trip since dismissing the democratic government. The primary motivation seems to be the Asian Economic Conference at Boao. He is expected to arrive in China on April 24. After that move onward march to Indonesia.

India has clearly given

Nepal the cold shoulder treatment and remains reticent about its plans for the only Hindu country in the world. R N Pandey, Nepal's Foreign Minister's visit to India was dry and lacking the usual warmth that India reserves for Nepal. Although it cannot be perceived as a snub, it cannot have gone unnoticed. India's stingy approach to



King Gyanendra of Nepal

Nepal's new reign might backfire in the future. Decades ago, India committed a similar error in its relations with Myanmar. The result is that it is China now that has a foothold in

the country leaving India no space for even nostalgia. Gyanendra's decision is not a 'by chance' one and must be interpreted as a sign of independence.

China has replied to the current political crisis with speed and tact. In fact China's ambassador to Nepal issued a statement stating, "Mao's thoughts were suitable to China. But they will not be suitable to other countries" and went a step further by calling the Nepalese Maoists as "anti-government forces". India must take heed as Pakistan and China are definitely going to try their luck for fishing in troubled waters.

UNSC seat: Senegal supports India

THE Senegalese Government has confirmed its strong support to India for its bid for a permanent membership of the United Nations Security Council. This will further strengthen India's demand for a permanent seat in UNSC. India

is Senegal's second largest trading partner. Senegal also plays an important coordinating role in India's TEAM-9 initiative aimed at forging closer ties with eight West African countries.

From 6th-7th April, 2005 Minister of State for Exter-

nal Affairs, Shri Rao Inderjit Singh visited Senegal. Singh met the President of Senegal, Mr. Abdoulaye Wade, Prime Minister, Macky Sall and the Foreign Minister, Cheikh Tidiane Gadio. During the meeting, Senegalese au-

thorities expressed deep appreciation for Indian cooperation in the fields of agriculture, small and medium industries, and transport. India has pledged its support to Senegal's development and infrastructure programmes.

Auto Components and drugs: focal point of the foreign trade policy

ANNUAL foreign trade policy changes were announced by Minister for Commerce and Industry, Kamal Nath on April 8.

In consonance with the commitment made earlier, the foreign trade policy is going to concentrate on pharmaceuticals and auto components among other key areas to generate employment through enhanced exports.



Commerce and Industry Minister, Kamal Nath

The main proposals of this foreign trade policy are: Duty free imports upto

5% of the value of exports in pharma and auto components. Capital goods and imports in the above sectors may be made free. For the above two areas, special economic zones are proposed to be set up. Import duty for chemicals and equipments used in pharma research is going to be reduced. Incentives are proposed to promote export of patented medi-

cine. Bio informatics and biotech may get a leg up for exports.

Kamal Nath will leverage the recently adopted product patent regime to put in place an attractive policy framework to bring in international pharma majors for setting up research and development facilities to provide high-tech, cost effective drugs for export.

Emir of Qatar visits India

THE Emir of Qatar Sheikh Hamad bin Khalifa Al Thani visited India for three days in the month of April. He was accompanied by a high power delegation. During his visit the Emir met with Indian Prime Minister (PM) Manmohan Singh and the President of India A P J Abdul Kalam. He also held talks with the Indian Vice President Bhairon Singh Shekhawat, Defence Minister Pranab Mukherjee, and Indian Ministers for Civil Aviation and Petroleum. Sheikh Hamad's visit was significant for both India and Qatar in terms of increasing cooperation in various sectors. Emir's meeting with the Indian PM Manmohan Singh mainly concentrated on stepping up cooperation in the energy sector. India and Qatar have discussed the steps required for increasing cooperation in the field of energy. Qatar it seems is eager to help India meet its excessive energy requirements. In one of the meetings Qatar's Deputy PM Sheikh Hamad

Bin Jassem Bin Jabuur Al Thani announced, "We will try to help India in meeting its energy needs as

taken to supply Mirages to India, some remaining formalities are to be completed soon."



Sheikh Hamad bin Khalifa Al Thani with Indian Prime Minister Manmohan Singh

much as we can."

India and Qatar signed a bilateral air service agreement to improve connectivity. This agreement was signed between the Qatar's Finance Minister Yousef Hussain Kamal and Civil Aviation Minister Praful Patel.

India and Qatar have also decided to establish a 'strategic partnership' as Qatar has agreed to sell 12 Mirage 2000, planes to India. In one of the meetings the Emir stated, "A decision has already been

Besides this, India and Qatar are also going to cooperate on the defence front. Emir stated, "There is scope for enhancing defence cooperation between the two countries". Very soon a committee of experts from Qatar shall visit India to finalise various aspects of the defence cooperation between the two countries. Qatar is keen in getting its defence personals trained in India.

Tourism is another sector in which there can be a possible future cooperation between the two sides. Sheikh Hamed is interested in promoting tourism between the two countries.

With India's economy moving ahead at such a rapid pace, and also its ever increasing energy requirement in the future, India holds Qatar as an answer to its energy re-

quirements. So the friendship of this tiny gulf state is extremely vital for India.

Benazir visits India

PAKISTAN Peoples Party's charismatic leader and the former Prime Minister of Pakistan, Benazir Bhutto visited India in the beginning of this month. Like her earlier visits, she visited the Dargah at the Ajmer Sharif. On her visit to the Dargah Benazir expressed, "Finally my husband is free from the captivity of the tyrants. I know there are some people who are trying to create trouble on his return. We are prepared for them. We should be allowed freedom of movement. I have come here to pray for our return to Pakistan". The PPP leader applauded the cricket diplomacy and the Indo-Pak bus service. She also stated that this is a new beginning towards attaining peace between India and Pakistan.

School Rules: IAEA for Indian nuclear power units

THE International Atomic Energy Agency (IAEA) lays across a gamut of safeguards and rules for nuclear power plants. Until now India has not been very keen on the IAEA nor has it entered the Non-Proliferation Treaty (NPT). In a recent conference on nuclear proliferation, Foreign Minister Natwar Singh declared that India has been cautious in adhering to all requirements and responsibilities of a NPT's nuclear weapons member state. To add icing to the cake, Singh announced that from now on "every cooperation project in nuclear power would be open to international safeguards". Such measures have been trig-

gered by America's recent agreement to offer civilian nuclear technology to India. What could be brewing in the future are major international projects on civilian nuclear energy between India and other key nations. So India's is on the right track by shaping up their slouching regulations on nuclear energy plants. A gnawing point is America's nonchalance at Pakistan's covert operations that have led to the latest nuclear secrets leak controversy. Singh said some of the nuclear weapon states "have been active collaborators in, or silent spectators to, continuing clandestine and illegal proliferation, including export, of

nuclear weapon components and technologies". The arrow silently carries the name, Abdul Qadeer Khan, the Pakistani Scientist who has been accused for selling nuclear technology to Iran, Libya and North Korea. The NPT, which has been signed by 185 countries, recognises only US, Britain, France, Russia and China as the five nuclear weapon states. More so, its member states have not enforced nor taken serious action against Pakistan's latest nuclear leak. Instead turned their eye to the recipients of the debacle. India is well justified for not entering into the NPT since it is operating on a clearly discretionary and selective basis.

India: Ambassadorless in Iraq

SURPRISINGLY India does not have an ambassador to Iraq. B D Tyagi was India's envoy to Iraq, however, six months after he left from Baghdad the post remains empty. S D Sharma has taken over the affairs until



further notice. The government has made arrangements for Special Envoy Chinmaya Gharekhan to register India's presence at a formal ceremony once the new government has been sworn in the Middle East nation. India has made it apparent that it seriously intends to develop and strengthen bilateral ties with the recently war-battered country. Possibly the recent abduction of the Pakistan Embassy official to Iraq has discouraged India to step up the envoy process. Nevertheless considering India's recent requirements and strategic energy plans that it has with other middle-east nations; an official ambassador to the country is a much-needed action.

Easy Energy: India considers signing energy charter treaty

THE energy charter treaty to which the European Union (EU) and 54 countries are signatories is a gateway to easy energy agreements for India and the rest of the world. That is if India decides to sign it. The charter allows the signatory to do away with the tedious process of separate multilateral and bilateral agreements that are usually the case. Since India has mega plans on expanding their energy links with the many major oil and natural gas countries such as Iran, Iraq and Myanmar for starters, the charter might prove to be an easy access to such ties. Such a broad multilateral framework provides energy cooperation after taking in the interna-

tional laws on energy and creating a standardised platform for their member countries. This systemized order of governance and rules in the energy sector permits a lower risk energy associated trade ties. Therefore if India signs the charter it shall become an 'observer' for two to four months, during which it shall be allowed to attend the meetings but cannot vote. Simultaneously Pakistan and Iran are harbouring a keen interest in joining the treaty. The basic treaty entails its member privileges of protection and promotion of foreign energy investments, free trade in energy materials, freedom of energy transit through pipelines. Apart from these provisions

there is a certain amount of regulation on the security of transit tariff and supply. The transit tariff would be kept at a non-discriminatory and cost based rate. It is of vital significance that India signs the charter since most of its waitlist energy tie-ups consist of some transit country. In the Iran-India pipeline Pakistan would be the transit country and there have been talks of unreasonable tariffs demanded by Pakistan. Similarly, in the Myanmar-India pipeline project Bangladesh will be the transit country and the tariff rates have been yet undecided. Another pipeline project underway is the Turkmenistan-Afghanistan-Pakistan-India link that shall benefit from the charter.

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The Arm Shop: India big on defence purchases

THE UPA government is no fool. Carefully it has brought India to a position where strategic planning has taken a key place in the charts this year. First Prime Minister (PM) Manmohan Singh retained the post of the National Security Advisor (NSA) created by the BJP, even though it went against the ideological interests of the Congress. Next he made sure that M K Narayanan (ex-director of the Intelligence Bureau and Special Advisor to the PM) was given the NSA mantle. Narayanan was brought in to most cross border talks with China and Pakistan that irked the Ministry of External Affairs and presumably the Cabinet Committee of Security (CCS). The NSA gets to be involved in security, that is hand in glove with defence that allows for Narayanan to enter into all defence border issues as well. There are many cooks for this broth. Steering away to the other side, America has offered India a generous range of combat fighter planes amongst other nuclear goodies. Coming in from another corner is the fact that America has played

a clever game by offering Pakistan, its frontline ally in South Asia, an unlimited number of F-16s. It doesn't take a genius to guess that once Pakistan purchases its much-awaited 80 F-16s, India is going to have to match up to its neighbour in order to maintain essential strategic superiority or even parity.

US offer India F-16s, F-A18s: To buy or not to buy: That is the question.

The IAF plans on acquiring 126 combat aircrafts and the F-16s or F/A-18s are just one of the contestants with France, Russia and Sweden as the top contenders. This will be one of the biggest arms purchases as the IAF call for tenders for 126 warplanes. Russia has come to the fore with their latest MiG-29M2, France with its Mirage-2005 and Sweden's JAS-39 Gripen.

As India has chalked up a budget for its defence purchases that add up to Rs 65,000 crore (\$15 billion)



Pranab Mukherjee at the 5th Aerospace Exhibition. Bangalore

it is prepared to spend Rs 26,000 crore (\$6 billion) on the 126 warcrafts. However, it remains chary-wary about America's open-handed bid. To begin with India is not too sure on how reliable a sup-

plier US may turn out to be in matters of spares availability or servicing. More importantly the Indian Air Force (IAF) is not at all keen on these rather heavy fighters. Last but not the least IAF presently has a cosmopolitan arsenal so a new member might generate unnecessary logistical rearrangement and pilot training therefore a new entrée (US's F-16s/18s) does not seem very welcoming.

The current checklist

The CCS overseen by the PM has sanctioned the acquisition of the 12 second-hand Mirage 2000-Vs from Qatar. The IAF already possesses 40 Mirage-2000s and it is quite possible that there could be more of them on the table. A go signal has been given for the Rs 726 crore 11 Dornier aircrafts from Ger-

many and for the upgradation of 14 British Sea Harriers. The Navy has grabbed a fair share of the pie with its clearance for six Scorpene class diesel-electric submarines to be built at the Mumbai docks, one C-303 submarine-fired torpedo decoy system from Italy that can be purchased and for nine offshore patrol vessels. Minister of Defence, Pranab Mukherjee at the 5th International Aerospace Exhibition Aero India 2005 held in Bangalore mentioned that there was a potential business prospect for international aviation companies to enter into joint ventures with India's aerospace industry.

A Last Word

India's serious intentions to augment its military defence stock should not be misinterpreted by Pakistan and China with whom India is currently engaged in cross-border talks. There is high possibility that an arm race may ensue and India's neighbours will start stocking up with frenzy. That is not India's agenda. Instead it is merely making an effort to bring it's below average military position to a relatively stronger one.

Oil Trotting: Aiyar to visit Pakistan and Iran

MANI SHANKAR Aiyar, Indian Union Petroleum Minister is to go globe trotting in search for oil. On the invitation of the Pakistan's Prime Minister Shaukat Aziz Mani Shankar is going to visit Pakistan in the second week of May. Later on in the month of June he will visit Tehran. Both the visits are keeping in line with

the Iran-India pipeline. Even though America strongly disapproves of any association with this particular Middle-East country, both India and Pakistan seem determined to go for it.

United States is interested in promoting the Turkmenistan-Afghanistan-Pakistan-India Pipeline. Condoleezza Rice has made all efforts to convince In-

dia for it. US is pressing for the Turkmenistan option as a more feasible option than that of Iran. But India is not going to follow the US suggestion because it is sure that Iran is far better equipped to fulfil India's energy needs. Moreover ensuring the security and safety of the oil pipeline passing through the troubled Afghanistan is

a major issue which India feels that Ms Rice and her country is not fit to take care of. The government of India has made it clear to the Iran that it will sign a direct agreement with Iran. Bonded by this agreement the Iranian Government will have to be responsible for ensuring the safety of the pipeline passing through Pakistan.

India-EU Parliamentarians to interact more NSC to get a face-lift

PARLIAMENTARIANS of India and the European Union (EU) will now interact more frequently and regularly. This is a message which comes out from the recent launch of the India-EU parliamentary forum. This Forum was launched on 2 April 2005, at the Federation House, New Delhi. India and EU share a commitment to the common values of pluralism, democracy, human rights and respect for rule of law. Apart from this both institutions also give significance to independent judiciary and free press.

India is an emerging giant in the global economic scenario. Because of economic reforms significant opportunities are on hand in the field of investment, in the power sector, development of ports, inland

water ways, road and airport construction and food processing. Keeping this in mind, the parliamentarians of EU should have a better understanding of the issues concerning India in order to shape and guide debates in the European Parliament. Similarly it is important for the members of the Indian parliament to understand the trade and economic issues of the EU, which have direct impact on India.

India-EU parliamentary forum would provide a podium for this interaction between the two institutions. India attaches a great value to the launch of this forum. At the launch, Indian Minister for External Affairs Natwar Singh stated, "It is our expectation that enhanced interactions between the two

Parliaments will help us better understand each other's points of view. It will also encourage greater understanding of each other's working methods and scope of responsibilities. The importance we attach to this aspect of our relationship is evident from the fact that it has been specifically identified as an action point under the India-EU Joint Action Plan, which is currently being drafted. This would include holding of regular Parliamentary exchanges, including possibly at the level of Parliamentary Committees".

In the future it is certain that the India-EU Parliamentary forum is going to play a major role in fostering the growing contact between India and the European Union.

THE UPA government for good reason has kept the BJP created National Security Council (NSC). Now the time has come to give it more significance and fatten the role doling. This is a result of the 'trickle-down effect' that initially started with the post of the National Security Advisor (NSA) given to M K Narayanan after much inter-departmental controversy. Narayanan being a Special Advisor to PM and then given the duty of the NSA understandably had more wield in security and defence matters. The BJP had to create a NSC in order to give the NSA a more tangible existence. The NSA would oversee the NSC and involve himself with issues dealt by the Cabinet Committee of Security as well. Long before the BJP could put their agenda into full motion, the government changed hands and J N Dixit was the new NSA. Dixit died soon after, once again the NSA and NSC remained inactive. Now with Narayanan in place, Prime Minister Manmohan Singh intends to leave no stone unturned. The NSA has been endowed with enough power to exert his influence on important security concerns. It is the next step to re-haul the NSC and bring it to sharp shape. Narayanan is believed to have prepared a blue print for the PMs approval. The PM has also decided on creating another post of deputy NSA. Sources believe Vijay Nambiar might be one of the top contenders. With this new makeover we can expect substantial results from this particular council.

Tech Ties: India - China

THIS is the 55TH year of the beginning of diplomatic relations between India and China. In the past, there was a phase of Hindi-Chini

tries have come together and are working sincerely to solve the border dispute. From now onwards India and China will trudge a novel path. It will be a path of mutual trust and cooperation in various sectors.

The Indian Institute of Technology have already created their imprint all across the globe. And the Chinese premier Wen Jiabao appears to be extremely impressed with the 'Brand IIT', on his visit, he interacted with IIT'ians in Delhi and addressed a gathering

of some 700 technocrats there. It is contemplated that this visit of Wen Jiabao might lead to setting up of IIT's in China. Professors M Ishtiaque, of IIT Delhi states "In the recent past a number of Deans and directors of the Chinese Institutes have visited IIT Delhi. These people have expressed their keen interest in setting up an institute of the stature of IIT's in China".

If these temple of high tech education enter China then their presence would help in developing linkages with entire South East Asia and China as well as support in promoting India's economic and commercial interest in the Asia - Pacific region.



Wen Jiabao(c) at IIT Delhi, on the left is Arjun Singh

bhai-bhai, and then there was a phase of extreme bitterness towards China. Now that bitterness is a thing of the past. April 2005 is a significant landmark in the history of India and China relations. Both coun-

India-Maldives relations: A glimpse

THE President of Maldives Maumoon Abdul Gayoom arrived in India for a six-day visit in the end of March. He was in India from March 27 to April 01. This visit was significant in terms of further strengthening the relations between the two countries. During this visit the President of Maldives met with the Indian Prime Minister (PM) Manmohan Singh. Between the two leaders, there was an exchange of views on important regional and global issues of mutual concern.

Maldives, one of the favourite tourist destinations for Indians has always enjoyed a warm cordial and problem free relation with India. India was also among the first to recognise Maldives after its independence in 1965. Presently,



President of
Maldives
Maumoon
Abdul Gayoom

India plays an active and constructive role in the field of public health and human resource development in Maldives. In the recent tsunami disaster, India provided prompt and timely aid to the island country. This gesture of India was highly appreciated by the people of Maldives.

During one of his meetings, Gayoom expressed gratitude towards the Indian PM for the large scale, timely and effective assistance that India had extended in the aftermath of the Tsunami disaster. He also briefed Manmohan Singh on the recent developments in Maldives.

On the economic issues

between the two countries it was felt that the Joint Commission between India and the Maldives, which has not been held since the year 2000, should be held soon and it should be used to reprioritise the economic agenda between the two countries. Also, it was agreed that the Memorandum of Understanding under which India extends assistance to the Indira Gandhi Memorial Hospital in Maldives is due to lapse in the next year, and will be renewed when it runs out.

President Gayoom also met with President of India A P J Abdul Kalam, Minister of External Affairs K Natwar Singh and the Minister of Defence Pranab Mukherjee. We hope that this visit of the President of Maldives would further strengthen the relations between the two countries.

PERSONALITY IMPRINT

Shashi Tharoor: A diplomat with a difference

SHASHI THAROOR; United Nations Under Secretary General for Communications and Public Infor-



Shashi Tharoor

mation was recently in India to attend the Pravasi Bharatiya Divas in Mumbai. Shashi who besides being a high ranking UN official, is also an author and a diplomat, is being compared by the media with people such as Pablo Neruda, Vaclav Havel and Octavio Paz. Shashi is based in New York and he successfully manages 750 people working under him in 70 countries.

With Sashi's impressive list of books, (The Great Indian Novel, India: from Midnight to the Millennium, and the Riot, amongst others) and his regular column in *The Hindu* and *Newsweek*, he has a reputation of being one of the most successful international Indian. As per the media reports, this man of letters and an international diplomat has chances of succeeding Kofi Annan as the Secretary General of UN in the future.

Athiti Devo Bhavah: a mission for change

RECENTLY the Ministry of Tourism of the Government of India launched a programme entitled Athiti Devo Bhavah.

This programme has been launched with an aim of bringing an attitudinal change in the Indians, especially the service providers such as porters, taxi drivers, tourist guides, tour operators, hotel and shop staff, this is done with an intention that the visitors have a happy experience in India.

Athiti Devo Bhavah is a Sanskrit saying which means Our Guest is God. This Belief is deeply embedded in Indians. Since



the olden times Indians have learnt to respect their guests. In a traditional Indian house, a guest is welcomed like a God. He is offered the best of food available in the house, to sleep he is given the cosiest bed.

Indian government has realised the potential of foreign tourism. It is also aware of the prospects of the revenue to be generated by these tourists which amount to approximately 4.8 billion. The Tourism department have launched the training programme. That initiates the following com-

ponents: sensitisation, training and induction, motivation, certification, feedback, general awareness and ownership.

As part of the programme, the Ministry of Tourism has requested people for their support. It also urges people to step in when they see a tourist being mistreated, cheated or in need of help.

We hope that this Athiti Devo Bahavah becomes a mission of change and remind Indians of their rich tradition of welcoming guests and surely we will have more foreign tourists visiting India with out the fear of being cheated or unsafe.

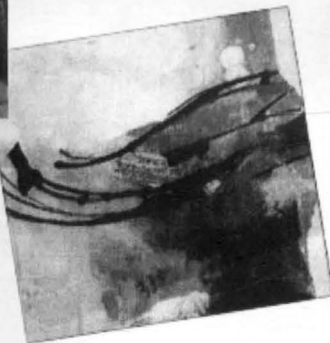
CULTURAL IMPRINT

Sujata Bajaj: Painting vibrant colours of India in Paris

EVERY one knows Raza, Padamsee, Hussain and Ramkumar. These are some of the well known names in the field of



Sujata Bajaj and her work



Indian art. There are some more artists which are although not receiving that much media attention but one can not undermine their contribution towards Indian art. One such name

is Sujata Bajaj. She is the youngest daughter of Radha Krishanji Bajaj and one of the few surviving Gandhians living in Paris.

Sujata's works in both oil and mixed media. Her work is a beautiful blend of East and West. This artist was initially educated in Jaipur. Her childhood memories are painted with the vibrant colours of the

desert and its beautiful textiles. Sujata expresses, "Definitely Rajasthan has a role to play in my art. In my last show, *Water and Fire*, you could see these brilliant colours and feel

the flame in the fire." Later she studied painting at Pune. In her college days only she held her first painting exhibition. It was a chance meeting with great artist S H Raza that lead to Sujata applying and finally getting the French government scholarship in 1988. Like Raza, studying at Paris was an enriching experience for this artist that lead to further enriching the colours on her canvas. Sujata believes, that when you stop the lines, somehow you are killing them. So when they come out of the square, it's a different flow of energy. We hope that Parisian Sujata's lines on the canvas surpass all the boundaries and she carves a niche for her in the arena of Indian art.

Palestinians future mantra

UNTIL now Palestinians have been fighting for their cause using violent measures. However, when Hollywood stars like Ben Kingsley and Richard Gere request you to shed the path of violence and fight for your case through non violent means, it might just work.

Currently, several West Bank cities are under the banner of the 'Gandhi Project'. This project has been sponsored by Relief International schools Online in partnership with Palestinian non government and community based organisations. 'Gandhi project' has been launched with the aim of promoting 'ahimsa' non violence in the region. This project is an effort to enthuse people to follow Gandhian principles of peace and non violence in the region. As a part of the project Ben Kingsley's film *Gandhi* is being screened in various cities of the West Bank. The film is also scheduled to be screened in the Ramallah, Jerusalem, Bethlehem and several Palestinian refugee camps. In order to put across the message clearly to the audience, the film has been dubbed into Arabic by Palestinian film maker Hanna Elias and a group of Palestinian voice actors and artists.

Organisers state, "The Gandhi project aspires to encourage peace and tolerance in the region through the promotion of Gandhian principles and philosophy". Now this is what is in true sense India's golden imprint on the world.

Penguin learns new Bhasha

THERE is good news for the book lovers. Now probably, they will be able to enjoy the writings of great writers in Hindi. Yes, you have guessed right. Penguin is going Hindi. It is for the first time that the Penguin, the publishing unit of Pearson Plc will begin publishing in three Indian languages including Hindi. The two other languages in which the Penguin Plans to publish are Malayalam and Marathi.

Joanna Prior, spokeswoman for Penguin London states, "This year Penguin plans to publish 25 books each in Hindi, Marathi and Malayalam. For next year

also it has plans for publishing the same number of books".

These new titles by Penguin will include translation of some English language books mainly by Indian authors and some original works in Indian languages. A book of essays by the well known author Arundhati Roy, *Paradise and other stories* by Khushwant Singh and *A fine family* by Gurcharan Das are some of the titles slated for the Indian language edition.

Penguin is the largest English language trader in India. So what is the rea-

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son behind this move of publishing books in the Indian languages? What is driving Penguin to translate books in Hindi? Well, we all know that necessity is the mother of invention. Last year was not so good for this publisher of repute. Therefore by publishing books in Indian languages, Penguin wants to broaden its base in India. This is a move that will increase the visibility of Penguin in the Indian market. On the other hand it will bring forth some of the best literary works of Indian writers to the aam aadmi.

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