

India-EU Forge 'Strategic Partnership'

by Ramtanu Maitra

On board the Prime Minister's Special Aircraft, India's premier Manmohan Singh, returning from The Hague on Nov. 10 after finalizing a 'strategic partnership' between India and the European Union (EU), told reporters that the outcome of the summit "far exceeded" the earlier meetings between the two, and it is now up to India to take decisions to move ahead.

Following a rather surprising electoral result in India's general elections last May, which brought Manmohan Singh to the prime ministerial position, and the Congress Party-led coalition government to the seat of power, New Delhi's policymaking apparatus has remained virtually stagnant, trying desperately to make a breakthrough. This became particularly significant since the previous regime under Prime Minister Vajpayee had made India highly visible on the world scene. There were great expectations that India, like China, would be ready soon to exert its influence, proportionate to its size and ability, on the world political, economic, and security scene. However, that failed to materialize for a number of reasons, not the least of which is the inability of the United States to pacify Iraq and make the region stable.

Overcoming Weak Performance

The Manmohan Singh-led government, which came to power assuring the Indian population equitable economic growth to benefit the underprivileged, has made virtually no dent in India's economic weaknesses. The economic growth, although not insignificant at 6.5% or so, is nowhere near what it needs to be. In dealing with insurgency forces operating in northeast India, New Delhi has again showed its feet of clay. It also made no headway on the Kashmir issue, which has stultified India's foreign policymaking ability over the decades. It seems now, more than ever, Pakistan is calling the shots on the Kashmir issue, and New Delhi is reacting to Pakistan's "initiatives."

At this difficult juncture, the signing of the India-EU 'strategic partnership' may provide the necessary fillip to New Delhi. Only the future will tell whether this Delhi-EU initiative will give India the necessary leverage to help emerge as a major player on the world scene.

The India-EU strategic partnership, if nurtured adroitly, has the potential to bear a number of potent fruits. To begin with, the immediate concern of India is to become a permanent member of the UN Security Council (UNSC). A nation of one billion people with a broad agro-industrial base, a

highly-regarded military and a strong science and technological base, should be a permanent member. But, it is not.

Although India is in the process of mobilizing the Islamic countries who support India's bid, and Turkey, Egypt, Jordan, Kuwait, Tunisia, Nigeria, Tanzania, Algeria, Oman, Qatar, Iran, and Indonesia have agreed to help India to overcome the Pakistani opposition, Islamabad continues to oppose India's permanent membership in the UN Security Council. It is no secret that Pakistan is very close to China and the United States—two of the five permanent members in the UNSC. However, if the EU decides to support India's demand for a permanent UNSC seat, New Delhi's chances would no doubt brighten.

Eurasian Land-Bridge

More importantly, the India-EU initiative to strengthen strategic ties opens up the potential for developing the physical economy of the Eurasian corridors, and restructuring the international economic and financial institutions. Like China, India has a long way to go before it eliminates poverty, creates enough jobs for a growing labor force, reconstructs cities, and emerges as a global economic and political force. But there is a difference: China had moved in this direction at least two decades before India began its re-think on a faster rate of economic growth. Nonetheless, what is certain is that the world's growth in the coming decades will depend on the rapid modernization and expansion of the Indian and Chinese economies.

It is also evident that neither India nor China, despite their overall manpower, and scientific and technological manpower capabilities, can achieve these objectives independently. In January 1997, *EIR* had issued a 300-page report under the title of *The Eurasian Land-Bridge: The "New Silk Road"—Locomotive for Worldwide Economic Development*. This comprehensive report was the brainchild of well-known American economist and statesman, Lyndon H. LaRouche Jr.

The basic idea behind this new Eurasian Land-Bridge project is to make use of the advantages of communications across continents, with the aim of achieving integration among various economic regions and countries throughout Eurasia. In addition, the corridors would be the conduit for transmission of science and technology, and prosperity to the somewhat inaccessible inland areas, mainly the northwestern part of China, the landlocked Central Asian Republics, and the Caucasus region. These areas are economically less developed, despite their richness in natural resources and cultural heritage.

According to Indian scholar and economist, Sujit Dutta, if India is to attain its economic and political goals, it needs to develop three key strategies. One, an internal strategy that will create large agro-industrial bases throughout the country, interlinked through a network of modern highways, railways and airways, and telecommunications, including making massive investments in power, ports, and education.

Technology From the EU

Two, India is in dire need of an international strategy of technological, trade, and investment ties with the advanced techno-industrial states—Europe, the United States, Japan, and Russia—to accomplish modernization and importation of highly-productive technologies to rejuvenate its stagnant industrial facilities.

Finally, India will be heavily energy-import dependent, especially on the Gulf and Central Asia. It has developed the full-cycle capability in the area of generating commercial nuclear power, as well as developing thermal, hydro, and other less efficient power generation methods. India may, or may not, have large reserves of natural gas, but there is no dearth of natural gas in near-by countries—a major source for fertilizers, domestic consumption, power generation and fertilizers. Pipelines from Iran, Central Asia, Bangladesh, Myanmar, and perhaps Indonesia can provide an ample supply to India. To interlink energy routes and energy supplies, with modern transportation corridors, this overall developmental approach is a very important one.

The rapid development of India is increasingly tied to a stable, secure, and increasingly cooperative global and regional order. Creation of strategic transportation and energy corridors in Eurasia and Southern Asia are of immense significance to India. In terms of ideas, these at once address the issues of peace, stability, economic, and security cooperation across Eurasia. Needless to say, that includes Europe, as a whole, as well.

A joint statement at the end of the Nov. 8 Hague summit noted that the India-EU partnership had “evolved from economic and developmental cooperation to acquire higher political and strategic dimensions,” which would be strengthened by “intensive dialogue.”

One of the most significant aspects of the India-EU strategic partnership is the decision taken at The Hague to speed up the conclusion of an agreement for India joining the European Union’s Galileo global positioning system and to establish an Energy Panel.

The Galileo Program and ITER

Galileo—with its network of 30 satellites becoming operational in 2008—will provide the first real alternative to the U.S. military-run Navstar/Global Positioning System (GPS), which Washington has the power to turn off on a selective basis. Indian participation in Galileo will be the first concrete expression of Europe’s and India’s desire to work for a multipolar world order. Collaboration on the International Thermo-nuclear Experimental Reactor (ITER) will help New Delhi establish a new benchmark for its participation in international civilian nuclear initiatives—something Washington has not been too keen to encourage. This discussion “will ensure India’s equitable participation in Galileo space, ground and user segments” and “will guarantee the availability of highest quality signals over the Indian territory.”

On the other hand, the Energy Panel will work on the modalities of Indian participation in the ambitious ITER project on fusion energy. In discussing the importance of the development of fusion energy, the European Commission President, Romano Prodi, said the EU was keen on including India. Describing the long-term energy supply situation as “dramatic,” keeping in mind growth in India and China, he said he did not want India’s development to halt because of the country’s energy shortage. Apart from the EU, Japan and the U.S., the others involved in ITER are China, Russia, Canada, and South Korea.

The Indian news daily, *The Hindu*, on Nov. 9, cited highly-placed Indian officials saying the participation of India in the Galileo project would bring closer the national security establishments of India, France, and Germany. India is also looking closely at the European Union’s arrangement with China on Galileo, where the modalities for high-end access are still being worked on, despite Beijing already being on board.

A Key for India

The India-EU strategic partnership dovetails into India’s growing efforts to consolidate the China-India-Russia collaboration in the economy and trade, and in scientific and technological cooperation. This process of consolidating the efforts of three large and developing nations is in progress. It has come to the rest of the world’s attention that these three countries are willing to set aside their differences, or resolve those differences, in order to optimize benefit from each other’s cooperation.

New Delhi is keen to convey to all major powers in the world, and the smaller nations as well, that the consolidation of this relationship is for deriving mutual benefits, and not to form any axis against another. A serious Indo-U.S. strategic partnership is springing up, indicating that India and the United States have already mapped out an ambitious agenda of bilateral military and strategic contacts over the next two years, Ilan Berman, President for Policy at the American Foreign Policy Council, said recently. The Bush Administration has officially rolled back its four-year-old sanctions against India, and New Delhi now joins the ranks of U.S. allies like Japan and Singapore, gaining eligibility for significant discretionary military assistance, reports indicate.

New Delhi sees the summit as a landmark, since it marks the first time in several decades, that there has been a keen desire by India and the EU to forge a comprehensive relationship. One Indian observer noted that “India is now being viewed as a potential global power,” adding that the strategic partnership would work to New Delhi’s advantage. Former Indian Foreign Secretary B. Shashank told newsmen that the agreement on a strategic partnership between the EU and India has brought India into an elite group of countries—the United States, Canada, Russia, Japan, and China—which have such ties with the EU.