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## Post-Prague: EU-India relations

### Analysis

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India and the EU are “two natural partners” that must find a way to fight global challenges together, Benita Ferro-Waldner, the EU Commissioner for External Relations, said ahead of the EU-India ministerial troika in Prague last Monday, 29 June 2009.

Yet there is something unsatisfactory about this partnership. India and the EU are two of the world’s largest power centres, sharing a commitment to democracy, respect for the rule of law and a stable international order. *But these bilateral summits need a shot of energy: though friendly, this relationship lacks substance.*

The EU’s 2003 Security Strategy identifies the US as its closest ally and five other powers with which it seeks “strategic partnerships”- China, India, Canada, Japan and Russia. Besides Russia, it is with India that the EU has the least inspiring relations. Unlike with Russia, there are no fundamental divides among EU member states standing in the way of a coherent EU strategy.

*Such a strategy must go well beyond seeing India as a pure economic power. Rather, it should include a strong security dimension not least since India is a crucial player and a potential anchor of stability in a volatile region.* A broader strategic cooperation between the EU and India on nuclear non-proliferation, counter-terrorism, food security, and failed or failing states should be pursued. On Afghanistan, Pakistan and Iran, there is much the EU and India can and should do together.

India also stands to profit from a more dynamic relationship with the EU. *While bilateral trade has more than doubled since 2003, totalling more than €55 billion in 2007, the Free Trade Agreement launched in 2007 remains deadlocked* by EU attempts to gain access to the banking, aviation and telecommunications sectors. If “the summits between India and the

EU reflect the importance of their relationship,” according to Indian Foreign Minister S.M. Krishna, then India needs to broaden its economic partnership with the EU. India and Europe also need to find a way to deal with their divides on climate change.

Turning this lacklustre relationship into a real partnership will require time and energy. *Mindsets will need to adjust. The EU should see India as a pivotal regional player and an aspiring global power in transition rather than merely a developing nation.* India needs to recognize the EU’s growing political influence, and not see the EU only as an important trade bloc.

If the summit in New Delhi later this year is to be more than a talkfest, India and the EU will need to focus more on the substance of their relationship.

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### In the Press

**EU-India Troika to set an ambitious agenda for the next EU-India Summit**

{ [HYPERLINK "http://europa.eu/rapid/pressReleasesAction.do?reference=IP/09/1042&format=HTML&aged=0&language=EN&guiLanguage=en"](http://europa.eu/rapid/pressReleasesAction.do?reference=IP/09/1042&format=HTML&aged=0&language=EN&guiLanguage=en) }

**EU, India to hold summit in November**

{ [HYPERLINK "http://www.eubusiness.com/news-eu/1246303027.37"](http://www.eubusiness.com/news-eu/1246303027.37) }

**2009 crucial for India to fight global challenges: EU**

{ [HYPERLINK "http://economictimes.indiatimes.com/News/Economy/Policy/2009-crucial-for-India-to-fight-global-challenges-EU/articleshow/4707343.cms"](http://economictimes.indiatimes.com/News/Economy/Policy/2009-crucial-for-India-to-fight-global-challenges-EU/articleshow/4707343.cms) }

**India protests, but EU will continue Pak aid**

{ [HYPERLINK "http://economictimes.indiatimes.com/News/Politics/Nation/India-protests-but-EU-will-continue-Pak-aid/articleshow/4731092.cms"](http://economictimes.indiatimes.com/News/Politics/Nation/India-protests-but-EU-will-continue-Pak-aid/articleshow/4731092.cms) }

## From & On India

### The Western Front

#### Talibisation of Pakistan: Implications for Jammu and Kashmir

**P.K. Upadhyay** An increase in Taliban activity in POK also raises the prospects of Pakistan-sponsored Kashmiri jihadi groups based there gravitating towards Taliban and joining hands with them. { [HYPERLINK](http://www.idsa.in/publications/stratcomments/KUpadhyay020709.htm) "http://www.idsa.in/publications/stratcomments/KUpadhyay020709.htm" }

### India & China

#### Chinese Perception Of India In The Frame Of Sino-US Strategic Game

**Bhaskar Roy** But if India stands firm as Russian President Vladimir Putin did in the boundary issue in the Eastern Sector with China, especially in the Maritime Region, Beijing may see sense. { [HYPERLINK](http://www.southasiaanalysis.org/papers33/paper3287.html) "http://www.southasiaanalysis.org/papers33/paper3287.html" }

#### Courting The Dragon

**Brahma Chellaney** Despite its China-centric Asia policy, the Obama team, however, has not thought of a US-China-India trilateral ... Washington now is looking at India not through the Asian geopolitical prism but the regional, or Af-Pak, lens. { [HYPERLINK](http://timesofindia.indiatimes.com/Opinion/Editorial/TOP-ARTICLE--Courting-The-Dragon/articleshow/4725194.cms) "http://timesofindia.indiatimes.com/Opinion/Editorial/TOP-ARTICLE--Courting-The-Dragon/articleshow/4725194.cms" }

### Strategic Masala

#### Blake outlines roadmap for India-US ties

Clinton's visit, he said, would raise the curtains to "India-US 3.0" and answer critics who say the relationship has been diminished. { [HYPERLINK](http://timesofindia.indiatimes.com/India/Blake-outlines-roadmap-for-India-US-ties/articleshow/4725729.cms) "http://timesofindia.indiatimes.com/India/Blake-outlines-roadmap-for-India-US-ties/articleshow/4725729.cms" }

#### Speech at the American Enterprise Institute: { [HYPERLINK](http://www.state.gov/p/sca/rls/remarks/125513.htm) "http://www.state.gov/p/sca/rls/remarks/125513.htm" }

#### Now the G-3

**C. Raja Mohan** The July meeting of the G-3 and the resurrection of the forgotten G-2 — US and Russia — next week in Moscow should bury any residual romanticism in New Delhi about balancing Washington through the BRICs and SCO. { [HYPERLINK](http://www.indianexpress.com/news/now-the-g3/483497/0) "http://www.indianexpress.com/news/now-the-g3/483497/0" }

#### UPA's Foreign Policy: A Critique

**Happymon Jacob, Kimberley Layton** the UPA government of 2004-09 was uneasy about implementing innovative options, shy of spelling out a coherent set of foreign policy priorities, and inept in helping establish norms in the conduct of geopolitics in the regional subsystem. { [HYPERLINK](http://epw.in/epw/uploads/articles/13631.pdf) "http://epw.in/epw/uploads/articles/13631.pdf" }

#### What the Wise Men Say

**Pragati** Special issue on UPA's foreign policy with Dhruva Jaishankar, V Anantha Nageswaran, and Arun Sahgal { [HYPERLINK](http://pragati.nationalinterest.in/) "http://pragati.nationalinterest.in/" }

#### Indian perspectives on the global elimination of nuclear weapons

**Rajesh Basrur** Given its self-image as a major power in the making, India will see a movement for nuclear elimination as an opportunity to take a leadership role. { [HYPERLINK](http://www.stimson.org/nuke/pdf/UnblockingRoadZeroChinaIndia.pdf) "http://www.stimson.org/nuke/pdf/UnblockingRoadZeroChinaIndia.pdf" }

### From The Cabinet

#### PM's Vision of Emerging Powers in 21st century

India will seek its due place, play its destined role and share its assigned responsibility, giving voice to the hopes and aspirations of a billion people in South Asia. { [HYPERLINK](http://pib.nic.in/release/release.asp?relid=49816) "http://pib.nic.in/release/release.asp?relid=49816" }

#### Nuclear Power Scenario

The present nuclear power capacity of 4120 MWe will reach 7280 MWe by the year 2011 on progressive completion of projects under construction. { [HYPERLINK](http://pib.nic.in/release/release.asp?relid=49603) "http://pib.nic.in/release/release.asp?relid=49603" }

### Delhi Diplomacy

#### Nirupama Rao to be next Foreign Secretary

Prior to becoming India's woman in Beijing, she was High Commissioner to Sri Lanka. Her other diplomatic jobs included being Ambassador to Peru, deputy head of the Indian embassy in Moscow, and Minister (Press) at the Indian embassy in Washington. { [HYPERLINK](http://www.hindu.com/2009/07/01/stories/2009070158280100.htm) "http://www.hindu.com/2009/07/01/stories/2009070158280100.htm" }

## Domestic Arena

### Identity Marker

**Editorial** For a huge country with a 1.2 billion population, providing biometric unique ID cards to citizens would be a mammoth project. { [HYPERLINK](http://timesofindia.indiatimes.com/Opinion/Editorial/EDITORIAL-COMMENT--Identity-Marker/articleshow/4712991.cms) "http://timesofindia.indiatimes.com/Opinion/Editorial/EDITORIAL-COMMENT--Identity-Marker/articleshow/4712991.cms" }

### Manmohan hits the ground running

**Santwana Bhattacharya** One can only gasp at the change in the political climate. Compared to the dramatic disarray in the opposition camp, the comfort zone Manmohan and his Congress party currently inhabit is enviable { [HYPERLINK](http://www.atimes.com/atimes/South_Asia/KG03Df01.html) "http://www.atimes.com/atimes/South\_Asia/KG03Df01.html" }

## Economy

### A high-risk gamble

**Editorial** In its dependence on statist solutions, fiscal indiscipline, aimless tinkering and even in the defence of Indira Gandhi's decision to nationalize banks in July 1969, Budget 2009-10 has brought back memories of a budget from the 1980s. { [HYPERLINK](http://www.livemint.com/2009/07/06211248/A-highrisk-gamble.html) "http://www.livemint.com/2009/07/06211248/A-highrisk-gamble.html" }

**Budget speech by Minister of Finance:** { [HYPERLINK](http://indiabudget.nic.in/ub2009-10/bs/speecha.htm) "http://indiabudget.nic.in/ub2009-10/bs/speecha.htm" }

### Economic Challenges for the new government

**Policy paper** with inputs from Rakesh Mohan, Saumitra Chaudhury, B.B. Bhattacharya, S. Narayan, N.K. Singh, Jagdish Shettigar, Charan Wadhwa, Arjun Sengupta. { [HYPERLINK](http://www.observerindia.com/cms/export/orfonline/modules/policybrief/attachments/ecopol_1246613924275.pdf) "http://www.observerindia.com/cms/export/orfonline/modules/policybrief/attachments/ecopol\_1246613924275.pdf" }

### India may reduce U.S. dollar role in FX basket

Asked whether the U.S. dollar should be weaker, Suresh Tendulkar, chairman of the prime minister's economic advisory council, said: "I think it is necessary ... it should go down." { [HYPERLINK](http://in.reuters.com/article/domesticNews/idINL312917520090703?sp=true) "http://in.reuters.com/article/domesticNews/idINL312917520090703?sp=true" }

### Ten things for India to achieve its 2050 potential

**Goldman Sachs Report** If India were able to undertake the necessary reforms, it could raise its growth potential by as much as 2.8% per annum { [HYPERLINK](http://www2.goldmansachs.com/ideas/brics/ten-things-doc.pdf) "http://www2.goldmansachs.com/ideas/brics/ten-things-doc.pdf" }

### India Should Combine Tough Climate Stand With Green Policy

**Nandan Nilekani** The new government has a clear mandate, and with it comes the chance both to define a powerful role for India over the next six months in global climate negotiations and to implement an ambitious, domestic low-carbon policy. { [HYPERLINK](http://yaleglobal.yale.edu/display.article?id=12536) "http://yaleglobal.yale.edu/display.article?id=12536" }

### An Increasingly Affluent Middle India Is Harder to Ignore

**C.K. Prahalad** says that huge markets exist among the poor in countries such as India, and that multinationals should tailor their plans and products to these consumers. { [HYPERLINK](http://knowledge.wharton.upenn.edu/india/article.cfm?articleid=4303) "http://knowledge.wharton.upenn.edu/india/article.cfm?articleid=4303" }

## Defence

### The central debate in India's civil military relations

**Ali Ahmed** While the military prefers political control exercised by politicians, the intervening bureaucratic layer between the brass and the political leadership results in 'bureaucratic control'. { [HYPERLINK](http://www.idsa.in/publications/stratcomments/AliAhmed060709.htm) "http://www.idsa.in/publications/stratcomments/AliAhmed060709.htm" }

### India, Afghanistan To Discuss Closer Cooperation

Gen. Bismillah Khan Mohammadi, chief of General Staff of the Afghan National Army, is visiting here July 6-9, said sources in the Indian Defence Ministry. { [HYPERLINK](http://www.defensenews.com/story.php?i=4173955&c=ASIS&s=AIR) "http://www.defensenews.com/story.php?i=4173955&c=ASIS&s=AIR" }

### 'US pressure' makes Israel drop India jet venture

Israel Aerospace Industries was planning to develop a new model of the Swedish-made Gripen fighter jet with its manufacturer, Saab, to compete in a tender to sell the planes to India's armed forces { [HYPERLINK](http://www.google.com/hostednews/afp/article/ALeqM5iaHzq-XcSeGgCn6oF07Hr_d2ByRQ) "http://www.google.com/hostednews/afp/article/ALeqM5iaHzq-XcSeGgCn6oF07Hr\_d2ByRQ" }

## Coming Up

### 8-10 July

#### Prime Minister Manmohan Singh attends the G8+5 Summit in Italy.

PM's statement prior to departure: { [HYPERLINK](http://pib.nic.in/release/release.asp?relid=49814) "http://pib.nic.in/release/release.asp?relid=49814" }

### 14 July

Prime Minister **Manmohan Singh is the guest of honour at the French National Day** celebrations, which will include a contingent of the Indian Army

# India goes South

## India & Africa

### Maridive of Egypt to Sign Oil Pipeline Accords in Russia, India

The Egyptian marine and oil support service company, said its units Valentine Maritime and Maridive Offshore Projects may sign contracts to build pipelines in Russia and. { [HYPERLINK "http://www.bloomberg.com/apps/news?pid=20601087&sid=acCca.AFmx6g"](http://www.bloomberg.com/apps/news?pid=20601087&sid=acCca.AFmx6g) }

### India seeks privileges from Ethiopia to its investors

The outgoing Indian Ambassador to Ethiopia, Gurjit Singh, has requested Ethiopian officials give priority to Indian investors. { [HYPERLINK "http://www.ethiopianreview.com/articles/11740"](http://www.ethiopianreview.com/articles/11740) }

### Punj Lloyd bags contracts worth \$392 million in Libya

The Indian company will build roads, networks for drinking water, sewage water and storm water and electrical and communication infrastructure in three towns. { [HYPERLINK "http://sify.com/finance/equity/fullstory.php?a=jh dhvNiihcd&title=Punj\\_Lloyd\\_bags\\_contracts\\_worth\\_392\\_million\\_in\\_Libya"](http://sify.com/finance/equity/fullstory.php?a=jh dhvNiihcd&title=Punj_Lloyd_bags_contracts_worth_392_million_in_Libya) }

### India to ask Libya why pharma consignment was blocked

India will take up with Libya a complaint by an Indian pharmaceutical company that its consignment was barred entry on the grounds that it was from a non-US, non-EU region. { [HYPERLINK "http://www.hindu.com/thehindu/holnus/006200907051675.htm"](http://www.hindu.com/thehindu/holnus/006200907051675.htm) }

### MOU signed for linking Lesotho with Pan African e-Network

The Pan-African e-Network will provide e-services with priority on tele-education and tele-medicine services and VVIP connectivity (for Video-conferencing and VoIP services) among the Heads of the States. { [HYPERLINK "http://pib.nic.in/release/release.asp?relid=49531"](http://pib.nic.in/release/release.asp?relid=49531) }

### FBD: India to export rice to African countries

The Government of India has nominated its sponsored organizations to export rice to the African countries. { [HYPERLINK "http://foodbizdaily.com/articles/34361-india-to-export-rice-to-african-countries.aspx"](http://foodbizdaily.com/articles/34361-india-to-export-rice-to-african-countries.aspx) }

### Nano to hit Africa markets

Considered as the 'world's cheapest car', the base model of the small car would be available in Nigeria for about NGN 360 which at par with prices in the Indian market. {

## HYPERLINK

"[http://www.rupeetimes.com/news/car\\_loans/nano\\_to\\_hit\\_africa\\_markets\\_2616.html](http://www.rupeetimes.com/news/car_loans/nano_to_hit_africa_markets_2616.html)" }

## India & Latin America

### India, Mexico set for R&D tango

Indian researchers and students will take up research work with their Mexican counterparts in the key areas of atmospheric sciences, oceanography, seismology and IT over the next two years. { [HYPERLINK "http://timesofindia.indiatimes.com/Bangalore/India-Mexico-set-for-RD-tango/articleshow/4738790.cms"](http://timesofindia.indiatimes.com/Bangalore/India-Mexico-set-for-RD-tango/articleshow/4738790.cms) }

### JSW Steel defers Chile ore plan

My Iris reported that JSW Steel has decided to postpone its investments of around INR 4.90 billion in iron ore mines in Chile. { [HYPERLINK "http://steelguru.com/news/index/2009/07/03/MT\\_AwNzgx/JSW\\_Steel\\_defers\\_Chile\\_ore\\_plan.html"](http://steelguru.com/news/index/2009/07/03/MT_AwNzgx/JSW_Steel_defers_Chile_ore_plan.html) }

## India & Portugal

### Pak PM seeks preferential access, free trade with European Union

PM Gilani met with Portuguese FM Luis Amado and sought the help of the Portuguese government in institutionalising the framework of the Pakistan-EU summit. In the EU's context, Amado said Portugal would support Pakistan as it was playing a pivotal role for peace in the region. { [HYPERLINK "http://www.dailytimes.com.pk/default.asp?page=2009\07\07\story\\_7-7-2009\\_pg7\\_34"](http://www.dailytimes.com.pk/default.asp?page=2009\07\07\story_7-7-2009_pg7_34) }

### Indian warships visit Lisbon

The Indian guided missile destroyer INS Delhi and the frigate INS Beas will visit the Lisbon port and hold bilateral naval exercises with the Portuguese Navy along the Portuguese coast this week.

## India & Macao

### Goa to tap new tourist markets in China, Macau

In the next tourist season you may be able to find curious Chinese tourists looking around our villages with Goa looking to tap new tourist markets in China, Macau and Hong Kong. { [HYPERLINK "http://timesofindia.indiatimes.com/Goa/Goa-to-tap-new-tourist-markets-in-China-Macau/articleshow/4735867.cms"](http://timesofindia.indiatimes.com/Goa/Goa-to-tap-new-tourist-markets-in-China-Macau/articleshow/4735867.cms) }

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