

## From New Delhi by Susan Maitra

### Soviet premier in town

*Ritual geopoliticking aside, the focus was on shoring up ailing Indo-Soviet trade.*

Soviet Prime Minister Nikolai Ryzhkov came to New Delhi on Nov. 20 for a five-day visit to inaugurate the year-long Soviet Festival in India. He arrived with his wife, Deputy Prime Minister V. Kamentsev, First Deputy Prime Minister (and former ambassador to India) Yuli Vorontsov, and a host of circus performers and Bolshoi artists, in a total 30-person delegation. But it was clear from the outset that Ryzhkov would also conduct some business.

On the day of Ryzhkov's departure, the Indira Gandhi Memorial Trust announced the award of the \$150,000 India Gandhi Prize for Peace, Disarmament, and Development to General Secretary Mikhail Gorbachov, "in recognition of his bold and imaginative proposals to initiate a positive process of nuclear disarmament and his vision of a non-violent world free of nuclear weapons."

Among the issues of foreign policy discussed, according to the *Patriot*, are the Indian initiatives on the Kampuchean issue; an understanding in principle between India and China to maintain peace on the border and upgrade bilateral talks to a political level; the progress of Sino-Soviet relations; the crisis in the Persian Gulf, and particularly the need for foreign naval forces to withdraw from West Asia, southern Africa, and the Indian Ocean region. Prime Minister Gandhi will also apprise the Soviets of the situation in Sri Lanka, where the Soviets have publicly voiced their disapproval of India's military intervention.

But aside from the obvious geopoliticking which all Soviet leaders

indulge in whenever they come to developing nations, Ryzhkov was interested in particular in boosting the troubled image of Indo-Soviet economic ties. A trained engineer before becoming a professional politician, Ryzhkov was involved in the Bhilai Steel Plant, a Soviet-built steel plant in India. He made it a point to visit Bhilai for a day during his trip.

Premier Ryzhkov and the delegation also signed three agreements—one on economic and technical cooperation, providing for a Soviet credit of about \$1 billion for an oil refinery and a thermal power station, another on new forms of economic cooperation, and the third on tourism. Ryzhkov also reiterated the Soviet willingness to provide India with a nuclear reactor.

But it was Indo-Soviet trade that was the center of attention. In spite of a flood of press on the "vibrant" bilateral trade, it is well known here that Indo-Soviet trade is in the doldrums. The Soviet Union has piled up a sizable deficit in its trade balance with India through the whole of the 1970s and 1980s. It is estimated that India's trade surplus easily exceeds \$1 billion, even though some \$400 million worth of ruble credits were used during this period. India has pressed for increased oil imports from time to time, and government officials have stated publicly that the trade must be restructured. Over the last year more than a dozen Soviet delegations have come to India and discussed the matter with their Indian counterparts.

Last April, former commerce minister and now head of the India-

U.S.S.R. Chamber of Commerce and Industry Manubhai Shah—who met with Premier Ryzhkov—said: "The government's capacity to import from Russia has peaked. The private sector must now buy from there if the two-way trade target of U.S.\$11 billion is to be achieved by 1992. At present, while private companies account for 85% of India's exports to the U.S.S.R., their share of imports is a mere 15%."

It is difficult to visualize how the \$11 billion target can be met. Indian businessmen have reservations about Soviet technology. But an even larger problem is the lack of credit. No Indian businessman would be willing to trade with the Soviets unless a substantial line of credit were made available.

The new Soviet tack is joint ventures with the Indian business houses, and Ryzhkov met with one of the top Indian capitalist families, the Birlas, to this purpose. The Soviets have signed up with Asian Vehicles Industries Ltd. to make two models of Lada cars. Computronics India, a leading importer of computers from the U.S.S.R., is negotiating for the manufacture of personal and minicomputers.

It has also been mentioned that Indian companies would collaborate with Soviet enterprises in four hotel projects in Samarkhand, Bukhara, and Tashkent.

At the hour-long press conference on the day of his departure, however, Ryzhkov faced some difficult questions. When a journalist asked: "Was the present trend," *glasnost* and *perestroika*, "in the Soviet Union not the same thing as the 'socialism with a human face' advocated by Czechoslovakia's Mr. Dubcek?" Ryzhkov quickly answered: There is no parallel between the two.