

Clinton and Vajpayee move to strengthen Indo-American relations

by Ramtanu Maitra

U.S. President William Clinton's historic March 19-25 trip through the Indian subcontinent was as much a success as it was a security nightmare. After an uneasy 24 hours in Bangladesh, where a threat of terrorist attack confined him to the capital city of Dhaka, the American President had an extremely successful four days in India, which more than made up for the last leg, which took Clinton to Pakistan for five hours under great security pressure.

The trip was historic in many ways. Clinton is the first American President to visit Bangladesh—a nation of 120 million—since it broke away from Pakistan in 1971 to become an independent nation. The freedom struggle that gave birth to Bangladesh was a bitter one, which the United States opposed and India actively backed.

India, despite being the world's "largest democracy"—a catch-phrase often used by policymakers in Washington for dubious reasons—of almost 1 billion people, was last visited by an American President in 1979. As for Pakistan, an "historic ally"—a phrase often heard on Capitol Hill—of the United States, and a nation of 130 million people, it had the distinction of hosting the late President Richard Nixon more than 30 years ago.

'Dynamic and lasting partnership'

Before the trip began, a number of seminars and conferences were organized in Washington by various think-tanks to influence President Clinton in setting up fresh U.S. policies for South Asia. It was evident to all that the keystone of the President's trip would be India. India's nuclear tests in May 1998; its dispute with Pakistan over Kashmir, which has begun to threaten an all-out war; and India's growing economic strength were the issues placed before the President. Whether Pakistan would actually figure on the itinerary was kept under cover till the last minute, because of security considerations; in the end, the stop was primarily to tell Pakistan's military regime to bring back democracy quickly, give up its nuclear weapons, give up encouraging violence in Kashmir, and eradicate terrorist extremist groups within Pakistan. There was little room left for any kind of dialogue with the Pakistani leader, Chief Executive Gen. Pervez Musharraf.

In India, a 200-person contingent of businessmen and investors, accompanied the President to meet with representa-

tives of Indian business and industry, and work out new deals and open new markets. For the President, it was a full itinerary. He not only met privately with the Prime Minister and the main opposition leaders of India, but he also had the honor of addressing a joint session of India's Houses of Parliament. He went to an Indian village, Nayala, in Rajasthan, to see how the village Panchayati Raj—an administration, run by elected village seniors, which has input into India's economic planning process—functions. He went to India's new computer software center in Hyderabad and addressed the Confederation of Indian Industry (CII) there. He even found time to visit a tiger reserve in Rajasthan and India's leading stock exchange in Mumbai (formerly Bombay). Although Clinton did not budge an inch on the nuclear non-proliferation issue, which clearly is the bone of contention between India and the United States, he was, at the same time, courteous and understanding—a trait greatly appreciated in New Delhi.

In a joint statement with Indian Prime Minister Atal Behari Vajpayee in New Delhi, President Clinton said: "I have come to India because I want to build a dynamic and lasting partnership, based on mutual respect and mutual benefit." There were clear signals that he indeed made efforts to that effect. Prime Minister Vajpayee was invited to visit the United States before Clinton's term as President ends, and it is expected that the Indian Prime Minister will be in Washington in early September.

Kashmir crisis

The unresolved Kashmir issue, which has plunged India and Pakistan into three wars over the last 50-odd years, was very much on the top of President Clinton's agenda. Prior to the trip, at a conference organized by the Carnegie Endowment for Peace, President Clinton labelled the Indian subcontinent as the "most dangerous part of the world" and called Kashmir "a flashpoint." He expressed concern that unless India and Pakistan lower the tension in the area, it may lead to a full-fledged war. This concern was echoed in Strasbourg, France, where the European Union discussed the Kashmir issue: European Commissioner Poul Nielson asked "third parties" to urge both sides to de-escalate military confrontation, to ask Pakistan "to put a stop to infiltration of paramilitary personnel crossing over" into India, and to encourage both

parties to re-launch the Lahore peace process of February 1999.

India had all along been adamant that the Kashmir dispute must be resolved bilaterally through negotiations, as was agreed upon in the 1972 summit between India and Pakistan at Shimla, India. Pakistan, on the other hand, continues to pursue implementation of a 1949 UN resolution which called for a plebiscite in Kashmir, whereby Kashmiris would choose India, Pakistan, or independence. The UN resolution was never implemented, but the three wars have created a disputed demarcation line, known as the Line of Control (LOC), between India and Pakistan. Pakistan has also reiterated that the dispute cannot be resolved without international mediation, a proposal which India vehemently rejects.

Over the years, the LOC has remained porous and infiltrators from the Pakistani side have joined hands with local Kashmiri militants seeking an independent Kashmir. The situation worsened following the withdrawal of the Soviet Army from Afghanistan in 1988. Subsequently, Afghan mujahideen, created by foreign intelligence outfits and represented by well-trained and well-armed religious extremists from various countries, found Kashmir a convenient place to spread *jihad* . Pakistan, as Islamabad openly admits, expressed sympathy with these *jihadis* , but did little to control them and, instead, allowed them to use Pakistan as the launching ground for terrorism. As a result, Kashmir has turned into a war zone, where Indian soldiers are fighting the *jihadis* and also Pakistani soldiers, who, in the garb of mujahideen, have crossed into the India-held part of Kashmir.

Last February, Indian Prime Minister Vajpayee made a historic trip to Lahore, Pakistan, where he met with his Pakistani counterpart, Nawaz Sharif, and together they began to formulate a solution to the Kashmir dispute. A few months later, India discovered that a large posse of mujahideen and Pakistani soldiers had infiltrated over the LOC and captured some of the Indian-held high-altitude territories in the Kargil area. The war that followed saw the Indians driving the infiltrators back. But Vajpayee's goodwill mission, the Lahore Initiative, as it is called, got pushed aside, and subsequently a war-like situation took hold over the area, causing more infiltration and more violence. Prime Minister Nawaz Sharif was overthrown in a coup, and arrested by the Pakistani Army in October 1999, bringing military control back once more to Pakistan.

It was clear from the outset of the trip that the U.S. President had no intention of mediating the Kashmir issue, but his mission was to impress upon both New Delhi and Islamabad the gravity of the situation. The day after Clinton arrived in New Delhi, extremists shot 36 Sikh citizens of Kashmir, bringing the issue to the forefront.

Addressing a press conference in Delhi following his two-hour meeting with the Indian Prime Minister, Clinton proposed a package of four principles: restraint by both sides; respect for the LOC; renewal of the Indo-Pakistani dialogue; and the rejection of violence.

Clinton's "four Rs" drew wide-ranging support in India. Although diplomatic sources pointed out that President's statement does not endorse the LOC as the international boundary, New Delhi thinks otherwise. Principal Secretary Brajesh Mishra, a close confidant of the Prime Minister, pointed out that the United States has not made such "specific" statements in the past, and its focus on cessation of cross-border terrorism "is also of recent vintage." Vajpayee said he hoped the U.S. President would discuss this question in Islamabad.

The nuclear issue

In contrast to his expression of concern on Kashmir, President Clinton's statement on the nuclearization of India and Pakistan was mild. Although he stated categorically his view that neither India nor Pakistan have become safer following the nuclear tests they carried out in May 1998, Clinton acknowledged India's security concerns. According to the joint Vision 2000 statement that followed the Vajpayee-Clinton meeting: "India and the U.S. share a commitment to reducing and ultimately eliminating nuclear weapons, but we have not always agreed on how to reach this goal. The U.S. believes India should forgo nuclear weapons; India believes that it needs to maintain a credible minimum nuclear deterrent in keeping with its own assessment of security needs." In opening statements after the delegation-level talks, Vajpayee said he had explained to Clinton the "reasons that compel us to maintain a minimum nuclear deterrent." But he emphasized that the discussions were warm, friendly, and candid, and reflected the common desire to "build a new relationship of mutual trust and respect."

Replying to Vajpayee, Clinton refrained from hectoring the Indian leadership on the nuclear issue, and observed that, while Russia and the United States are making real progress in moving away from nuclear weapons, "the world needs India to lead in the same direction." He also told newsmen that "there was a possibility that we could reach more common ground on the issues of testing . . . and on restraint generally." He made no effort, however, to push New Delhi to fall in line immediately.

New bilateral institutions

Although Clinton's trip to India suffered from the lack of tangible economic content, he assured India's 800-odd legislators, while addressing the Houses of Parliament, that he wants to forge a new Indo-U.S. partnership in economic cooperation.

Noting that India was among the ten fastest-growing economies in the world, Clinton forecast that the world economy would grow by as much as 500% in the next 20 years. Elaborating on the challenges, he said that the first is to "get our economic relationship right." In order to do that, he called for ties between the two countries, "especially in the cutting edge fields of information technology, biotechnology, and clean energy."

While Clinton was in India, two important forums were set up: the Indo-U.S. Science and Technology Forum is one, and the other is an arrangement whereby India and the United States will hold regular bilateral summits and an annual foreign policy dialogue, as part of efforts to intensify and institutionalize the interchange between the two countries.

The final joint communiqué said that the foreign policy dialogue will continue between the U.S. Secretary of State and the Indian External Affairs Minister. The two countries consider the ongoing discussion on security and non-proliferation between U.S. Deputy Secretary of State Strobe Talbott and Indian External Affairs Minister Jaswant Singh—who have met 12 times since the Indians carried out their nuclear tests in 1998—important for improving mutual understanding on bilateral, regional, and international security matters. They agreed that the dialogue would take place semi-annually or as often as considered desirable by both sides.

The communiqué also pointed out that both countries have decided to establish expert groups for discussion on specific issues and continue foreign office consultations between the U.S. Undersecretary of State and the Indian Foreign Secretary.

The Indo-U.S. Science and Technology Forum, which has already met at Hyderabad, was set up to commission studies, reports, and papers, and to facilitate and promote joint project collaboration. This forum will encourage interaction between governments, academia, and industry in science, technology, and related areas. The forum will be run by a 14-member governing body representing the government, academia, and industry of both countries. The seed money put into the forum is 300 million rupees, and the forum will be free to raise funds from industry and the private sector.

At a roundtable conference in Hyderabad, areas of interaction and collaboration were discussed. Although the list is yet to be completed, U.S. scientists suggested that emphasis be laid on joint research activities involving fuel cells, nanotechnology, biofuels, agricultural biotechnology, and transgenic crops. It is evident that the Indian scientists would like to lengthen the list, but, while Washington has removed 51 entities from the sanctions list, imposed in 1998 following India's nuclear tests, and removed prior to President Clinton's visit, 149 scientific institutes and enterprises of India, suspected of aiding India's nuclear and defense efforts, remain on the blacklist. Former Science Minister and the doyen of India's scientific community, M.G.K. Menon, a nuclear physicist of repute, said that cooperation implied mutual trust and friendship. "We have to move forward on trust and the right environment should be created for cooperative research," Menon said.

Although Clinton set up the Indo-U.S. Science and Technology Forum, the two countries have had scientific cooperation for more than 45 years. That cooperation was highly active in the 1980s, with the Rajiv Gandhi-Ronald Reagan agreement to establish a science and technology initiative. It went downhill in the 1990s, as the Indian political system

became unstable and inward-looking, and reached a new low following the nuclear tests in 1998.

Some progress has also been made in the area of concrete economic ties. The first batch of 13 company-to-company deals was signed on March 23. Indian Commerce Minister Murasoli Maran and U.S. Secretary of Commerce William Daley penned an agreement to launch an Indo-U.S. commercial dialogue. The establishment of this forum was spelled out in the Vision 2000 statement signed by Vajpayee and Clinton. Talks between Maran and Daley have already resulted in better appreciation of mutual concerns. The talks, for instance, have given rise to expectations that goods and services from the two countries would enjoy wider access in each other's markets. As a gesture, India announced that it would open up its market for as many as 715 consumer goods, textile items, and agricultural products, as of April 1. At the same time, the prospect of the United States restoring concessional tariffs on import of Indian pharmaceuticals under the Generalized Scheme of Preference (GSP) in June have brightened.

Economic issues

The reason that the economic content of the trip was low, is that the Presidential trip was billed in Washington as a "goodwill trip," so few U.S. business leaders clamored to accompany the President. But on this goodwill trip, the U.S. also recognized India's capability.

India's perennial economic problems, stemming from its weak infrastructure, were not addressed during the trip. Clinton spoke about globalization and asked the Indian legislators to help open up the economy, as this process only would help developing countries speed up development and tackle the scourge of poverty. He said that the answer to India's economic problems lies in promoting the information technology which would be the "new frontier" of growth in the 21st century. No mention was made, however, of necessities for India such as electrical power, faster and more widespread transportation, and education, among others. In the areas of joint collaboration, although mention was made of modernizing traditional technologies, this was not elaborated. This is where U.S. input will be essential, and New Delhi will have to give more attention in this direction.

The performance of the Indian economy, particularly its infrastructure, in the coming years, is not a purely domestic matter, however, and it certainly does not hinge on information technology. Contrary to President Clinton's rosy forecast of 500% growth worldwide in the next two decades, the world economy is careening toward a precipice, as the speculative bubble—including the bubble.com component of Internet "information technology" stocks—sucks out what value remains in the physical economy of nations. Short of the New Bretton Woods reorganization of the world financial system that Lyndon LaRouche and *EIR* have proposed, and the correlative development of the Eurasian Land-Bridge, there is no future for the economy of India, or of the United States either.