

EXCLUSIVE INTERVIEW WITH INDIAN PRIME MINISTER DR. MANMOHAN SINGH

'It is my sincere belief that a strong and prosperous Bangladesh is in India's fundamental interests'

In 1971, after a stellar academic career on the faculty of Punjab University and Delhi School of Economics, Dr. Singh joined the government of India as Economic Advisor in the Commerce Ministry. This was soon followed by his appointment as Chief Economic Advisor in the Ministry of Finance in 1972. Among the many governmental positions that Dr. Singh has occupied are Secretary in the Ministry of Finance, Deputy Chairman of the Planning Commission, and Governor of the Reserve Bank of India. Dr. Singh spent five years between 1991 and 1996 as India's Finance Minister, and has been a Member of India's Upper House of Parliament (the Rajya Sabha) since 1991, where he was Leader of the Opposition between 1998 and 2004. Dr. Singh is India's 14th Prime Minister. In Dhaka for the 13th Saarc Summit, Dr. Singh took the time out of his busy schedule to meet with The Daily Star Editor **Mahfuz Anam** and Prothom Alo Editor **Matiur Rahman** for an exclusive joint interview.

Mahfuz Anam (MA): How did your talks with Begum Khaleda Zia go, in view of the fact that Bangladesh-India relations have been strained of late?

Manmohan Singh (MS): I told her that as Prime Minister it is my ambition to give the highest priority to relations with neighbours. India-Bangladesh relations are not what they should be, and it should be our combined efforts to find practical, pragmatic pathways to reverse the situation.

I don't see any fundamental difference in the interests of our two countries, nor does India seek any kind of advantage that would constitute a negative factor for Bangladesh's development.

Our efforts should be to work out joint strategies -- whether in trade, investment, human resources development, agriculture -- which would make this cooperation a reality.

If Bangladesh has any grievances -- either real or imagined -- I am quite willing to sit together with the government or its representatives to get to the bottom of these. If there is any truth to these, we will correct them. But if there is no truth to some of the allegations then I think that both

sides must work together to dispel this perception that India is accused of -- this perception of an exploitative relationship.

It is my sincere belief that a strong and prosperous Bangladesh is in India's fundamental interests. If Bangladesh does not solve its economic and social problems, then eventually they will become India's problems.

We have seen, for example the relationship between Mexico and the US. Because of disparity in the standard of living, even with the best of intentions, the countries cannot solve the problem of illegal inflow of migrants.

So we would like to work with the government and people of Bangladesh to see that Bangladesh is prosperous and makes full use of its vast latent human resources.

I must say that Begum Khaleda Zia was very forthcoming. She said that is her vision also. She said that there are small irritants, and small people take advantage of that.

I would like to work with her to ensure that we can keep the larger picture in mind, and I am quite encouraged by our talks.

MA: Did you invite her to go to Delhi?

MS: Yes, I have invited her and she accepted my invitation.

Matiur Rahman (MR): Can you please give some suggestions for how relations can be improved. What are some positive steps that can be taken?

MS: One problem mentioned again and again is the trade imbalance between our two countries. I met the same problem when I came to Dhaka in 1994-95 as Finance Minister. We can and should find a practical solution to the problem. It was my ambition then to set up a task force to look into the issue, but then we went out of office.

I do recognise that it is a problem -- though it is not as one-sided as it seems. What has really happened is that Bangladesh and India have both removed quantitative restrictions, and a lot of things that are now coming to Bangladesh from India, it is not that this is due to exploitation, but that India is a relatively more efficient producer of many goods than other countries that Bangladesh used to import from more before.

My friend Saifur Rahman tells me

that he is not overly impressed or concerned about this so-called exploitation because he acknowledges that Bangladesh is also gaining because it is getting goods cheaply.

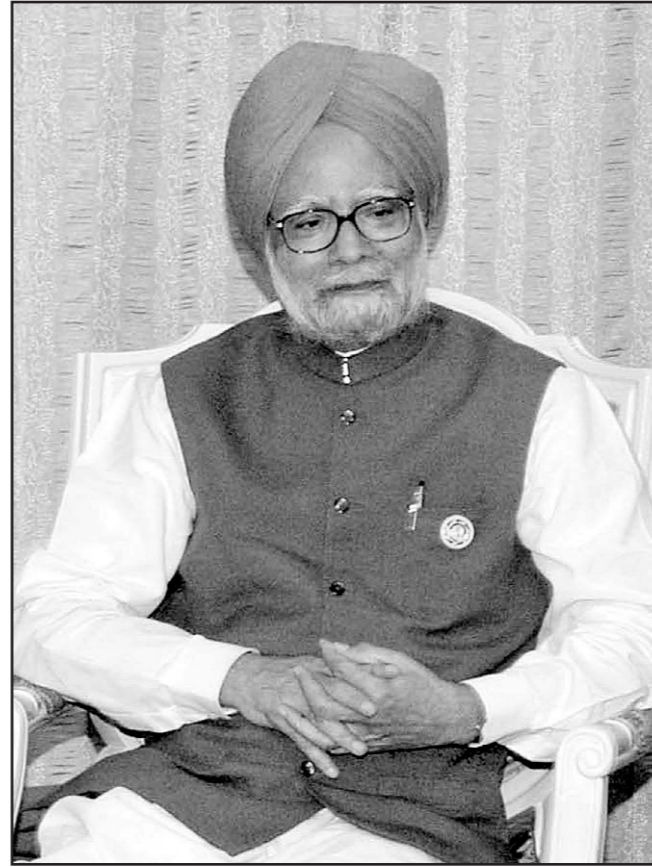
Still, I do recognise that public perception of the trade imbalance is a problem, and I would suggest that there are practical ways to address the issue.

Take for example the \$2 billion Tata investment proposal -- a large part of the steel that will be produced will be shipped back to India. Therefore, Bangladesh, by creating an environment where investment can come in and joint ventures can take place and by building its export capacity -- part of the problem can be solved this way.

If Bangladeshi industrial capacity is built up with an eye on the Indian market -- at least the North-East -- that will open up new avenues for win-win cooperation.

MA: One of the contentious issues is the Indian perception that Bangladesh is harbouring insurgents and that there are terrorist camps in Bangladesh. Could you make any break-through with Begum Zia on this issue?

MS: I did raise it with her and she



said Bangladesh will do nothing that will hurt India, that these reports have been exaggerated, that our intelligence agencies inflate the issue. I told her that we have to go via the advice of the system we have on the ground, and they have told me that they have credible evidence that some of these insurgent groups are taking shelter in Bangladesh and this is in the know of some elements in the government. Take the Anup Chetia case. Several times promises were made to hand him over.

MR: The Bangladesh position is that if India hands over terrorists in Calcutta, then perhaps we can work out some kind of exchange.

MS: We are willing to do something like this. I believe I said so in my speech. Let us both give commitment that we will not shelter criminals or those who are working against the interest of the state. We are willing to work in open sincere dialogue. The problem is not one of principle. Bangladesh should not work against India's interests, and India should not work against Bangladesh's interests.

MA: Is there any chance of a solving this claim and counter-claim about Bangladesh harbouring insurgents?

MS: Home Secretaries of our two countries have made some progress, I believe.

MA: May I suggest that this "credible evidence" that you refer to be made available to the media of India and of Bangladesh, then maybe some independent body could do something about this, because the issue has been stuck for quite a while.

MS: I am willing to consider this.

MA: You have mentioned reciprocal transit facilities. What did you mean by this?

MS: We want to go to the North-East, but if Bangladesh wants to go to Nepal and Bhutan we are willing to look at this.

MR: Pakistan?

MS: We are willing to look at all the options. We must have a new vision of our collective future.

MA: Thank you. With you as India's Prime Minister, we hope and expect to improve our relations.

MS: I assure that this is what I think. I attach the greatest importance to the friendliest possible relations with Bangladesh. I don't see any clash of interest between India and Bangladesh.

MR: Thank you.

Additional questions were submitted to Dr. Singh in written form in advance of the interview. In addition to the live interview, Dr. Singh also responded to these questions in writing as follows:

Q.1 How would you describe the present state of bilateral relations between Bangladesh and India? What steps would you suggest for improvement of our relations?

Manmohan Singh (MS): India attaches the highest importance to relations with Bangladesh. We are bound by history and culture and there is enormous goodwill for each other among our peoples. We are committed to pursuing a relationship based on friendship, trust, and understanding for mutual benefit. India wants an intensive bilateral dialogue on all issues of common interest and concern. It is important that we work towards strengthening of infrastructural linkages especially in energy, transport, transit, and communication. This would help in expansion of trade and economic progress and thereby in shaping a common future of peace and prosperity for the people of our two countries.

take all possible measures to redress this. We are already granting duty free access to Bangladesh on certain items taken from its own wish list. Bangladesh also receives preferential access under Safta and we are looking towards operationalisation of Safta. We have also suggested other means that can help in bridging the trade gap including a bilateral Free Trade Agreement.

Q.4 India has accused Bangladesh of harbouring terrorists and insurgents for over a decade. What are some concrete reasons for these accusations and what progress, if any, has been made on this issue?

MS: We appreciate the commitment given to us at the highest level that Bangladesh territory will not be permitted to be used to carry out anti-India activities. The situation on the ground and the parameters of cooperation in ensuring peace and security at the borders have been

Q.6 As a world renowned economist, what do you think of the achievements of Bangladesh so far? What steps would you suggest for further growth of our country?

MS: The Bangladesh economy has consistently maintained a 5 percent GDP growth over the past decade; that reflects the economy's resilience and the dynamism of the entrepreneurial spirit. Bangladesh also has an impressive track record in its human development indicators. We see Bangladesh as a key partner, not only in the context of our bilateral economic engagement, but also in the framework of expansion of regional cooperation.

Q.7 As the leader of the largest Saarc country, what in your view are the realistic expectations and failings of this organisation founded some 21 years ago?

MS: With the experience and insight of the past two decades, we

One of the most important areas for cooperation under Saarc is the collective fight against the scourge of terrorism. The Saarc Regional Convention on Suppression of Terrorism, and its Additional Protocol, will be an effective instrument in this fight. We hope all the member states will ratify these instruments and enact enabling legislation.

In the social field, we hope to make substantial progress by fulfilling our commitment of improving the lives of our peoples. Poverty alleviation is an overarching goal of Saarc. We need to build a collective approach on this issue by harmonizing it with our individual national goals.

In sum, I would like to stress that I am glad we are now in a position to identify and implement collaborative projects, to ensure that the South Asian region emerges strong, prosperous, and forward-looking.

help in bolstering mutual confidence and trust. In fact, we need to go beyond governments and encourage engagement among the peoples of South Asia to foster peace and harmony in our region. India has always supported this approach and remains committed to it.

Q.9 We are happy at the improvement of India-Pakistan relations. How do you assess the progress so far and what major developments can we expect in the near future?

MS: India seeks cordial relations with all its neighbours including Pakistan. It is a matter of satisfaction that our bilateral relations with Pakistan have been improving steadily. Two rounds of the Composite Dialogue initiated last year, have been completed successfully and the third round is scheduled to commence from January 2006. Considerable understanding has been reached on various bilateral issues during the two rounds of talks. We are particularly happy to note the increase in people-to-people contacts and in bilateral trade.

We look at India's relations with Pakistan not only in a bilateral context but also in a regional perspective. It is our belief that good neighbourly relations with Pakistan will have a positive bearing on regional relations, both in the context of Saarc and the countries beyond Pakistan.

India has been assisting Pakistan in its post-earthquake relief and rehabilitation efforts. We have pledged \$25 million to support Pakistan in its hour of crisis, apart from providing immediate relief material. We stand willing to assist Pakistan in the reconstruction of its earthquake-hit areas.

I should add India has continuing concerns on cross-border infiltration and incidence of terrorist violence in India linked to that. Pakistan has assured us that steps are being taken to prevent such infiltration. However, we are yet to witness a sustained trend in declining infiltration and violent incidents. We hope Pakistan would take concrete action in this regard.

Q.10 India is reaching out to the world. Without reaching out to its neighbours, how effective will reaching out to the world be?

MS: India is seeking to become more integrated, not only with the world, but also with its immediate neighbourhood. India would like to see a vibrant and prosperous South Asia, knit together by common road, rail and river networks, which would act as a catalyst in expanding trade and people-to-people contacts. We are fully aware that our own destiny is

closely inter-linked with the destinies of our neighbouring countries. We firmly believe that a peaceful and tranquil neighbourhood, combined with integrated regional development is important for India's own prosperity. We would like to avoid negative trends such as instability, growth of fundamentalism and terrorism, social disorder and anarchy in our neighbourhood, which would have adverse security implications and debilitating consequences for India. We are committed to making our neighbouring countries partners in India's economic progress and in providing them access to our domestic market. Some among our neighbours such as Nepal, Bhutan, and Sri Lanka have benefited from close economic cooperation; we hope that other neighbouring countries will emulate them.

Q.11 India wanted a permanent seat in an enlarged United Nations Security Council. What is the present status of your effort? How does India see the whole UN reforms question?

MS: In this the 60th year of the United Nations, there is unanimity among member states that the United Nations is in need of urgent and comprehensive reform. The United Nations must become more democratic, transparent and efficient in order to deal with the myriad challenges of today's world more effectively. Its structure and institutions must reflect contemporary realities and not those of 1945. The consensus among member states on various proposals on UN reform, as reflected in the Outcome Document of the Millennium Review Summit in New York in September this year, provides a good basis for the international community to pursue different UN reform proposals and India continues to remain engaged with other member states on these issues.

The reform and expansion of the UN Security Council, in both permanent and non-permanent categories, is central to the process of UN reform. There is a widespread and growing feeling that the democracy deficit in the governance of the UN must be rectified and the representation of developing countries as permanent members of the Security Council is essential in this context. It is in this framework that India has expressed interest in becoming a permanent member of the Security Council. India, a founder member of the UN, has consistently contributed to all aspects of the functioning of the UN. It is widely recognised that on the basis of any objective criteria including population, size, GDP, economic potential, cultural diversity, civilisational legacy, maturity of

political system, contribution to the activities of the UN, and in particular, contribution to peacekeeping operations, India is eminently suited to be a permanent member of the UN Security Council. There has been a steady build-up of support for India's candidature since it was announced in 1994. Given our close relations and strong cooperation with Bangladesh, we look forward to receiving Bangladesh's support in this endeavour.

Q.12 Would you please comment on the state of ties that India has with the United States, Russia and China? Will India and China continue to be rivals in the future, or become partners for a strengthened Asia?

MS: China is India's largest neighbour and therefore, developing friendly cooperation with China is one of our foreign policy priorities. With the frequent high-level exchanges between the two countries, the process of building trust and understanding has gained momentum and our relations have diversified across a wide range of areas. The rapidly growing trade and economic exchanges between the two countries are pointers to the fact that India and China are now interacting continuously in a manner that has brought huge dividends for both countries. While seeking an overall improvement in India-China relations, we have also expressed our commitment to address our differences proactively, including on the boundary question, through peaceful negotiations.

We view our relationship with China, as friends and partners and not through an adversarial prism. There is increasingly greater realisation that there is enough space and opportunity in the region and beyond for both to grow. The strategic partnership between India and China is an important determinant for regional and global peace and development, and crucial for Asia's emergence as the political and economic epicentre of the new world order.

India's relations with the United States are the best that we have ever had. As pluralistic democracies, we have always shared similar values. But today, there is a substantial convergence of interests as well. Our growing strategic partnership is acquiring more facets and substance. The US is our largest partner when it comes to trade, investments and technology. We are engaged in dialogues and initiatives that range from energy and health to agriculture and disaster relief. My visit to Washington in July this year underlined that our two countries are working together on global challenges as well, particularly

in combating terrorism and preventing WMD proliferation. I believe that as open societies and open economies, India and the US will forge an increasingly strong and cooperative relationship.

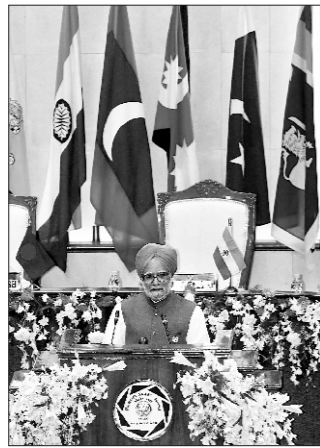
Our close bilateral relations with Russia are time tested and of foremost significance. India and Russia are strategic partners and our wide ranging cooperation includes exchanges in the economic, technological, scientific, military, nuclear and space fields. We are also collaborating with Russia and China in a trilateral framework with regular meetings at the Foreign Ministers level. We are also involved in enlarging our cooperation with Russia and China under the aegis of the Shanghai Cooperation Organisation (SCO) which is a forum for members to work together to combat extremism and terrorism, which are common concerns, as well to strengthen economic and commercial relations.

Q.13 What are your major successes as Prime Minister of India? Do you feel that the Congress-led UPA alliance is functioning well? We hear that the left coalition partners are holding back lots of reforms.

MS: Our government was voted to office to implement a forward-looking programme of inclusive development, taking every citizen along as we take the country forward. I am glad that we have been able to fulfill within a little over one year of coming to power over half of the important commitments we had made in the National Common Minimum Programme. In a diverse coalition such as ours there will always be differences of opinion on policy issues. However, I am happy that I have been able to secure the support of all our political allies and partners in implementing policies that I am confident will help take India forward.

Q.14 Your personal qualities of honesty, modesty and simplicity are well known. Do you find politics a difficult area to practice these qualities?

MS: Politics is the art of the possible. In a democracy one has to take as many people along as possible in the processes of governance. I have no illusions about my own limitations but I have the patience to work with all my colleagues in the ruling coalition as well as in the Opposition political parties. I leave the rest to the judgement of the people.



Transit is a significant aspect of regional economic integration and we have already provided certain transit facilities to Bangladesh for access to Nepal and Bhutan. We are willing to look positively at any request for additional transit facilities in consultation with the concerned governments.

discussed in detail at the recent Home Secretary level bilateral talks. There is no doubt among us all that terrorism poses a serious threat to the stability and security of not only India and Bangladesh but to the entire region.

Q.5 How can we stop the frequent killings of Bangladeshis by the BSF in the border areas?

MS: Border management was also discussed in detail at the Home Secretary level talks. Our two sides have agreed to look at means of joint and collaborative action to ensure better border management. I should add it is important to desist from politicising incidents at the border as that only vitiates the sincere atmosphere in which both sides are striving to address major concerns such as insurgency, illegal immigration, and smuggling of illicit arms, drugs, and weapons.

stand today with renewed vigour at the threshold of a new era of more inclusive and cooperative interaction within Saarc.

I am confident that in the time ahead, Saarc will help in networking together the people of our member countries in all areas of activity -- commerce, culture, trade, media, etc. All of us are endowed with a wealth of ideas and Saarc can help draw upon this synergy.

I am confident that we will be able to make progress in the area of economic integration through Safta, which will eventually lead to a South Asian Economic Union. Transit facilities are a prerequisite for the smooth flow of trade, and with Safta coming into force, we would hope for connectivity, not only among Saarc member countries, but also beyond to the larger Asian neighbourhood in the Gulf, Central Asia, and South East Asia.

Q.8 How do you view the security situation in India and its neighbours as a whole? Have you some suggestions to improve the security climate in the region?

MS: While in general the situation remains peaceful and relations among South Asian neighbours are stable, a certain deficit in trust in South Asia is also apparent. Extremism and fundamentalist tendencies are present within countries of the region, and forces such as these, and terrorist activities, constitute a threat to civilised societies all over. In order to improve the security climate in the region there needs to be a collective recognition that only by working together for mutual benefit can we ensure lasting peace and prosperity for all. Progress and prosperity for one cannot be at the cost of another in this globalised world. On this basis we should try to increase interaction in all spheres to