



Emerging India-European Union Strategic Partnership

SHEKHAR ADHIKARI

Professor and Head

Department of Defense and Strategic Studies
University of Allahabad, Allahabad, U.P., India

Abstract:

The much desired Indo-European relationship goes back to as early as 1963 with the establishment of the European Economic Community (EEC). It is true the EEC was, then, India largest trading partner, but in recent years a new political and security dimension was added to boost their relationship. This dimension was the proposal of upgrading the Indo-European Union relationship to the status of a "Strategic partnership". The author examines the concept of strategic partnership and its importance in influencing each other security policies. It is to be noted that before this concept both India and European Union had different perceptions of the world. India relied on the policy of non-alignment and Europe was more focused towards defense pacts. The author also discusses the various dimensions of their relations-political, economics, science and technology and defense. So far political dimension is concerned, focus has been on India strategic culture, the European Union's strategic culture, multilateralism, peace keeping and post conflict assistance, terrorism, human rights witnessed in India and European Union and the various measures taken by them. Science Similarly, Science and technology and disarmament are other important elements of Indo-European strategic partnership. The reality today is that Indo-European relations have moved in a positive direction and both are trying to explore the possibility of initiating dialogue on these issues to make the planet a habitable place.

Key words: Strategic partnership, cold war, military alliances, pluralism, democracy, non-alignment, European Economic Community, strategic culture, multilateralism, peace keeping and peace building terrorism, human rights, ASEAN, SAARC, income growth and per capita income, climate change, energy, disarmament, weapons of mass destruction, market economy.

The year 2000 was a landmark in the evolution of Indian and the European Union's relationship when the first summit was held in Lisbon. Later on, 2004 endorsed the proposal of upgrading the Indo-European Union relationship to the status of a "Strategic partnership". Both India and nations of Europe moved away from military alliances to strategic cooperation, particularly after the disintegration of the Soviet Union. Their relationships moved beyond trade and covered major international issues-multilateral as well as bilateral relations. Hence it is important to throw some light on the term strategic partnership.

The term "strategic partnership" means a viable environment, based on security and order. There are two important issues: (i) whose security is at stake? (2) And how international order is related to the achievement of desired political, social, economic and military stability? These issues are also related to a country's national security in order to promote her foreign and domestic policy goals. Then, comes the other issues, i.e. how much importance is given to international order by international actors. The protagonists of the realist theory emphasis is on national security and international order and then examine those mechanisms so that coherent system and stability can prevail in international politics.

Structural, regional and civilisational modifiers believe why such fluid partnerships have proliferated since the end of the Cold War? At the global level, we have seen unipolarism proved to be negative fallout for the evolution of new alliances. America's Cold War alliances have survived due to institutional assets accompanying the security calculus. The anti-US alliances are neither feasible, given the preponderance of the

United States capabilities, nor advisable in an economically globalised world that centres around the world. At the regional level, civilisational and structural factors work against alliances.¹

In the 21st century nuclear weapons, non state security threats, economic globalisation and Islamic terrorism have diminished the scope of military alliances. More important than military alliances are the cooperative arrangement and selective mechanism for the promotion of their national security goals. The 'use of force' would disturb the stability and survivability of the country. Thus, strategic partnerships have gained importance and have become an instrument of choice. The, then, USSR was probably the first country to adopt the idea of the mechanism of strategic partnership as an instrument of foreign policy goal at the end of the Cold War. Avery Goldstein has suggested that the Chinese leaders have adopted this formulation of strategic partnership as a mere descriptive of the multifaceted bilateral relationships they envisaged in establishing with major powers.²

India and European Union are the largest democracies in the world and share common values and beliefs. This brings them close to become natural and equal partners as well as factor for promoting peace and stability in the present disturbed world order. The common agenda of both are democracy, human rights and the rule of law. Both are also working towards the realisation of stable world order either through United Nations Organisation (UNO) or "World Trade Organisation (WTO). Instead of unipolarism, the two also emphasize the significance of multilateralism in accordance with the United Charter so that global threats and challenges could be contained and, thus, could promote the economic and social welfare measures that could benefit the people of India and the European Union.

Development after Second World War:

The end of the Second World War, in the first place, saw the establishment of the United Nations. The UNO served more the western countries interest against the communist countries. Second, the process of decolonization, which started in 1945, resulted in the emergence of new and independent countries. The third important development was the emergence of the USA and USSR as superpowers and European countries were pushed to the secondary position. It meant that in this new power equation the role of European powers in international relations diminished sharply. Finally, the nuclear weapon brought a major shift about the utility of 'use of force'. The 'use of force' lost its credibility and emphasis was given to terms like 'balance of terror', deterrence, disarmament and collective security' as an alternative models of international security.

With this kind of international security situation, India laid its foreign and security policies. The policy was based on self-reliance and expansion of its relations with other countries. Hence, the policy of non-alignment was adopted by Nehru to promote his country's foreign policy goal. The Cold War politics and the policy of non-alignment became an important instrument in establishing diplomatic relations with the European Economic Community (EEC). Since 1963, their relations flourished when India established diplomatic relations with the then six members of EEC. India's initial interest was to secure better access to the community' market and safeguard its access to the United Kingdom (UK) market in the wake of the British desire to join the EEC.

Hence, in assessing the European Union's interest in India, there are several reasons which are as follow:

- The European Union recognizes India's potential as an economic power and status not only at the regional level but also at the global level, especially its influence in WTO and. the UNO.

- India has a vibrant and developing middle class whose potential the European Union wants to exploit through trade.
- The European Union is India's largest trading partner amounting to 1/ 5 of India's total foreign trade which is around \$46 million in 2006. The European Union has also been the largest source of FDI inflows to India since economic reforms were initiated in 1991. From August, 1991 to 2003, the actual FDI from the European Union to India was \$6.2 billion.
- The European Union is also an independent economic power and has invariably protected its interest vigorously.
- As a military entity, the European Union seems to be a sizeable power. Two members of European Union are nuclear powers, Britain and France. The advocates of the realist theory believe that the European Union should play a more dominant role in international affairs.
- The European Union wants that both India and the European Union should adopt more assertive postures in international forums like the United Nations and Asian Regional Forum.

These issues enabled the European Union to recognise India's growing stature and influence in global and regional politics; growing economic interest in a rapidly growing economy of a billion plus people with an annual GDP growth rate of over 6 per cent for over a decade; the acquisition of nuclear weapons; gradual improving relations with the USA; and India's position as a potential military and economic power. All these factors contributed to India's admission into the elite club of nations with which the European Union has an annual summit.³

Political Dimension

India and the European Union are multi-cultural, multi-religious and multilingual societies. India is a microcosm of the global because its sub continental size and a population that amounts for nearly 1/6 of humanity. India, with the second

largest Muslim community in the world, is a paradigm of Asia's syncretic culture. The European Union, with its increasing physical boundaries and diversifying demography, is yet able to synthesize the diversity of its member states into a coherent unity. These similarities have helped them in sharing the goal for the promotion of culture and linguistic diversity and the promotion of dialogue among states at the international level. Here it becomes necessary to discuss the strategic culture of India and the European for the better understanding of their strategic partnership.

India's strategic Culture: To India, elite ideational influences, threat perception, the decision making process and selection of policies are important to the security thinking and behaviour of our government. It has been rightly assumed that India's strategic culture was influenced not only by the idealist political thinking represented by Ashok and Mahatma Gandhi but also by the realist policy advocated by Kautilya⁴. He stressed the need of increasing a country's relative power in its struggle for victory against the rival states while accentuating the weakness of human culture. In modern context, after independence many Indian policy makers, including Nehru, were influenced by the ideational political tradition. In the word of J Bandyopadhyay, Indian policy makers "strongly criticised the purely realist view of international politics based on military and economic power."⁵ India's defeat in Sino-Indian War-1962 forced the political decision makers to shed its idealistic approach and move towards realism. The nuclear test explosion was a positive step where India adopted a more assertive and realistic approach in handling sensitive political issue. In our case, the combination of idealism and realism became important for our policy makers to asses the importance of morality and real power politics in India's foreign policy.

The European Union's Strategic Culture: The European Union's strategic culture is not only the creation of the requisite military and civil capabilities but also stresses on shared norms, beliefs and ideas regarding the means and ends of

defence policy. The European Security Strategy calls for the development of "a strategic culture which fosters early, rapid and when necessary robust intervention.⁶ Moreover, the country's policy choices are influenced by collective strategic cultures and diverse historical experiences. This means that all kinds of divergence between national and European strategic cultures have not proved harmful because the European Union in many ways is a distinct political entity than any individual country. In this sense, the European Union's strategic culture would have been based upon norms, ideas and practices so far security and defence policy are concerned.

Effective Multilateralism: India and the European Union believe that a multilateral approach is needed in the United Nations to address the global challenges such as developments in the form of a viable and sustainable economic and social environment, effective management of globalisation, terrorism, drug trafficking, organised crimes, natural disasters and energy security.

Though both India and European Union believe in multilateral institutions but they hold different views so far as effective multilateralism is concerned. The European Union regards "effective multilateralism as a synonym for strengthening international institutions in order to establish a rule based international order in the longer perspective. The Indian approach has been a more a traditional one where emphasis is placed on great power politics and the security of national sovereignty. India regards multilateral institutions as a means to promote its national interest. The use of effective multilateralism can, therefore, be understood as a strategy to achieve those goals via cooperation in global institutions.⁷

Peace Keeping, Peace Building and Post-Conflict Assistance: India and the European Union share common interest in the United Nations peace keeping and in post political conflict and economic rehabilitation. India has been a party to various United Nations peace keeping missions and even supported international crisis managements in regional

conflicts as long as its own national interest has not been hampered.

Today, the world is facing the problems of regional conflicts and failed states. India's stands is clear that she cannot live with the failed states, particularly neighbouring states. For this, India has cooperated with the regional powers to fight against terrorism. Though India is not a party to International Security Assistance Force in Afghanistan but India has helped the Afghanistan's government in the form of reconstruction of infrastructure like roads and schools. Similarly, India resorted military actions along with Myanmar to fight insurgent groups in North East India. In similar fashion, the European Union has gradually increased its effectiveness in resolving regional conflicts in Asia in recent years. For instance, the European Union was a party to the Sri Lanka Monitoring Mission to defuse the tension between the Sri Lankan government and Liberation Tigers of Tamil Elam. In order to cope with the challenges posed by the failed states, both have decided to promote joint training for security and police forces in international peace keeping missions and share experiences in post conflict assistance. Both propose to work together in the following areas:

- consultation before major United Nations debates on peace keeping and peace building and in the preparation of major peace conferences;
- establishing a dialogue at official United Nations level on United Nation peace keeping and peace building to exchange perspectives on conceptual and operational reconstruction and rehabilitation in order to identify and develop specific areas of cooperation;
- training for military and civilian components of peace keeping missions including police and other security forces;
- exchange of trainees and instructors between Peace Keeping Training Centre of India and European Union member states;

- joint support of United Nation peace keeping and peace building effort, including greater cooperation between India and the European Union counterparts of United Nations peace keeping missions;
- trade and development in peace building;
- post conflict and confidence building projects in other regions of the world; and
- seminars and other activities designed to facilitate post conflict management.

Fight against Terrorism and Organised Crime: India and the European Union have stressed that terrorism constitutes one of the gravest threats to international peace and security. They have even supported the United Nations in ensuring universal respect for full implementation of all relevant United Nation Security Council Resolutions and United Nation conventions on terrorism. India and the European Union held similar view on the development on comprehensive international terrorism so that it becomes a vital law enforcement instrument in their joint counter terrorism ventures. It also includes fight against nuclear terrorism.

Both, India and the European Union agreed to fight against drug trafficking and psychotropic substances and the diversion of chemical precursors related to their production. It was further emphasised that the time has come to link drug trafficking with terrorism, illicit arms trafficking and cyber terrorism. There was also a provision of cooperation between the Europol on the European side and CBI on the Indian side.

Human Rights and Democracy: India and the European Union have joined hands on the issue of human rights and persist in a tradition of democratic governance. Though in certain issues like Kashmir, they have differed on the implementation of human rights but at the international levels, both have encouraged the establishment of United Nations Human Rights Council where India and the European Union are currently members. India has not always followed

European approaches because India is seriously concerned about external interference in her internal affairs.

Human Rights issues in countries like Sudan and Myanmar would have to be dealt in a more affirmative way so that some kind of international mechanism could be strengthened to deal with these issues. Being one of the largest democracies in the world, India still has to develop a method of democratization in its foreign policy. India's involvement in the regional issues have been more influenced by the necessity of her national interest rather than by the promotion of democracy.

Regional and Inter Regional Cooperation: India and the European Union have developed institutional mechanism to exchange ideas on regional issues. Since the Cold War era, the European Community was seen as a model of regional cooperation and integration in other parts of the world. Regional cooperation in South Asia could not be as effective working force as Europe due to the bilateral and multilateral problems emerging among the member states. The end of the Cold War and the beginning of market reforms in India in 1991 has made more conscious of her role in South Asia.

India sees that her role is not only limited to South Asian affairs but also to other parts of Asia. In order to play a more affirmative role, India was invited to participate in the ASEAN Regional Forum that dealt with security issues. This forum included extra regional powers like the USA, the European Union and China. In 2003 India and ASEAN signed an agreement to build a free trade area and in 2004 signed India-ASEAN Partnership for Peace, Progress and Shared Prosperity Pact. India was also eager to join the Asia-Europe Meeting (ASEM) in 1991. The Chinese resistance forced India to leave Asia-Europe Meeting (ASEM), but after sometime in 2007 India started participating in ASEM.

India's involvement in Asian economic affairs has enhanced the status of SAARC. SAARC has also attracted the European Union as an observer. The European Union's

application for observer status in SAARC was approved by the 27th SAARC Council of Ministers Meeting in Dhaka on 1-2 August, 2006. The South Asian countries feel that they could benefit immensely from the European Union cooperation in the field of civil society and people to people contact. Few years ago South Asian University was established in New Delhi. It is a good opportunity to bring the European Union and SAARC closer through a common syllabus, the creation of other campuses in neighbouring countries and to create a viable academic environment.

Civil Society and Cultural Exchange: The European Union-India Round Table and the EC's India Cross Cultural Programme (ECCP) has proved to be a classic example for engaging civil society. These have become an important architect of Indo-European Union relationship. The Action Plan emphasizes on the need for better formal and informal interaction between civil societies. There are funds to sustain India's NGO Community, Civil Society, Think Tanks and non state actors, including media, journalism and social partners.

The Action Plan includes a significant cultural element, builds on the European Union-India Declaration on Cultural Relations, was adopted at the 2004 India-European Union Summit in the Hague. The Action Plan further proposed the importance of preserving cultural diversity as part of Indo-European Union process of dialogue and of expanding people to people contacts. It encourages strengthening of bilateral cooperation in areas like education, cultural exchanges, conservation, film, tourism and other related areas.

Economic Dimension

The European Union can prove to be of great importance to India in economic context. Earlier, it was the largest trading partner accounting for about a quarter of our external trade.

The first phase of India's economic relations with Europe began with the entry of Britain into the European Union.

Though the EEC cooperation began in 1962 when India established diplomatic relations with the European Community in Brussels. In order to increase economic activities with India, the EEC and Britain were credited for concluding a Joint Declaration Intent (JDI) in 1972. The JDI was responsible for the EEC's trade and development policies not only with India but also with Asian countries like Sri Lanka, Malaysia, Pakistan and Singapore. Though India's trade grew up significantly between 1973 and 1980 but the situation was not as good as it appeared because in 1973 India's trade deficit rose to \$699 million from merely \$26 million. The reason, perhaps, was growing protectionism in the EC during the 1970s.

To provide a more favorable and viable economic environment both India and the EC signed on 23rd June, 1981, Commercial and Economic Cooperation Agreement. It focused on economic relations and determination to expand mutual trade to achieve wide socio-economic objectives as an important instrument for strengthening international cooperation. Its performance on the external front was lacklustre. As a result, it was replaced by the Cooperation Agreement on Partnership and Development (CAPD) in 1994. From 1980 to 1993, the Commercial and Economic Cooperation Agreement export and import grew only 9.54 per cent and 7.97 per cent respectively. The percentage change in India's export over the same period was 2 per cent in 1980 but saw a phenomenal rise of 20.6 per cent in 1993. Similarly, percentage change in India's import rose from 5 per cent in 1980 to 18.8 per cent in 1993.

The end of the Cold War also saw the emergence of India as an economic power. This rapid market growth and its increasing middle class offered a solid basis for future economic cooperation with the European Union. In accordance with Article 177 of the Consolidated Treaty Establishing the European Community⁸, the Community's development cooperation policy shall foster the sustainable economic and social development of the developing countries, the smooth and

gradual integration of these countries into the global economy and the fight against poverty.⁹

Under these various provisions passed by the European Parliament, the new cooperation agreement emphasized upon the need for environmental protection and sustainable management of natural resources. The European Union, earlier, has extended the MFN status to India in liberalization policy in conducting trade between India and the European Union by eliminating trade barriers.¹⁰

Besides other conventional areas of economic cooperation, this "agreement have given enough emphasis on the importance of the protection of Intellectual Property Rights (IPR) in India. Ineffective protection of IPR is the main deterrent factor for inadequate flow of FDI into India¹¹. The European company are quite afraid of transferring their state to the art technologies to India in anticipation of getting it pirated. In certain areas of patents, India needs reforms. In order to upgrade her patent regime, the European Union is ready to work with Indian personnel and technical institutions.

As such, CAPD includes the following areas of cooperation:

- Conservation of delectable energy, doing extensive research on development of non-conventional energy and finding out suitable method for saving and efficient use of energy, and
- need to protect environment, in order to protect natural resources, both the countries have pledged to work together on water, soil and air pollution.

CAPD has worked in the light of India's move towards liberalisation. India's market growth has encouraged the European Union and this is revealed from the fact that it has shown an increasing flow of FDI from Europe coupled with the increasing number of joint ventures and technology transfer agreements. As a part of the New Economic Policy, India has done enough to liberalize its trade sector through drastic reduction of tariffs from its imports. Though the EC response is

not very encouraging in this area but as per its commitment attitude given to WTO, it is excepted that it will relent on its protectionist over the years.¹²

Euro Currency: Euro has been the legal currency of the European Union since 2000. All the figure given in the Eurostat are expressed in terms of European Currency Units (ECUs). Hence, the Indo-European Union trades are also expressed in ECUs, Since ECUs is a flat currency, the exchange rate of ECUs is relatively stronger than the US dollars.

India has so far concluded several bilateral quota agreements in textile and garments with the European Currency particularly with Norway, Sweden, Austria and Finland in 1971, under Multifibre Arrangements which had expired on 1st January, 1995 when the final act of the Uruguay Round became operational.¹³

The European currency then had two types of quantitative restrictions, one was the quota and the other was the ceiling. The later one was more flexible than the former. Items under quota restrictions were different from the items under ceiling limits. The EC never applied higher tariffs on items exceeding the ceiling limit. This suited India much because of the beneficial opportunities India had been enjoying in its trade with the European Union. On 1st January, 1995, the quota regime introduced by the European Union was dismantled. As a consequence, it has phased out 51 per cent of the quota items. India, then, could have taken the advantage from quota liberalization. What happened, India's share started declining from 1995 and it became lowest in 2002 when it was reduced to 28.25 per cent from 33.74 per cent in 1992. Perhaps, the reason was the tough competition provided by China, Bangladesh, Hongkong and Pakistan.

Economic Trends: This could be seen from both the European Union and Indian perspectives.

(A) The European Union

- (a) Income Growth and Disparities: The real GDP growth was 2.9 per cent for the European Union-27 in 2007. In general, the European Union economic performance between 2000 and 2006 was relatively modest with an average annual growth of 1.6 per cent in the European Union-27 over the period. This is compared to 3 per cent growth on average between 1997 and 2000.
- (b) Consumer Price Inflation: The average inflation was 2.3 per cent for the European Union-27 in 2007. In 2008, the Euro Zone inflation increased to 3.3 per cent. This was due to the increase in prices in the energy and food product sectors. Energy prices rose to 8.1 per cent in the final quarter of 2007 while inflation excluding energy prices was 2.3 per cent for the same period. Food prices also increased sharply so far dairy products, bread and cereals were concerned.
- (c) The European Union was the largest source of foreign direct investment in India. It reached its peak in 2007 with more than fourfold in FDI out flows from 2006 to 2007. Sectors attracting FDI inflows in India during 2006-2007¹⁴ were real estates, construction activities, service sectors, telecommunication, electrical equipments that includes electronic and computer software.

(B) India

- (a) Income Growth and Per Capita Income: By 2006, the average share of imports and exports in GDP had risen to 24 per cent from 6 per cent in 1985. The FDI inflows increased to 2 per cent of GDP from less than 0.1 per cent of GDP in 1990 and the FDI outflows picking up substantially towards the end of 2006. There has been an immense increase in output with the potential growth rate of the economy estimated to be around 8.7 per cent in 2007-08. The following Tables show the GDP growth, trade and imports.

Table I: Annual GDP Growth Rate at Factor Cost

Year	GDP Growth Rate
2005-06	9.4
2006-07	9.6
2008-09	8.7

Source: Economic Survey, 2007-08, Government of India.

**Table II: Trade with European Union
(US \$ Million)**

Year	Exports	Growth rate (%)	Imports	Growth rate (%)	Total Trade	Balance of Trade
2009-10	36028	-8.45	38433	-10.06	74461	-2405
2010-11	46078	27.89	44540	15.89	90618	1538
2011-12	52603	14.16	56530	26.92	109133	-3927
2012-13	50469	-4.06	52275	-7.53	102744	-1806
2013-14	51595	2.23	49504	-5.30	101099	2091

**Table III: Trade with EFTA Countries
(US \$ Million)**

Year	Exports	Growth rate (%)	Imports	Growth rate (%)	Total Trade	Balance of Trade
2009-10	835.44	-29.23	15615.79	20.18	16451.24	(-)14780.35
2010-11	954.43	14.24	25768.34	65.01	26722.77	(-)24813.91
2011-12	1471.64	54.19	33155.81	28.67	34627.45	(-)31684.17
2012-13	1378.97	(-)5.82	33114.59	(-)8.28	34493.56	(-)31735.62
2013-14	2067.25	49.91	20166.81	-39.1	22234.06	(-)19099.56

**Table IV: Top Five Commodities of Imports from Europe
(US \$ Million)**

Commodity	Apr-Mar-2013	Apr-Mar-2014	% Growth	Share
Gold	29953.09	17449.08	-41.74	24.69
Pearls Precious Semi-Precious Stones	9633.25	9890.01	2.67	13.99
Machinery (Except Electrical & Electronic)	10308.53	8532.53	-17.29	12.07
Transport Equipments	5769.90	5354.38	-7.20	7.58
Electronic Goods	3697.75	3199.52	-13.47	4.53
Total of all commodities	87528.32	70669.92	-19.26	100

Thus, European economic integration and liberalization process in India has attracted great opportunities for both India and the European Union. To strengthen the bilateral relationship between the two biggest democracies both should move towards cooperative approach rather than undermine international multilateral regime. That is why there is a need for a more effective strategic partnership between India and European Union, otherwise their bilateral relationships would lose its credibility. Thus, the future of India and the European Union's relations depends on "shared values" and "shared interests".

Science and Technological Cooperation

Scientific and technological cooperation is a crucial element between India and European Union's strategic partnership. It is seen that scientific and high technological institutes of European Union's member states are the best forum for research and development in the world for India. There are several fine academic and research institutions that sustain India's drive for scientific excellence. Indian centre of higher education and learning have created a large proliferation of skilled and trained professional.¹⁵ The cooperation in scientific and technological sectors began in 1980s which focused on several joint research projects on health, agriculture, and natural resource management. The Indo-European Union's Scientific and Technological Cooperation Agreement entered into force on 14 October, 2002.

The development of Science and Technology in India and the European Union has encouraged them in boosting innovation and competitiveness. Being the center-stage of policy making, India is a priority state for collaboration under the international dimensions of the European Union's Six Framework Research Programme (FP-6) and for EC's Science and Technological Agreement. To promote further collaborations in science and technology, India and the European Union proposed to:

- organise joint workshops on research field of mutual interest among the European Union's thematic research priorities;
- promote participation by Indian researchers in the Research and Technological Development Framework Programme;
- explore with India other scientific and technological cooperation such as joint research in the areas of frontier technology/cutting edge technology;
- seek to increase mobility exchange and access of researchers between India and the European Union's member state;
- as agreed at the Second India—EC Science and Technology Steering Committee meeting held at New Delhi on 29th April, 2005, it allows co-sponsor collaborative activities and research projects in areas such as information science and technology, genomics and biotechnology for health, technology and functional materials, road transport research and development and high energy physics.

Clean Development and Climate Change: India and the European Union also agreed that urgency is needed to address the issue of climate change on the basis of equity. They held that in the near future the UNFCCC and the Kyoto process must work together closely on future global negotiations for tackling climate change. These issues were discussed at various forums and both agreed to lay emphasis on:

- identifying and developing means to widen access and overcome the barriers to dissemination of such technologies in India and the European Union;
- increasing the funds and promoting public partnerships for research and development on cleaner technologies;
- promoting adaptive research and development to suit the resource endowment of both the parties;
- reducing the price gap between "cleaner" and "less efficient" technologies by seeking economies of scale;

- holding expert committee meeting on climate change from time to time;
- encouraging and promoting sustainable patterns of consumption and production to reduce the causes and adverse effect of climate change; and
- cooperation in such fields to enhance the scientific, technical and institutional capability to predict climate change and its impact on socio-economic environment.

Energy: India's achievements in economic and scientific fields since 1990s have made energy security issue a major concern of its foreign policy. At present, India's main domestic energy resources for power generation are coal (68.3 per cent), hydro (11.9 percent), gas (11.5 per cent), oil (4.6 per cent) and nuclear power (2.8 per cent)¹⁶. In fact, biomass is, today, the most viable energy source (214 Mte of a total of 573 Mte) and illustrates that the vast majority of the population is still living in rural areas of:¹⁷

In the field of energy, both India and the European Union have stressed on the principle to work for safe, secure, affordable and sustain energy supplies. As such, Indo-European Union Energy Panel was setup and decided to setup Working Group in the areas of:¹⁸

- energy efficiency and renewable energies;
- coal and clean coal conversion technologies and
- fusion energy including India's membership in ITER.

As a part of the EU-India Cooperation on Renewable Energy, the EU has signed a contract for \$ 8mn. (INR 66 crs. approx) for setting up a 3 megawatt solar thermal and biomass hybrid power plant in Bihar in close association with the central and state governments. The project, titled SCOPE BIG (Scalable CSP Optimized Power Plant Engineered with Biomass Integrated Gasification) will be set up in Dehri, in Rohtas district. Although designated 'backward', this area has the

potential to grow due to abundant water supply and fertile soil but a shortfall in energy.

India has a challenging energy situation. The strategy response includes a 20,000 MW solar energy target under the Jawaharlal Nehru National Solar Mission (JNNSM), to be met by 2022 in equal parts by solar thermal-also known as Concentrated Solar Power (CSP)-and solar photovoltaic energy (SPV). While SPV prices are falling and capacity is relatively quick to go on stream, large CSP projects (50 MW+) are finding it difficult to raise finance. Moreover, they need 7.5 acres of land and 4 cubic metres of water for every MW of capacity. Where land is available in large tracts, water is relatively scarce; and where water is available the land is suited to agriculture and therefore has a high opportunity cost. On the other hand, CSP is easy to store and feed into the grid. The purpose of the present project will be to demonstrate the viability of CSP biomass hybrid plants at a smaller scale.¹⁹

The project was implemented for 5 years, from Oct. 2013 to Oct. 2018 by a consortium of Indian and EU organisations. The consortium is headed by Centre for Study of Science, Technology and Policy (CSTEP), Bangalore and their partners include: Thermax Limited, Bihar State Power Generation Company Limited (BSPGCL), Energy Research Centre of the Netherlands (ECN); and Centre National de la Recherche Scientifique.²⁰

Disarmaments and Weapons of Mass Destruction, (WMD): India and the European Union have common goal in obtaining the goal of disarmament and arms control, particularly curbing the proliferation of WMD and their means of delivery. The proliferation of WMD and its linkages with terrorism pose a major threat to international peace and security. Though both are committed to the non-proliferation of WMD. The issue has become more complex than that of India's nuclear tests in 1974 and 1998. India claims to be a nuclear power and refuses to sign the NPT till date.

So far as NPT and CTBT are concerned, India drew considerable international attention. There are five factors which have influenced India's NPT policy. First is the commitment to the civilian use of nuclear energy, second is the active support for the goal of global nuclear disarmament; third is the non acceptance of nuclear arms control agreements which are principally non-proliferation rather than disarmament measures; fourth is to continue developing India's nuclear weapons option and delivery system; and fifth is an attempt for 'dejure' international legitimacy for the military aspect of India's nuclear and missile programme.²¹

On the other hand, the European Union has declared itself as a major player in the field of nuclear non-proliferation. Their non-proliferation strategy has been based on a regulated, common export control policy, including the application of sanctions. A panoply of actors and action levels influence the European non-proliferation "output". There is an important level of national state policies. Here, the above dictum of the different mixed bags" applies."²² Even in the European Union there is no uniformity among the counties regarding arms controls. There are countries like France who are staunch supporter of nuclear weapons, Germany is more concerned towards disarmament and arms control. Ireland is morally committed towards non NATO nuclear weapons abolitionists. Slovakia believes in the development of nuclear energy, while Austria emphasizes "reactor abolition." Thus, the European Union nuclear non proliferation and disarmament policy though diverse in nature but have to work for a united and common goal toward non-proliferation of weapons.

Conclusion

The 21st century problems are quite different from the 20th century. The major themes of the last century were imperialism, colonialism, apartheid, the cold war and East-West Divide. We have left many of these issues behind us.

Instead world is now globalised, inter-dependent with universalized norms. Democracy, pluralism and rule of law are the new watchwords for the new international system.

At the present moment, no single Asian country or outside powers are in a position to play an assertive role like the United States of America. But, it is also perceived that over burdened United States of America's engagements in the world have given rise to a new multi-polar world where the dynamic role of the European Union is visible. The European Union because of its weaker military power is not as effective as the United States of America but it does influence the international power politics and are keen to move ahead without sacrificing its interest. So far as the European Union and India are concerned, "both can explore the possibility of continuing or initiating dialogue on these issues to make the planet a habitable place."²³

As such, the relations between India and the European Union have shown maturity since 1990s. On the one hand, we have seen India's Market economic policy had made an important dent to open new avenues for cooperation with Europe. On the other hand, in relation to other rising economies, India has offered the biggest soft power position given its democratic set up and its functioning as a pluralist society. Both share the commitment to protect democracy and fight for human rights. In other words both can be termed as "natural partner". This indicates a positive side of our development with the European Union. There is another aspect which affects our relation with the European Union; i.e., emerging China. Moreover, it has an adverse impact on the Indo-European Union relationships because the European Union is not a strategic security actor and as such her role in the direction is quite limited.

European Union's integration has raised great hope among Indian political decision makers regarding the European performance in the competitive world. The major problem lies in strengthening India-European Union strategic partnership

in the form of global political, economic and security actor. It is a constant growing process where the European Union is steadily moving in the right direction. At any cost, India should not lose this opportunity to engage the European Union more seriously as strategic partner and indulge into strategic dialogue that could lead to some positive results. This will require more strategic vision and political sagacity on the part of India. Today, what is needed is to strengthen Indo-European common framework where they could put some positive inputs in containing growing terrorism, drug trafficking, environmental degradation, population growth, poverty and food and energy shortages. More important is how European Union reacts to India's political autonomy. The European Union should give her a free hand in setting her security priority because, India will never surrender her strategic interests. At best, both require a positive mindset about an emerging strategic partnership in a changed international system. Hence, the challenge for Indo-European Union strategic partnership will be to balance norms, identity, values and realism.

NOTES

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