

# South Asia and Europe : An Overview from Ancient to Modern Era

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South Asia's have closed historical link with central Asia, which always been worked in the land bridge between ancient Indian and Europe. Before 2000 years, central Asia has been a meeting ground between Europe and Asia, the site ancient east west trade routes collectively called the SILK Road and, at various points in history, and cradle of scholarship, culture and power. It is also a region of enormous natural resources, which are revitalizing cross-border trade, creating positive political interaction and stimulating region cooperation. These resources have potential to recharge the economics of neighboring countries and put entire 8 regions on the road to prosperity. South Asia's view of its neighborhood has always had a trans-Himalayan dimension. That vision carried trade and culture across the Pamirs, through the silk route.<sup>1</sup>

The EU and India, both ancient civilization and modern political formation, both geographic entities of continental proportions with similar lands area and vast range of landscape and climates-from snow- clad peak to undulating plain to verdant river valleys to vast coastlines- celebrate diversity in its richest form in all walks of life: religions, customs and tradition, values and beliefs out and architecture, music and culture, literature and languages. Both are endowed with a rich historical legacy: Roman churches, and Renaissance and Baroque palaces dot the European landscape while the Indian heritage is rich with the Ashoka pillars, the Nalanda University, and the Ajanta and Elora Caves. The EU have 24 official languages while the Indian constitutions lists 22. Both India and the EU are home to many of the greatest religions in the world. The local dialect changes every few kilometers in the Indian hinterland. Just as the accent of the speaker of any European language changes with the native place. Yet, at the core of this manifest diversity.

Engaging civil society has always been an important pillar in the architecture of the EU-India relationship; the EU-India Round Table and the EC-India cross cultural programme (ECCP) are well known examples. The Action plan stresses the importance of intensifying formal and informal interaction between civil societies. Funds will therefore be provided for continuing demand driven support to India's NGO community, civil society, Think Tanks and non state actors, including media, Journalism and social partners.

The first British outpost in South Asia was established by the English East India Company in 1623 at Surat on the northwestern coast. Later in the century, the Company opened permanent trading stations at Madras (now Chennai), Bombay (now Mumbai), and Calcutta (now Kolkata), each under the protection of native rulers.<sup>2</sup>

The British expanded their influence from these footholds until, by the 1850s, they controlled most of present-day India, Pakistan, Sri Lanka, and Bangladesh. In 1857, an unsuccessful rebellion in north India led by Indian soldiers seeking the restoration of the Mughal Emperor led the British Parliament to transfer political power from the East India Company to the Crown. Great Britain began administering most of India directly and maintained both political and economic control, while controlling the rest through treaties with local rulers. Imperial India became the "crown jewel" of the rapidly expanding British Empire.<sup>3</sup>

In the late 1800s, the first steps were taken toward self-government in British India with the appointment of Indian councilors to advise the British Viceroy and the establishment of Provincial Councils with Indian members; the British subsequently widened participation in Legislative Councils. Beginning in 1920, Indian leader Mohandas K. Gandhi transformed the Indian National Congress political party into a mass movement to campaign against British colonial rule. The party used both parliamentary and nonviolent resistance and non-cooperation to agitate for independence. During this period, however, millions of Indians served with honor and distinction in the British Indian Army, including service in both World Wars and countless other overseas actions in service of the Empire.<sup>4</sup> With Indians increasingly united in their quest for independence, a war-weary Britain led by Labor Prime Minister Clement Attlee began in earnest to plan for the end of its suzerainty in India. On August 15, 1947, India became a dominion within the Commonwealth, with Jawaharlal Nehru as Prime Minister. Strategic colonial considerations, as well as political tensions between Hindus and Muslims, led the British to partition British India into two separate states: India, with a Hindu majority; and Pakistan, which consisted of two "wings," East and West Pakistan-currently Bangladesh and Pakistan--with Muslim majorities.<sup>5</sup> India became a republic, but chose to continue as a member of the British Commonwealth, after promulgating its constitution on January 26, 1950.<sup>6</sup>

After independence, the Indian National Congress ruled India under the leadership first of Nehru and then his daughter (Indira Gandhi) and grandson (Rajiv Gandhi), with the exception of brief periods in the 1970s and 1980s and during a short period in 1996. From 1998-2004, a coalition led by the Bharatiya Janata Party governed. Prime Minister Nehru governed the nation until his death in May 1964. Nehru was succeeded by Lal Bahadur Shastri, who also died in office in January 1966. After Shastri, Indira Gandhi became the Prime Minister of India. Her first tenure extended from 1966 to 1977. In June 1975, beset with deepening political

and economic problems, Mrs. Gandhi declared a state of emergency and suspended many civil liberties. Seeking a mandate at the polls for her policies, she called for elections in March 1977, only to be defeated by Morarji Desai, who headed the Janata Party, an amalgam of five opposition parties. Although Rajiv Gandhi's Congress Party won more seats than any other single party in the 1989 elections, he was unable to form a government with a clear majority. The Janata Dal, a union of opposition parties, then joined with the Hindu-nationalist Bharatiya Janata Party (BJP) on the right and the Communists on the left to form the government. This loose coalition collapsed in November 1990, and the Janata Dal, supported by the Congress (I), came to power for a short period, with Chandra Shekhar as Prime Minister. That alliance also collapsed, resulting in national elections in June 1991. While campaigning in Tamil Nadu on behalf of his Congress (I) party, Rajiv Gandhi was assassinated on May 21, 1991 by Tamil extremist. In the elections, Congress (I) won 213 parliamentary seats and returned to power at the head of a coalition, under the leadership of P.V. Narasimha Rao. This Congress-led government, which served a full 5-year term, initiated a gradual process of economic liberalization under then- Finance Minister Manmohan Singh. These reforms opened the Indian economy to global trade and investment. India's domestic politics also took new shape, as the nationalist appeal of the Congress Party gave way to traditional caste, creed, regional, and ethnic alignments, leading to the founding of a plethora of small, regionally based political parties.

The final months of the Rao-led government in the spring of 1996 were marred by several major corruption scandals, which contributed to the worst electoral performance by the Congress Party in its history. The Hindu-nationalist BJP emerged from the May 1996 national elections as the single-largest party in the Lok Sabha but without a parliamentary majority. Under Prime Minister Atal Bihari Vajpayee, the subsequent BJP coalition lasted only 13 days. With all political parties wishing to avoid another round of elections, a 14-party coalition led by the Janata Dal formed a government known as the United Front, under the former Chief Minister of Karnataka, H.D. Deve Gowda. His government collapsed after less than a year, when the Congress Party withdrew its support in March 1997. Inder Kumar Gujral replaced Deve Gowda as the consensus choice for Prime Minister at the head of a 16-party United Front coalition.

In November 1997, the Congress Party again withdrew support from the United Front. In new elections in February 1998, the BJP won the largest number of seats in Parliament-182-but fell far short of a majority. On March 20, 1998, the President approved a BJP-led coalition government with Vajpayee again serving as Prime Minister. On May 11 and 13, 1998, this government conducted a series of underground nuclear tests, spurring U.S. President Bill Clinton to impose economic sanctions on India pursuant to the 1994 Nuclear Proliferation Prevention Act.

The Kargil conflict in May-July 1999 and an attack by terrorists on the Indian Parliament in December 2001 led to increased tensions with Pakistan. The ruling BJP-led coalition was defeated in a five-stage election held in April and May of 2004. The Congress Party, under the leadership Sonia Gandhi, formed a coalition government, known as the United Progressive Alliance (UPA). It took power on May 22 with Dr. Manmohan Singh as Prime Minister. The UPA's victory was attributed to dissatisfaction among poorer rural voters that the prosperity of the cities had not filtered down to them, and rejection of the BJP's Hindu nationalist agenda.

India's size, population, and strategic location give it a prominent voice in international affairs, and its growing economic strength, military prowess, and scientific and technical capacity give it added weight. The end of the Cold War dramatically affected Indian foreign policy. India remains a leader of the developing world and the Non-Aligned Movement (NAM). India is now strengthening its political and commercial ties with the United States, Japan, the European Union, Iran, China, and the Association of Southeast Asian Nations. India is an active member of the South Asian Association for Regional Cooperation (SAARC).<sup>7</sup> Always an active member of the United Nations, India now seeks a permanent seat on the UN Security Council. Starting in 2011, India will be a non-permanent member of the Security Council. India has a long tradition of participating in UN peacekeeping operations.

EU-India Declaration on cultural relations, adopted a resolution at the 2004 EU-India summit in the Haque. It need to intensify the process of expanding people-to-people contracts. It encourages a strengthening of bilateral cooperation in areas such as education, cultural exchange. Conservation film, tourism and other related areas.

Under the EICCP (EU-India Cross Cultural Co-Operation), it also needs to exchange of know how and expertise in a variety of field directly related to the culture-oriented event and actions, closer collaboration among institution, government agencies and other civil society interlocutors, like EU-India cultural weeks; Support to film festivals, promotion of dialogue between the respective audio-visual industries to stimulate cooperation and co-production and the circulation of cultural works, development of cooperation programmes in preservation and restoration techniques support to meeting, Seminar, Conferences, Cultural weeks and thematic cultural gears to increases awareness of European culture in India and Vice Versa, as well as twining between European and Indian cities.

The main aim of EC cooperation in higher education with India is to enhance international cooperation capacity of Indian Universities by facilitating transfer of know. Low and good practices in the field of student and academic staff mobility. The European commission will contribute to financing a mobility scheme between European Universities holding an Erasmus charter and Indian Universities that will complement existing programmes in the field of higher education.

The India-EU Joint Working Group on Consular Issues was set up following the first India-EU Summit in Lisbon in 2000, in order to enhance cooperation in facilitating the movement of people between India and the EU, including the speedy delivery of consular and visa services and enhancing business relation and tourism. The working group meet twice a year to discuss issues of concern on either side. We encourage it to continue its work, with a view to further facilitating progress.

In the eleventh EU-India Summit in Brussels, 10 Dec. 2010, both regions decided to reinforce cooperation and dialogue in the field of culture. Both EU and India have acknowledged that cultural cooperation is instrumental in improving mutual understanding and in promoting genuine inter-cultural dialogue, the preservation and promotion of cultural diversity.

Both sides recognized the importance of their cultural relations is underpinned by the Cooperation Agreement signed on December 20, 1993, the EU-India Joint Declaration on Cultural Relations adopted on November 3, 2004 at the India-EU Summit in the Hages, the 2005 EU-India joint action plan supporting the strategic partnership and the Joint statement issued at the EU-India Summit in New Delhi on November 30, 2007. Both side needed. The launch of Indian economic reforms programme, India has consistently liberalized its economy without resorting to any new barriers. Indian export to the EU have been coming under increasing restrictions on account of anti-dumping/anti-subsidy action as well as other non-tariff barriers relating to technical and phyto-sanitary standards. According to EUs own report for 1997, India has become the most targeted country under its trade defence action, while EU claims that only 0.3 per cent of its global imports are subjected to anti-dumping/anti-subsidy measures, this figure in relation to Indian exports is more than 0.5 per cent. Some of these proceeding suffer from serious procedural and technical flows in violation of the relevant norms not only of the WTO but also the EU itself. The EU's trade defence action and sanitary and phyto-sanitary barriers have also ignored the special and differential treatment applicable to developing country, like India. Other important market access related problems have been EC's refusal to release exceptional flexibilities under the bilateral MOU on textiles and restrictions which Indian Service providers, mainly software professionals/face in terms of restrive work permit regime.

The EU market has over the years become extremely competitive, requiring that Indian companies continuously enhance their technological capabilities and ensure high quality packaging and aggressive marketing of competitively priced product, backed by timely delivery and consistent maintenance of minimum and rising quality standards. E-commerce and globalization have quickened the pace of change. Though certain non-tariff barriers restrict entry (such as textile and apparel quotas, strict sanitary and environmental regulation, labour standards), there is considerable potential to increase India's share of the EU in market. To make a better presence in the market and improve upon existing market share its is prudent to have a long term market strategy.

Indian companies of course require a predictable, transparent and non-discriminatory framework, which can provide a level playing field. This is in the fundamental interest to both the EU and India. Investment is a major driving force for the economy, and both the partners can benefit from a clear set of basic rules, continued free economic expansion and strengthened rule-based system are realities of today's globalised world which are essential to harness globalization for sustainable development.

Instead of limiting their State-interventionism to the defence of nationally or Union-wise limited parochial interest, India and the EU. Both face the threat of being at least partially marginalized by the current growth of the international specialization. The growth engine of this globalization process consists in the technically leading countries shifting production of low cost areas and specializing themselves on the upper end of the product mix. Technically leading economics use this process to launch a new technology and earn their export incomes by selling new technologies to the suppliers of low-cost, normally technically less dynamic products.

India and the European Union follow other avenues in order to sharpen their profiles in relation to the more dominant USA. The European Union has become an Unambiguous supporter of the United States. Europe can adopt a foreign policy identity which avoids to divide the union members only if it stresses the fundamental solidarity between both sides of the North Atlantic. India cannot assert its role as leading moral and military power in the third world and in South Asia if it comes to close to the United States.<sup>8</sup> After the Nuclear deal held with USA, European countries like Britain, France, Germany are eases to sign India another civil nuclear deal, basically in the sector of Nuclear energy.

India import from the EU were made up of the six commodities, Milk cum Milk products, fertilizers, pearls and precious stones, organic chemicals, Iron and Steel and machinery. The pattern of India's trade with the EU followed the overall pattern of Foreign trade, which basically decreased the gap between poor and rich countries.

The EU and India have complementariness of economics and of mutual economic interests. Besides in India English is readily spoken which makes it easier for foreigners to do business. The time is clearly appropriate now for the EU and India to do far more trade and for MNCs in the EU to seriously consider investing more in the Indian market.

There is enough reason for optimism that Single European Market (SEM) will pave the way of abrogating Article 115 of the Treaty of Rome. Under the provision of this treaty exporters can send consignments through single port of entry and prohibit automatic transfer of the surplus consignment to other members countries. Moreover, under the shield of article 115 each member country enforces its own national laws for restraining imports in order to protect it own Industry. Article 115 has legitimized this right of all member countries.

India is one of the major beneficiaries of EC's GSP scheme. According to the New GSP Scheme, India graduated from the developing countries earmarked for this facility from 1 Jan., 1997. All products under GSP Scheme were thrown into open competitive tariff modulation scheme. The new system put 85 per cent of MFN tariff to all very sensitive products. In the tariff modulation scheme EC divided all products under GSP into four Categories.—(i) Very sensitive, (ii) Sensitive, (iii) Semi-sensitive, and (iv) Non-sensitive.<sup>9</sup> Very sensitive category includes all items of textiles and garments. India has strong comparative advantages in these areas. The entire gamut of India "textile exports has been under stringent community quota under MFA since 1974. Here after, all items of textiles and garments were subjects to the highest average tariff i.e. 85 per cent of the MFN rate getting waiver of 15

per cent only. In the other three categories tariff rates were 70 per cent, 35 per cent and Zero, therefore, SEM did not bring any respite of Indian exporters.

Community anti-dumping laws is another major area of concern for Indian exporters. A host of India's exports of textiles items have been under community anti-dumping duty. There might have been sufficient reasons for the worries of India exporters that in the ensuing years, anti-dumping duty will be used as the more rigorously to stop imports from developing countries in general and India is particularly anti-dumping duty will be used as the most protective barrier and World Bank has expressed its apprehension for its rampant use in future. It has also predicted that when all present NTB's will be removed after 2004, but it is not completed till now, so anti-dumping duty will be the most restrictive trade measure.

Under Common Agricultural Programme (CAP), France is the most protectionist in agricultural imports as the developed countries provide enough subsidies to agricultural sector. Indian exporters of agricultural products who have long been deprived of better market access in the EC market. This is due to the fact that EC's agricultural is heavily subsidized under the CAP.<sup>10</sup> India has comparative advantage in exporting agricultural goods and India will find a niche to EC market and will fetch better prices if subsidy on Agriculture is reduced.

Under the GSP Scheme, EC has already linked GSP facility with sound record on environmental protection, human rights, goods labour standards and several other conditions related to labour and employment, on the issue of child labour, Indian Carpet industry is already under great pressure, and if EC continues to insist of fair labour standards according to their own definition, all our exports will come to a halt because most of our products are labour-intensive and are from unorganized sector. EU's Generalized system of preferences (GSP) is very beneficial to India as well as countries of South Asia. The Unions facilitates developing countries access to its market. Solutions to growing societal challenges in Europe and in India such as climate change, increasingly scarce energy and other resources, raw material, demography, security and health and combating disease and supplying high quality, affordable food and water depends on research and innovation.

Science and technology play an important part in the EU-India Strategic Partnership. Both EU and India underline the importance of a strong science and knowledge base as major prerequisite for competitiveness and the strong role of international S & T collaboration.

The EU 7th Research Framework programme (FP7) to build S and T cooperation between the EU and India, based on the principles of symmetry, reciprocity, mutual benefit and where appropriate, the co-investment of resources in joint actions. FP7 build on the success of an already strong and growing Indian participation in EU research frame work programme.<sup>11</sup>

In recently development EU-India launched "India Pilot Initiative" aims at coordinated action between the member states and the EU to benefit and build upon existing synergies, thus increasing the effectiveness of existing initiatives they have with India in S & T. The India Pilot Initiative will pull together existing member states and EU instruments, resources and expertise to implement joint and coordinated activities with and vis-a-vis India.

A new activity in preparation concern which is perhaps the most important dimension in any international cooperation in Science and Technology. That is the people. Researchers are traditionally among the most mobile segments of the population. A community of researchers active in another country does not represent per sector, a net loss of intellectual input and potential. On the contrary, many members of these so called "Scientific Diaspora" remain highly beneficial for their home country, in particular when they communicate and network with scientists at home.

The Role of European State and India in the reconstruction of Afganistan and Iraq would creates a environment to work together and understand each other, which would make a path to increased collaboration between them, basically in ICT (Information Communication Technology) Sector. If European's State agreed to collaborate in ICT sector, the future of 'Electronic Warfare' will be absolutely changed. So, EU and India need to join hand-in-hand.

The major role played by China in influencing the European policy towards Asia and India 'Obsession' with the US. Considering this fact the cooperation between India and the EU will concentrate firstly more on 'soft' security issues and particularly strengthening economic cooperation than on the 'hard' security problems.

Keeping in view Europe's major role on the world stage it is imperative to take account of the emergence of the new Asians powers. Maintaining peace and stability in Asia is important not only for the protection of the Union's interests in this region, including economic ones, but also for the respects of international obligations and agreement on which the Union itself depends for its security, e.g. regarding non-proliferation. It is therefore essential that the Union after Brexit develop the capacity to play its proper role in the region.

The political and security relations between Asia and the major powers are undergoing a gradual but profound shift under the combined influence of rapidly spreading economic growth and the end of the cold war. From a security view point the US remains the key player in the region and the current situation is characterized by a web of bilateral military and political relations between the United States and a number of South Asian countries. At the present moment, no single Asian country or outside power appears to be in a position to take over the role of the US. But it is perceived that with overstretched and overweighed US engagement in the world its influence and prestige will be waning giving place to a new multipolar system where dynamic role of EU is visible. In the cold war the US was prepared to subordinate its economic interest to vital security interest but now its unilateralism is creating animosity and distrust among its erstwhile allies. The US because of its intoxication with its military power is poised to maintain its

hegemony and prepared to huge a head to protect its vital interests. The EU[after Brexit] because of its weaker military muscles is not as effective as the US but it does respect the bare minimum level of morality and has got the guts and knows how to go ahead without jeopardizing its interest. The extent of 'Prmatism' in US policy towards South Asia can be seen in the fact that it promised Pakistan trade concessions for its textile exports but later on after exploiting Pakistan it refused to give what is promised. 'American Customs authorities imposed a new kind of charge to be called security manifest documentation charge (SMDC) on Pakistan's export cargo arriving at American Port. There is perception prevailing in South Asian Circles that the US sows the seed of division and pursues the 'divide and rule' policy in the region. The present US military and economic tilt towards India and its joint military exercises have alarmed Pakistan. Under such security environment, EU play a duel role in the region, the role of a friendly facilitator and reliable partner.

The European Union considers arms control and non-proliferation of weapons of mass destruction (nuclear, chemical, biological, together with ballistic missile) important element of its common foreign and security policy. The EU after Brexit and India can explore the possibility of continuing or initiating dialogue on these issues to make his planet a habitable place.

The drug Phenomenon constitutes a global problem and is today considered a major threat to the stability of societies confronted with it. Drug trafficking, drug Production and drug consumption are serious problems for EU and South Asia. The drug issue has significant repercussions for the European security and stability. The European Union has already initiated a dialogue on drug and drug related matters with South Asian countries, this approach need to be pursued.

The US and EU have a different view of global security. While the EU concentrates on political-economic issues, the US mainly deals with political-military matters. EU approach of keeping a low profile and confining itself to economic matters and ignoring the dynamics of power politics have weakened its bargaining position *vis-a-vis USA*. In a comprehensive strategic and political analysis one cannot ignore the prospect of emergence of Europe (The European Union after Brexit) as a new power centre in a multipolar world.

The European Union is struggling hard to heal deep divisions among the bloc's leaders over US policy towards Iraq. The challenge now is to minimize damage to the EU. The US occupation of Iraq can lead to the fragmentation and destabilization of the entire world. It is being seen as part of wider US game plan that involves access to oil and the redrawing of the map of the world to further Washington interests.<sup>12</sup>

South Asia weight in international affairs is increasing the economics and military capabilities of the two big countries of the region, i.e. India and Pakistan are growing steadily from and significant base. The region has extensive relationship with United States, as the leading trading partner and investor. Here, EU countries collectively, are South Asia's most important trading partners and source of investment. South Asia's mainly India's strategic location, vast resources, vast consumer market and lucrative trade potential will attract both USA and EU to remain actively engaged with the region. South Asia needs to promote favorable conditions for a harmonious development and diversification of relations with all centre of power specially EU. All South Asian countries are required to promote peace, stability and prosperity through effective economic integration within the region.

South Asian countries are likely to go through different periods of political and Economic adjustment over next Ten years. Although SAARC has up till now failed to further regional cooperation and gain international influence, yet it is hoped that bilateral and mutually agreed multilateral international cooperation and engagement of the region with other power centers will facilitate the process of regional economic development and will thus contribute to global and regional peace and security. SAARC will gradually learn and gain from EU experiences and emerge as an entity to be reckoned with.

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