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## Need for a Look European Union and Look Europe Policy

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The process of Liberalization Privatization and Globalization (LPG) since the 1990s has changed the character of international relations, bilateral relations and relations between and among regional organizations in the emerging new world order. The Asian powers like China, Japan and India, Europe and the other nations have been designing or redesigning their foreign policies to suit the LPG forces and the new world order. As far as India is concerned, the first such new policy formulation in this backdrop is the Look East Policy during the 1990s. Essentially, the Look East Policy was an attempt to engage Southeast Asia in the new economic and political milieu. In the last two decades it has helped India to gain a credible place not only in Southeast Asia but also in East Asia.

India seems to have missed to contemplate a Look Europe Policy in the 1990s. The collapse of communism, the end of the cold war, the new integration of Europe without any ideological friction in the European Union (EU), and the new markets and trade should have prompted India to formulate a Look Europe Policy in the 1990s. It is surprising that when the Look East Policy has offered India a new status in the emerging world order, even after 20 years India did not initiate such a policy in Europe.

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During the late 1960s and 1970s, under the Food Aid Convention by the European Economic Council, India received considerable food aid flows. In 1976, EU contributed about 6 million Euros to India towards rehabilitation in the states of Uttar Pradesh and Gujarat which witnessed heavy floods.

The first agreement between EU and India was signed in December 1973 which stressed on development and expansion of commercial linkages. In June 1981, a major agreement for a broader Commercial and Economic Cooperation was made which moved beyond trade issues. The end of cold war and the economic necessities of globalization in the 1990s brought about a significant change in the attitude of EU towards other regions.

During this period, EU began to adopt a focused and long term perspective incorporating 'European values'. EU's new vision is reflected in many documents and agreements it signed in 1990s. Its new position towards Asia was reflected in EEC regulations in February 1992 which extended financial and technical assistance and economic cooperation with due emphasis on human rights, democratization, good governance and trade liberalization.

In 1994 the EU announced its "Towards a New Asia Strategy" which advocated a pro-active policy in Asia. This strategy foresaw advantages in associating with Asia as well as in helping Asia to integrate to the open, market based world trading system. Needless to say, the EU began to alter its perception and approach in the post cold war globalizing environment. It is in this back drop that India reciprocated and recognized the value of the EU by signing the Joint Political Statement in 1993 which was followed by the Cooperation Agreement between the two in 1994. The first meeting of the EU-India summit took place in Lisbon in June 2000. During the consecutive summits in 2001, 2002 and 2003, mainly issues such as security in South and Southeast Asia, fight against terrorism, economic and cultural cooperation were addressed. In the 2004 summit in Hague, a decision to establish Strategic Partnership with India was taken and in the sixth summit in New Delhi in 2005 an action plan was signed defining a plan and areas of cooperation for strategic partnership. The subsequent summits in 2006 and 2007 emphasized that India and EU intended to intensify their cooperation in strategic terms too.

### **Why Look EU and Look Europe Policy?**

What does India want from the EU? What political purpose does India have? These questions can be answered when India understands what the EU wants from India. The understanding or the lack of it

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between India and the EU is mainly because of the ‘perception problem’ between the two. The EU seems to engage India as a part of its policy on South Asia or South Asian Association for Regional Cooperation (SAARC). In other words, the EU as a regional organization engages India through the ‘EU identity’ as part of South Asian region. The EU seems to ignore the fact that India deals with the EU as an independent, sovereign and democratic state and not as a South Asian state or not as a member of SAARC. It appears as though EU does not understand the ‘identity’ of India as different from its South Asian ‘identity’. Likewise, India engages the EU as a block while it follows independent bilateral and foreign policies with the member states of the EU as well as the other nations of Europe.

India should clearly articulate what it desires from the EU as a regional organization and what it expects from Europe as a continent. It should evolve a policy whereby India can make use of both the EU and Europe not only for domestic trade, defense and security needs but also for its rightful place in the new world order.

India acknowledges that the EU is a major donor in its development assistance to India which stands at 470 million Euros during the period of 2007-13. India is greatly benefited by the EU projects on health and education, humanitarian aid in floods, drought, and earthquake, conflict prevention, environment and sustainable management, rural development, agriculture, food security, human development, water and energy etc.

These aid and development programmes are wide and deep and go beyond the framework of traditional development cooperation. India, therefore, should interact with the EU more for an enhanced aid and development cooperation.

In so far as the trade is concerned EU is India’s largest trading partner. The India-EU trade has surpassed 100 billion Euros in 2011, but there is a sharp imbalance between the two as the EU accounts for around 21% of India’s two way trade and India’s share in the EU trade is less than 1%. India receives only 0.2% of EU’s FDI flows. Though the EU is acknowledged as a super power, most Indian businessmen still prefer doing business with individual member states and seem to be more interested in British or German markets rather than a European market. The EU is perceived as over-protectionist and a large number of tariff and non-tariff barriers and the EU’s quality standards, health, social and environmental laws are seen as hindrance for the developing countries such as India to strengthen business relations with the EU. India had a specific problem in relation to generic drugs in 2010 leading

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to India approaching the WTO that the EU was wrongly stopping and inspecting shipments of generic drugs in transit developing countries. There is also concern that the inclusion of Intellectual Property Rights would affect India's pharmaceutical sectors' ability to produce and export low cost drugs. Thus, the less optimistic chances in trade have discouraged the Indian foreign policy thinking in seriously contemplating to have a Look EU policy. However, the fact that India will need to invest US \$ 1.7 trillion on its infrastructure projects by 2020 to meet its economic needs may encourage EU to participate actively. India should convince the EU that it will be a win-win situation for both.

### **Defense, security and military dimension**

The EU is perceived as a regional organization driven by the principles of respect for human dignity, [freedom](#), [democracy](#), [equality](#), the [rule of law](#) etc. Therefore, several nations consider that in the security and defense matters EU can contribute very little. In spite of the Common Foreign and Security Policy (CFSP), the EU does not have a common military.

Countries such as India seem to be in a dilemma about the very founding principles of the EU when 21 of its members are members of the North Atlantic Treaty Organization (NATO). NATO is a 'trans-European' military alliance, obviously dominated by the US. While the CFSP requires unanimity among EU members for a policy on any issue, often the same member states participate in the military and security issues through NATO. France, UK, Spain and Germany are the top in the defense spending in the EU. India can not expect much from the EU in defense and security cooperation.

India's dealing with the European nations including Russia in the defense and military relations has not created problems for the EU simply because India deals with countries like France, UK, and Germany bilaterally. It is to be understood that when India deals with any European nation bilaterally, its policy is to be taken as 'Look Europe', because this avoids dealing with the EU as a regional organization. As a result, there is no friction or misunderstanding with the EU. This is proved by the fact that Russia accounts for almost 70% of military hardware to India but that does not raise any eye brows in EU.

France has been the most important and reliable partner for India in the defense and military cooperation. France has not imposed sanctions on India either because of India-Pakistan tensions or even in the wake of India's nuclear tests in 1998. Further, France was the first to establish a strategic partnership with India clearly indicating how it perceived India's role in a developing multipolar world. In the 1950s, India acquired from France, Ouragan, Mystere and Alinze aircraft, AMX tanks and air to

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surface and anti-tank missiles. During the 1960s and 1970s India went in for licensed production of French Alouette helicopters and Lama helicopters. In the 1980s, India signed an agreement to procure Mirage aircraft from France. In December 2005 India and France signed the \$ 3 billion Scorpene deal paving way for the naval cooperation. In July 2011 a \$2.4 billion deal was inked with Dassault Aviation and Thales to upgrade 51 of these Mirage aircrafts. The other projects with France include development of engines for the HAL, the Kaveri engine for the LCA and the Shakti engine for Dhruv. In July 2009 when Man Mohan Singh, the Indian Prime Minister visited France, the French president Sarkozy had reportedly promised to open all doors for Indo-French defense cooperation.

India had close defense ties with the UK for some years in the post 1947 period. India's Centurion tanks, Vampires, Canberra, Hunter and Gnat aircraft, and Leander class frigates were of British origin. The cold war politics, British support for Pakistan and its reluctance to strengthen India militarily against Pakistan, led to a dilution of the defense relationship. In 1979, India ordered around 130 Anglo-French Jaguar aircraft, with license production and transfer of technology as part of the package. In the post- cold war period, the British made a come-back into the Indian market. In February 2003 India ordered 66 Hawk trainer jets from Britain worth \$1.7 billion. In July 2010, during the British Prime Minister Cameron's visit, India placed an order for an additional 57 Hawk aircraft worth \$1.1 billion to be built by HAL.

In the area of R&D, the tie-up between DRDO and the British DSTL (Defence Science and Technology Lab) is significant. Britain is offering participation to India in the Global Combat Ship (GCS), a flexible role frigate. The UK has a very large defense manufacturing base, the largest in Europe, with almost 2600 defense companies. BAE systems have contracted to sell 140 Ultra Light Howitzers to India. BAE is also looking at a role in artillery modernization in India, for which it has tied up with the Mahindra Group to create a Centre for Excellence for artillery projects.

India's defense cooperation with Germany dates back to 1950s when Germany's Kurt tank was involved in the manufacture of HAL's Marut jet fighter. This cooperation has increased during the post cold war period. Germany had supplied 4 type 209 submarines to India between 1986 and 1994. Two of these German submarines were built in Germany and two were assembled in Mazagaon docks.

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Since 1999 Germany has been providing parts for construction of ships and submarines, such as fire control systems, sonar and navigation systems, parts for planes, helicopters and tanks. Apart from supplying 4 Type 209 submarines, it has supplied a large number of Dornier 228 aircraft. India and Germany signed a new Defence and Security agreement in 2006. An Indo-German High Defense Committee has also been formed.

India's defense relations with Italy are limited compared to the other European powers. India and Italy entered into an MOU on defense cooperation in 1994. Italy is providing consultancy to our Navy for our indigenous aircraft carrier. Finmeccanica of Italy is providing its propulsion system. Italy is supplying heavy weight torpedoes for its submarines and frigates from Italy. Finmeccanica's subsidiary Augusta Westland has established a joint venture with Tata Sons to assemble the 8 seat AW 119 Ke light helicopter in India. In 2003 India and Italy renewed their 1994 MOU on defense cooperation. The India-Italy Joint defense Committee has met once, in January 2010. Very recently, on his state visit to India, Ukraine's President Viktor Yanukovich indicated Ukraine's eagerness to expand defense cooperation with India. Considering that Ukraine is the biggest defense manufacturer after Russia in the former Soviet Union, India should actively pursue for defense agreement with Ukraine.

We have to keep in mind that India's defense deals were made easy because of the fact that Europe's defense manufacturing has become mostly "multinational". Much of this sector has either been privatized in Europe or enterprises are jointly owned by governments and private capital.

European countries are pooling requirements and jointly funding defense production programmes. Work is shared between countries often in proportion to the size of the procurement orders placed by them. The nature of collaboration has led to a situation where equipment manufactured by one country has in it components manufactured in other countries. For example, The European Aeronautics, Defence and Space Company (EADS), was created in 2000 by merging French (Aerospatiale-Matra), German (DASA) and Spanish (CASA) companies. Its missile branch was merged with BAE systems of the UK and Finmeccanica of Italy to form the MBDA. The Eurofighter is jointly produced by Germany (DASA), Britain (BAE), Italy (Aeritalia) and Spain (CASA). Dassault is owned by Dassault Group (50.55%) and EADS(46.33%). Augusta Westland is an Anglo-Italian company. Turbomeca, the French

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aircraft engine maker is tied up with Rolls Royce. Thales, another French company is tied up with Raytheon from the US and BAE from the UK.

The 'multinational' nature of the 'European' defense industry has facilitated India to benefit India in its defense procurements and agreements. Obviously, EU has no objection or even role in these multinational defense relations with India. Hence, India should interact with the other European nations under its 'Look Europe Policy'. India should also look for defense related options not only from the countries like Ukraine but also other East European nations. Defense cooperation should be the main component in the India's Look Europe Policy.

### **India and EU in multilateralism, multi-polarity and the new world order**

The perception of EU on multilateralism and multi-polarity were influenced by the two world wars and the near absence of wars even during the cold war among the major European powers. In the post cold war and globalization, (except wars of Bosnia) the peaceful climate in Europe also contributed to the EU thinking on these issues.

The EU considers itself the best example of institutional multilateralism, of sharing of sovereignty for a common purpose, and desires to preach and practice multilateralism both in domestic and foreign fronts. The European multilateral integration is modeled on 'unity within diversity'. Due to this nature, EU strives for the development of an international system based on norms and values. The Europeans approach both domestic and international problems with greater sophistication and subtlety as they believe they are more tolerant of failure and are more patient when solutions are delayed. Their preference is for peaceful responses to problems, through negotiation, diplomacy and persuasion. They also desire for appeal to international law, international conventions, and international opinion to adjudicate disputes. The successful multilateral governance of the EU has produced an ambition to convert the world by replicating the European experience on a global scale. In other words, EU's primary goal is to promote global and regional governance and effective multilateralism. EU believes that effective multilateralism is a system designed to enable states that form the international community to act in unison in confronting challenges, tackling and resolving problems, and dealing with major global and regional issues squarely. As a votary of multilateralism, EU is also a staunch supporter of the UN, and insists on the need for international laws, agreements, rules and institutions, which can implement and police them. It is further reinforced in the European Security Strategy (ESS) of 2003

where EU identified UN Charter as the ‘fundamental framework’ for international relations and prioritized its strengthening. The EU’s aim is to embed its efforts in overall multilateral strategies, ideally to be led by the UN as it believes that all the challenges faced by the present day world require multilateral action to be decided in multilateral fora. The EU is fully committed to maintaining and developing international law and the United Nations system and any action by the international community in response to global challenges must be underpinned by international legitimacy.

When dealing with India, obviously EU has its unique commitment to the UN, international law, international conventions, peaceful means and responses to problems as well as to multilateralism. India has to take into account this aspect in its Look EU policy.

The importance EU attached to India can be found in the first ever Strategy of Security adopted by the EU in December 2003 in which it explicitly stated that EU should adopt strategic partnership with India. In the Commission’s communication issued in June 2004 entitled ‘EU-India Strategic Partnership’ it was declared that relations between India and the EU, based on shared values, should evolve in four different facets:

- Cooperation in international forums
- Prevention of conflicts, fight against terrorism, and countering weapons of mass destruction
- Consolidation of economic ties through development of sectoral dialogue
- Cooperation in development in cultural and intellectual areas.

Again in the ‘India-EU Strategic Partnership Joint Action Plan’ in September 2005, under the strategic importance of EU-India relationship broadly five areas are mentioned.

- Strengthening dialogue and consultation mechanisms
- Deepening political dialogue and cooperation
- Bringing together People and Cultures
- Enhancing Economic Policy Dialogue and Cooperation
- Developing Trade and Investment.

Under these five broad categories, however, there is a clear emphasis to follow the UN norms and rules, in areas such as democracy and human rights, effective multilateralism, peacekeeping, peace-building, fight against terrorism and organized crime. There are of course, other areas like migration and consular issues, parliamentary exchanges, education and academic exchanges, civil society exchanges, cultural cooperation, industrial policy, science and technology, finance and monetary affairs, environment etc.



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The second India-EU Forum organized by European Union Institute for Security Studies and Indian Council for World Affairs in October 2010 lists the following policy recommendations.

- Structural and non-structural reforms of the international security system
- Bilateral cooperation under the UN umbrella
- Humanitarian action, worldwide socio-economic development and fair trade
- Climate change, Afghanistan and Pakistan
- Bilateral cooperation to enhance multilateral action against terrorism

Although most of these meetings and documents mention terms like strategic and political, it is difficult to understand what the EU and India desire to pursue. India has to understand that EU can not be its partner in the domestic and international security issues as the EU is almost obsessed with international law, international conventions, international opinion, peaceful resolution etc.

India can pitch for the permanent seat in the UN Security Council with the support of EU. As such there is no opposition to India from the four permanent members from Europe. What India can probably do is, actively lobbying with other members of EU such as Spain, Sweden, Netherlands, Denmark, Finland, Greece, Luxemburg, Poland and also the other small east European nations.

India, under its Look EU policy might want to utilize EU's quest for multipolarity. During the cold war and a little later in the EU policy towards Asia, China was the priority. This seems to be so even now as China is far ahead of India not only in trade and economic issues but also in terms of agreements on different issues. The EU perception of India and Pakistan had also not been favourable to India during the cold war period. However, 9/ 11, London bombings, Madrid bombings, Mumbai bombings did open the eyes of EU that Islamic terrorism is one of the serious issues EU must tackle both from the home grown terrorists as from the foreign ones. In the last decade, Pakistan is perceived by the EU as a partner in the fight in Afghanistan but it seems to have lost the importance it was given during the Soviet occupation. Now Pakistan being the close ally of US does not seem to be a problem for EU to have close cooperation with India. The Europeans and the EU perceive China a threat to world peace despite China being an inevitable trade partner.

India needs to compare its foreign policies with other regional organizations like the ASEAN, SCO etc. While there is a clear - cut objective and purpose when India deals with other regional organizations, India needs to understand that only in Europe it confronts multiple identity problems such as of EU,

Europe or nation states. In case of other regional organizations the problems of identity did not arise. It is surprising that the Indian Diaspora in Europe has not been active in shaping favorable opinion towards India in EU in spite of many academicians and scholars working in the leading member states of EU such as UK, France, Germany, Netherlands, Denmark etc. Likewise, there are hardly any NGOs from India who actively work in Europe facilitating a favorable opinion towards India

Despite the misgivings that EU cannot support India as openly and boldly as the US does, India probably is in a better position now to counter Chinese and the US influence in the new world order. EU will consider India to be one important 'pole' in the 'multi polar world'. Democracy, free press and judiciary compared to China, definitely place India for its legitimate pole in the new multi polar world. There seems to be no opposition for India's place in the new world order either from the US or from Russia. It is time India framed and pursued its Look EU and Look Europe policy.

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