

European Union and India: A new beginning in the Relationship

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Abstract: *The strength and development of the states today is not measured in terms of military and defense capacity but in terms of how a state is able to uphold trade relations, investments and economic integration within the region and globally as well. Regional organizations always tend to work collectively for the common objectives of the whole region which include promoting regional peace and stability, active collaboration and mutual assistance on matters of common interests, cooperation in various fields like health and population activities, etc. European Union is one of the important regional organizations which functions within the European Continent in order to promote political and economic cooperation in the region. It has been influential in the contemporary world as its membership is pretty wide throughout the region. The relationship between India and EU dates back to the early second half of the 20th century, when India was amongst the foremost nations to establish relations with European countries. However, EU-India cooperation agreement of 1994 added a new beginning in the relationship. Both India and the EU belong to a multilateral order founded on the projection of democratic principles. By recognizing each other's importance as being the natural partners further reaffirmed their obligation to strengthen more the EU-Indian strategic partnership based on shared objectives and values.*

Keywords: Regional Organization, Political and Economic Cooperation, European Union, Council of Europe, United Kingdom, France, India.

Introduction

Geographically Europe consists of a large regional chunk with huge potential for all round development. The strength and development of the states today is not measured in terms of military and defense capacity but in terms of how a state is able to uphold trade relations, investments and economic integration within the region and globally as well. It is important to mention that the main idea behind EU formation was the promotion of political and economic interaction, common vision for using region's potential and interdependence to counter threats. In today's world no nation exists in isolation. A nation's economy, industries, service sectors, levels of income and employment and living standards are linked to the economies of its trading partners. The benefits of international trade accumulate in the forms of lower domestic prices, development of more efficient methods and new products and a greater range of consumption choices. Regional organizations always tend to work collectively for the common objectives of the whole region which include promoting regional peace and stability, active collaboration and mutual assistance on matters of common interests, cooperation in various fields like health and population activities, etc.

Towards the end of the 20th century, the growing integration between EU and India on the one hand and between countries of Europe at their individual levels and India on the other hand has added a new epoch in the relationships. The EU-India integration has encompassed all important sectors and areas which include political, economic, socio-cultural field, and further the two are cooperating jointly in order to wipe out the growing menace of terrorism in the world, to control drug trafficking and combating climate change. In the meantime, the relationship has received moral boost by the political visits of the leadership from both sides.

Formation of EU

European Union is one of the important regional organizations which functions within the European Continent in order to promote political and economic cooperation in the region. It has been influential in the contemporary world as its membership is pretty wide throughout the region. EU has been phenomenal in

working for the establishment of the peace and security in the world as because of its high level approach due to the presence of few permanent members of UN Security Council. Almost at every stage, amongst all regional organizations, ASEAN along with EU have been mostly effective due to their growing economies. However, geographical location of Europe with Atlantic Ocean to its western border adds more to its geostrategic position. Movement of people, flow of capital, and investment has increased due to the relaxation within the visa system and borders among the members of the regional organizations. This has led to the increased socio-political and economic progress throughout the regions of the world. In international relations, trade has often been referred as the locomotive of growth that led to the progress of today's economically developed countries during the 20th and early 21st centuries. The liberalization in trade has increased with the emergence of globalization in the world during late 20th century. It is argued that such liberalization and economic cooperation can aid any nation to increase inter-regional trade by exploring the size of the markets. This may result in high yield efficiency and bring benefits not only by exploration of economies but also by vibrant and upward shifts in production function. Determined towards incorporation by the pressure of socio-economic interests of the region, European countries took initiatives to form a strong regional organization namely EU.

The EU is the latest stage in a process of European integration that began after World War II. The two world wars within a short duration inflicted very grave losses upon European countries. These countries suffered serious economic, material and manpower losses. The Second World War also devastated many structures on which the European states had based their relations. Hence, after World War II, all the European leaders were persuaded that their relations should be reconstructed. Wealth of human and material resources tied with other common features like geographical immediacy, historical backgrounds and cohesion of social and political norms of development led towards the formation of EU. Therefore, lots of attempts were made for the formation of European Union. The process of integration for European countries started with the objective of promoting peace, security and economic development of the region. The first major breakthrough to review European economy was in the form of extended American financial aid to European countries under Marshall Plan on June 5, 1947. Then under Marshall Plan an organization of European Economic Corporation was established in 1948 to channel aid to Western European States. In 1949, Council of Europe was established for coordinating the policies of member states. In 1952, six countries of Western Europe (Italy, France, Belgium, Holland, West Germany and Luxemburg) signed a treaty called as Treaty of Paris and formed European Coal and Steel Community. During 1957, European Economic Community was formed. Meanwhile, in late 1970s (1979), a Parliament of European Economic Community was established. For further regional cooperation, a treaty was signed at Maastricht (Netherlands) and European Union under its present name was established in 1992. Later on, the European Union became one of the effective political and economic Regional Organization. Today there are 28 member countries in European Union. The motto of EU is "United in Diversity".

European Union: Nature and Status

European Union is an economic and political union of 28 member countries which are located primarily in Europe. The founding values of the European Union still form the central part of European policy, specified in the treaties as: respect for human dignity, freedom, democracy and respect for human rights, and further the overall aim of the European Union is to promote peace, its values and the well-being of the people of the region. The European Union operates through a hybrid system of supranational independent institutions and Inter-governmentally made decisions negotiated by the member states. Important institutions of European Union include the European Commission, the Council of European Union, the European Council, the Court of Justice of the European Union, European Court of Auditors, European Central Bank and European Parliament. The European Parliament is elected for every five years of European citizens. The European Union has always had a social dimension closely linked to its economic ambitions. Improving working conditions, living standards and gender equality have been central objectives of the EU ever since the Treaty of Rome enshrined the principle of equal pay between women and men into law in 1957. Since then, the development of a social dimension has gone hand in hand with the initiative of single market and the concept of EU citizenship guaranteeing a level. The single internal market of the EU has developed through a system of laws that apply within all member states.

EU initiatives aim at ensuring free movement of people, goods, services and capital within the internal market. There is also the abolition of passport controls within the Schengen areas. The Maastricht Treaty contained provisions that resulted in the creation of the Euro Zone, established in 1999 and is currently composed in 17 countries in which participants share a common currency, a common central bank and a common monetary policy. In these countries, a common currency called EURO was introduced in 2002. According to United Nations Development Programme, all the EU members have a very high Human Development Index. Since the formation of EU in 1990s, the intensity of cooperation among the member countries improved significantly. This acknowledgment has led towards increasing the pace of cooperation among the member countries. The largest city has been London and 24 languages are at work in EU. Permanent diplomatic missions have been established around the world and European Union is represented at UN, the WTO, the G-8 and G-20. After all EU has huge approach and influence in UNSC as UK and France being permanent members of UNSC are enjoying veto power, which adds to the global and regional status of the region. In 2012, EU was awarded the Nobel Peace Prize for its all round efforts within and outside Europe. To encompass strong regional cooperation and advancement, European countries have agreed on various areas of collaboration which are as follows:

- to assist in the areas of agriculture, transport and rural development.
- to accelerate economic growth, cultural development and social progress in the region.
- to promote regional peace and stability.
- to promote active collaboration and mutual assistance on matters of common interests, in various fields like health and population activities.
- to promote active collaboration and mutual assistance in providing training and research facilities to their people and human resource development
- to smooth the progress of integration in telecommunication, science and technology, and Meteorology.

EU and India

The relationship between India and EU dates back to the early second half of the 20th century, when India was amongst the foremost nations to establish relations with European countries. The connotation of EU is wide and varied. EU's significance lies in its geostrategic location, energy resources and great potential of its people. EU-India cooperation agreement of 1994 added a new beginning in the relationship. India has succeeded in building excellent trade relations and amiable relations on social, political and economic facade with the EU countries. Since 2000, Summit level partnership between EU and India has further intensified the cordiality of the relationship and has been significant in bilateral, regional and global issues. EU is India's largest trading partner accounting for 20% of Indian trade. In return, India accounts for only 1.8% of the EU's trade and attracts only 0.3% of European Foreign Direct Investment. Both the regions have been negotiating free trade deal from 2007. More than half of the EU companies are operational in Indian cities which show how important trading partner India has been for the EU. India offers a great source of potential investment in terms of trade and commerce. Both have agreed to expand their cooperation in the areas of nuclear energy and environmental protection and deepen their strategic partnership as well.

At the individual level, France is expected to sign a deal that would allow it to provide nuclear fuel to India and in boosting individual level relationship with India. Both EU-India have agreed in 2008 September at the Summit in Marseille to broaden their cooperation in the number of crucial sectors. France is on way to support any proposal of India against terror in United Nations Security Council. As regards United Kingdom, Defense Consultative Group was formed in 1995 between India and United Kingdom and a ten-day exercise called Emerald Mercury was held in India in 2005 as part of a joint exercise between the two. Both the nations have also signed defense research agreement to pool their world class science and engineering expertise to work on projects such as unmanned aerial vehicles, advanced explosives, etc.

At the 2008 EU-India summit, the review of the Joint Action Plan released in 2005 starts with Climate change, terrorism and insecurity remain as much of a threat as in 2005 and since then new challenges have arisen. The extraordinary pressure on energy and natural resources, including foodstuffs poses new difficulties and calls for immediate action as well as long-term structural measures. Action plan lists new activities to be undertaken which include promoting peace and inclusive security, sustainable development, research and technology, and people-to-people exchanges. The joint action plan reckoned that

in politics, dialogue and cooperation have improved through regular summits and exchanges of visits. Under the joint action plan, EU and India would augment consultation and dialogue on human rights within the UN Charter, reinforce cooperation in promoting world peace keeping mission, combating terrorism in all forms, fight against racialism and drug abuse, non-proliferation of nuclear arms, strengthen collaboration and exchange in developing civil nuclear energy and strike a free trade deal as soon as possible. India has already contributed towards EU's satellite navigation system. Both sides have been emphasizing the importance of EU-India strategic partnership and are focused to emphasize cooperation in security with special attention on cyber security, counter terrorism as well as energy and trade.

In October, 2017, 14th annual Summit took place between European Union and India which witnessed discussions on various issues including ways to remove obstacles in the way of long pending free trade agreement. Both India and the EU belong to a multilateral order founded on the projection of democratic principles. By recognizing each other's importance as being the natural partners further reaffirmed their obligation to strengthen more the EU-Indian strategic partnership based on shared objectives and values of rule of law, democracy, liberty, equality, respect for human rights and each other's territory. The two sides also agreed to deepen the cooperation on other important issues like trade, investment flows, action on climate change and renewable energy, conflict resolution, promoting peace and harmony, creating accessible cyber space, cooperating on feministic issues and combating extremism in all its forms.

Conclusion

EU's key objectives include promoting the welfare of the people of Europe, accelerating the economic growth, social progress, promoting the self-reliance amongst the European nations and building trust and admiration for other problems of the region. The EU has followed an incorporated move towards the negotiations and planning the implementation of the key UN processes on sustainable development, financing for development and climate change. Its growing relationship with India has boosted the morale of the member countries to a great extent as India is providing a huge market to the European companies which accumulate the strong economic relation. Political visits by the leadership from both the sides added furthermore political stability to the relationship and are firm in wiping out the obstacles in the way of progress and cooperation. Although a better economic situation in the EU from last few years, still the organization is facing around several internal and external challenges and the major challenges amongst them are the pending stand of British whether to remain within EU or exit from it, democratic issues in Poland, Hungary and other Eastern European countries, issues of migration, refugee problems and a mounting menace of terrorism, and environment protection. Courageous leadership will be necessary for EU to make certain reliability, both in the EU's internal as well as external policy frameworks.

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