

‘France will continue to champion India’s place and role, and ensure that they receive due recognition’

Interview with French President Nicolas Sarkozy.

*In May 2007, when **Nicolas Sarkozy** became President of France, he promised growth, jobs and a complete overhaul of France’s outmoded institutions. The reforms he launched, however, failed to deliver the expected results. France today has a growth rate of less than 2 per cent with an unemployment rate of 9.7 per cent. Mr. Sarkozy’s personal style, both flamboyant and abrasive, appears to irk many of his countrymen, who feel that he has failed to uphold the dignity of the presidential office. Now deeply unpopular, with approval ratings as low as at 24 per cent, Mr. Sarkozy is banking on his role in global affairs to give him a much needed boost as he prepares for his 2012 presidential campaign. In this interview with The Hindu’s **Vaiju Naravane** in Paris in the context of his visit to India that starts on December 4, the President responds to a range of questions. Some of the answers were provided in written form. The text of the interview:*

Several developed economies, especially those within the euro area, are experiencing a deep crisis: the recent G20 summit was a disappointment. You took the presidency of the G20 at a difficult time and you have ambitious goals – based on three key priorities – for improving international governance. Given the different views within the G20, how do you expect to achieve the necessary consensus? Can the Franco-Indian strategic dialogue help advance your objectives?

Yes, it’s true that the priorities that France has set for its presidency of the G20 are ambitious. But this ambition is born of necessity. The issues we’ve placed high on our agenda – reform of the international monetary system, combating commodity price volatility, reforming global governance – are key to world stability and prosperity.

To these three goals you could add moralising financial capitalism, which remains a priority for us, and the issue of innovative finance, which, as you know, is a particular concern of mine because without it the world can neither develop nor meet the Copenhagen commitments on global warming.

You say that “the G20 has very different views on all these issues” and you are absolutely right. Is that a reason for doing nothing? Clearly not. If we do not act, who will?

But we will only succeed if we are united. Consequently, we must build a consensus together; but it must be an ambitious consensus, rather than aiming for the lowest common denominator.

Our method involves listening, consultation, and association. The French presidency will be one that plays the collective game.

Having chosen to focus on dialogue, we want to open up debate on all these difficult issues. There is no question of coming to the table with done-and-dusted plans, no “take it or leave it” approach: that would be a guarantee of failure. On the contrary, we must keep up the dialogue between us and listen to each other. Right now I’m conducting a comprehensive consultation phase with all my G20 partners. It is essential to understand their concerns and expectations but also the constraints of each partner. The G20 will be at the heart of my discussions with Prime Minister Manmohan Singh.

This dialogue must also extend beyond the members of the G20. The G20 will only be legitimate if it listens to the world and to its concerns, but also to its hopes. The countries that do not belong to the G20 – the “G172” as they’re sometimes called – are asking us not to forget them. They ask us, for example, not to neglect the United Nations which remain, by virtue of their universality, the most legitimate international body. And they’re right. That’s why I want to involve the U.N. and its various agencies more closely in our work.

I also hope that our debates and our work can be part of an approach that focusses on the long term. I want the French Presidency to be useful from the first day to the last and for it to enable us to get to grips with the issues. Let’s leave this obsession with the “final communiqué” behind us and commit ourselves – all year long and at all levels – to genuinely substantive work.

I believe essentially that, if the debate is to be lively and bear fruit, it should not be the exclusive prerogative of states. It must learn from the work and the thinking of individuals who are established experts in these complex issues. So I want us to organise seminars with world experts in the field who can feed and complement our discussions. The first seminar on the reform of the IMS will probably be held in China in the spring.

I’d like India to play a key role in this open, inclusive approach. I’m convinced that the excellent status of the Franco-Indian partnership and the friendship that exists between our two countries can be a real opportunity and a driver for the French presidency.

Your support for India has been frank and unequivocal. You also have an excellent personal relationship with Dr. Manmohan Singh, who is an eminent economist. In 2008 you and Dr. Singh promised to double trade between India and France. But trade fell last year – due partly to the financial crisis. Moreover, French investment in India remains relatively low at a time when New Delhi has announced plans to sink \$500 billion into infrastructure projects – something in which the French excel. Why are the French shying away from India – with the exception of some big-ticket items such as the nuclear industry, Airbus and defence? Which areas of cooperation and investment would you like to push? What do you see as India’s role in the industrial renewal you are planning for France?

I can't let you say that French companies are shying away from India, nor that trade between our two countries is falling. There're currently almost 800 French companies operating across all sectors in India, and this number continues to rise.

As for our trade, over the first eight months of this year it increased by almost 40 per cent compared to last year. At this rate, we will come close to achieving the objective that Prime Minister Manmohan Singh and I set during my first visit in 2008, which was to double our trade by 2012. And this is in spite of the financial crisis, which – as you have pointed out – meant that we could not progress as fast as we would have liked. So the target of doubling our trade has not been abandoned; it is even more relevant than ever.

It will involve strengthening cooperation in the “traditional” areas of our partnership. You've already mentioned them: aeronautics, civilian nuclear power, the environment, defence; but there is also the space industry. This visit will make a contribution here, as it will enable us to sign key contracts and agreements in these areas.

But we also want to strengthen our cooperation in other areas. You mentioned infrastructure, which is a very good example. India has embarked on an unprecedented modernisation drive and therefore has important requirements in this area in which – as you say – French companies have internationally recognised expertise and know-how. There's room here for new cooperation arrangements and new partnerships between our companies.

Finally, you are right to point out that investment between us is now a two-way street. There're now nearly 90 Indian companies operating in France; this is twice the number of five years ago and I hope that it'll continue to grow. Indian companies are welcome in France, and the fact that more and more of them wish to invest in us is very good news. And it is proof that the reforms we have been carrying out to make our country more attractive and competitive over the last three and a half years are bearing fruit.

Developing Franco-Indian trade also requires a better understanding of French and Indian economic players. That's why we created the “CEO Forum” in 2008, to enable the leaders of our major companies to discuss, exchange views and subsequently understand each other better and work together better.

Prime Minister Manmohan Singh and I talk a lot about all of these issues. Together we have made the development of our economic cooperation a priority of the Franco-Indian partnership. He is someone who is very easy to work with. He is a man for whom I have the greatest respect and friendship.

President Obama defined his role during his recent visit to India as, amongst other things, that of a CEO who was taking home \$10 billion worth of orders which would create 54,000 jobs in the U.S. Increasingly, as the developed world continues to face a crisis, there is pressure on leaders in Western economies to assume the role of “super salesman”. How do you see your trip to India and

– specifically – what do you hope to bring back home in the fields of defence, aviation, or space? There are expectations that you will return with a nuclear contract. How can these be reconciled with the recent Liability Act passed by the Indian Parliament, over which other countries clearly expressed their unhappiness?

I'd like to give a very clear answer to the first part of your question. Do I consider the development of our economic relations as a priority? Yes. Do I want French companies to win contracts and get ahead of their competitors on the Indian market? Of course I do. And do I think it is my role as head of the French state to help them, to promote and foster French technology and know-how? The answer is once again, yes.

But if you ask me whether the sole purpose of my visit is to sign contracts, whether I'm there as a "super salesman", to use your words, I would say no. My ambition goes far beyond this.

The relationship between France and India cannot be reduced to its economic dimension, fundamental as it is. India is, first and foremost, a major political partner, an indispensable power without whom we cannot rise to the major challenges the world faces. And France will continue to be the first to champion India's place and role in the world and to ensure that they receive due recognition.

It is no coincidence that France was the first major Western power to support India's candidature for a permanent seat on the U.N. Security Council. Neither is it a coincidence that it was France that suggested setting up the G20, so that the major emerging powers such as India would finally have the place they deserve.

India is not the giant of tomorrow; India is already a giant today: a demographic giant, an economic giant, a political giant. It must be recognised as such, just as it must be prepared to take on all the responsibilities that go with this new status. The world needs India to share some of the responsibility for solving the major problems of the 21st century.

My visit will thus be an opportunity to discuss all the major international issues in depth with Prime Minister Manmohan Singh: political, economic, strategic, and the major global challenges. We will specifically discuss the French presidency of the G20 where, as I said, I would like India to play a key role.

As to the second part of your question, I'm sure you'll understand that I'd like to keep back the details of the announcements for the visit itself, especially given that negotiations are continuing as we speak. But it is true that the three areas that you mention – aerospace, defence and space – are special cooperation areas for us.

You could also add civilian nuclear energy. Remember, France was the first to ask for an "Indian exception" on civilian nuclear energy, given India's exemplary behaviour in non-proliferation. You were granted this special status in 2008 with the India-IAEA Agreement and the decision by the Nuclear Suppliers Group. This paved the way for an extremely ambitious partnership between our two countries in the field of civilian nuclear energy, which we launched during my last visit in 2008.

I hope my visit will mark a new milestone in our cooperation on civilian nuclear energy, particularly in the industrial sector with the discussions between Areva and NPCIL on the construction of two EPRs. We are doing all we can to deliver this.

We should also further strengthen our exceptional relationship in the area of defence. Following on from the unprecedented Scorpène submarine partnership launched five years ago, we are now working to extend and deepen our cooperation on fighter aircraft, since India wants to modernise its existing fleet, and on missiles.

The other areas that you mentioned – aeronautics and space – should also see significant progress.

I would draw your attention to another point, which is that the nature of our economic relationship has changed profoundly. Increasingly, India and France no longer maintain a mere supplier/customer relationship; it is no longer just a matter of buying and selling, but of doing things together, sharing know-how and technologies. We have launched a genuine partnership approach, reflecting the one which Areva and NPCIL are currently developing in the civilian nuclear energy industry.

Finally, turning to your last question on the Nuclear Liability Act; since you ask, I would like to make a few comments. As I said a moment ago, our two countries are working together on crucial civilian nuclear energy projects. Indian legislation must ensure that French and foreign industrialists, and Indian industrialists too, are able to work on civilian nuclear energy projects in India in the right conditions. This is imperative.

It's quite proper that India should ensure a high level of protection for victims. It must do so in respect of legal certainty. I understand that the implementation procedures are being drafted as we speak. All we ask is that they should comply with the relevant international rules as enshrined in the Vienna Convention.

President Obama has announced the withdrawal of U.S. troops from Afghanistan in July 2011. But that deadline appears to have been shifted to 2014. What is your reading of the Afghan situation, especially in the context of what your own troops are exposed to in areas like Kapisa? How do you see India's role in Afghanistan in the context of its strong civilian and humanitarian role in that country and its scepticism over any dialogue with "moderate Taliban" if such a category exists?

I'd first like to clarify something. President Obama never said that U.S. troops would be withdrawn in 2011; what he announced for 2011 is the possible beginning of a decline in the "surge", which refers to the 30,000 extra troops sent as part of NATO's new counter-insurgency strategy.

At the NATO summit in Lisbon two weeks ago we decided, along with all the countries that are militarily engaged in Afghanistan, to enter into a "transitional" phase in 2011, by which we mean a gradual and orderly transfer of responsibility for security to the Afghans in stabilised areas. France has already been involved in a

similar transfer in Kabul and this is what we hope to be able to continue to do wherever our soldiers are deployed.

The decision to extend this transition from 2011 is very good news. Remember, France was the first to suggest it, as early as 2008, in a letter to my counterparts in the Atlantic Alliance in the run-up to the Bucharest summit. We then followed it up with Angela Merkel and Gordon Brown in a letter to the Secretary-General of the United Nations in 2009.

You're right, the struggle we're engaged in is a difficult one and the human cost is very high. But it is a necessary struggle. What is at stake is not just the fate of a single country; it is the stability of the entire region and our security – that of your region and also that of Europe. This is an issue that concerns us all, and everyone must do his duty.

It is our duty to be side-by-side with the Afghans in their fight against the Taliban; to train Afghan security forces so that they are able to carry out their duties themselves; to help Afghans rebuild their country and their future. On this last point I'd like to pay tribute to the decisive action of your country, which is playing a key role in the reconstruction and development of Afghanistan.

For its part, the Afghan government must improve the country's governance and fight against corruption and trafficking. You ask me about the reconciliation strategy: France fully supports it because it is the only way to isolate terrorists; and because the Afghan authorities' central task is to encourage reconciliation. But we can only extend a hand in certain conditions: we can only do it with those who have renounced violence, cut all ties with Al-Qaeda and agree to abide by Afghan institutions.

Finally, a lasting solution in Afghanistan requires the support of Pakistan, which must address the issue of safe havens where Afghan terrorists have taken refuge.

Our commitment to Afghanistan is a fundamental strategic choice. We will not abandon Afghans to terrorism and brutality. We will stay in Afghanistan as long as necessary and as long as the Afghan people so wish.

India has long complained about terrorism coming from beyond its shores and only recently has the world begun to take these complaints seriously. This is now no longer India's problem alone. France also faces increasing threats from extremists, some of whom are French citizens who have trained in camps in Pakistan or been indoctrinated there. Both President Obama and Prime Minister Cameron appear to have decided that it is time to speak up publicly against safe havens for terrorists. Do you share this perception? Would you back concrete and concerted international action through bodies like the U.N. Sanctions Committee in order to eliminate threats from individuals and organisations propagating terrorism that continue to find a safe haven?

Combating terrorism is a top priority for India, just as it is for France. As early as 2007 I was hoping we could strengthen our cooperation in this field, for example by improving exchanges between our intelligence services. After the attacks in Mumbai in November 2008, we decided to make the fight against terrorism a cornerstone of our strategic partnership.

The threats we face are the same; they impact on our countries but also on our citizens who are deployed in Afghanistan or elsewhere. Our cooperation in this area should know no limits. India needs to know that she can always count on the support of France to tackle the scourge of terrorism. This is the unwavering solidarity that I will express in Mumbai on Tuesday, in honour of the victims of the heinous attacks of November 2008, which deeply affected France and the world.

But you're right; no lasting victory will be possible without the cooperation and total commitment of Pakistan. A stable, prosperous and democratic Pakistan is in the interest of India, France and the whole world. No one is forcing Pakistan to be both the victim and the crucible of terrorism. And France has always said this in no uncertain terms.

Since it is essential to eliminate the scourge of terrorism, France has stepped up its anti-terrorism cooperation with the Pakistani authorities.

The U.N., of course, has a central role to play in terms of sanctions on suspected terrorists and their supporters.

Pakistan has traditionally been a good client of France for arms purchases. You know that the Indian perception is that any sophisticated arms or equipment acquired by Pakistan is meant for use against India rather than the terrorists. In this context, is Pakistan still a potential buyer? What is currently in the pipeline?

I repeat, because I do not want there to be any misunderstanding here: Pakistan's priority is to combat the terrorism which takes its toll on the people of Pakistan on a daily basis. This is what is behind the cooperation between France and Pakistan in the area of security equipment.

We have to be consistent. We cannot tell Pakistan "you must fight against terrorism at home", without helping it to strengthen the security capability it needs to do so. It is in this spirit and with this requirement in mind that we are helping Pakistan.