

Indian Perceptions of the European Union

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The study of external perceptions provides insights into how the European Union (EU) is actually judged as an international actor, helps shape the EU's identity and roles, and shows how outsiders' expectations and perceptions impact upon the EU's foreign policy performance. This article examines how the European Union is perceived by India – one of the ten strategic partners of the European Union. It examines India's attitudes towards the European integration movement, Jawaharlal Nehru's perceptions of the European Community and the changed perceptions of Europe in India's foreign policy in the post-Cold War era. It discusses the perceptions of the Indian political, business and media elites of the European Union as an international actor. In conclusion, it discusses what needs to be done to overcome the perceptual differences.

Keywords: India's attitudes to the European integration, the relations between the European Union and India, European Union, India

Perceptions are of seminal importance because they determine and condition behaviour. They are instrumental in giving policy direction and defining political reality. Inter-state relations cannot 'be fully comprehended without taking into account the perceptions and attitudes that guide behaviour. Without really having any direct bilateral problem, the images states hold of one another can create an impression of incompatibility. Even though perceptions determine behaviour, perceptions in turn are also influenced by behaviour.'¹ The study of external perceptions provides insights into how the European Union (EU) is actually judged as an international actor, helps shape the EU's identity and roles, and shows how outsiders' expectations and perceptions impact upon the EU's foreign policy performance.²

The Indian literati's perceptions of modern Europe have been the product of a specific historical experience of a cultural/colonial encounter with the West and a selective admiration of Europe. After independence, there has been a clear domination of Anglo-American imagery in the Indian media. Contemporary Europe

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¹ K. Sridharan, 'Regional Perceptions of India', in F. Grare, A. Matto (eds), *India and ASEAN: The Politics of India's Look East Policy*, New Delhi: Manohar, 2001, pp. 86–87.

² N. Chaban, O. Elgstrom, M. Holland, 'The European Union as Others See It', *European Foreign Affairs Review*, 2006, Vol. 11, No. 2, pp. 247–248.

has, in fact, been studied and analysed only by elite elements of the Indian society – those who travelled abroad or otherwise came into contact with Europeans. After independence, Anglo-American imagery in the Indian media and popular culture has largely conditioned the Indian elites' perceptions of Europe, which tended to reinforce and sustain stereotypical images and clichés. The European Union continues to remain a complex, strange economic and political collectivity.

1. Movement for European integration

In the immediate aftermath of independence, the movement for European integration was remote from Indian concerns and priorities largely because India was absorbed with the challenges of internal development. New Delhi generally regarded the emergence of the European Economic Community (EEC) as 'disturbing and undesirable'.³ The European integration movement was perceived as 'the quickest means' and an attempt by countries with different languages and histories to forge 'a common programme for collective and rapid prosperity'.⁴ European integration, according to the first Indian Ambassador to the EEC, coincided with the 'same experiment and experience' which began in India in the 1950s when successive Plans for socio-economic development were launched and implemented.⁵ The Common Market, according to another former Indian Ambassador to the EEC, was 'a politically motivated initiative' whose 'ultimate objective was political conciliation and reconciliation and a cooperative political *modus vivendi*'.⁶ Indian attitudes thus reflected 'the fear of the unknown' as well as the hope that as the Community became economically strong and powerful, it would not grow into 'a self-centred inward-looking economic giant'.⁷

The Government of India took a keen interest in the Common Market from the moment it was first formed largely because of trade concerns even though there was meagre trade with the countries of Western Europe in 1957.⁸ India recognised the importance of the nascent EEC and was among the first developing countries to establish diplomatic relations with it in March 1962. New Delhi, however, had concerns that the Common Market might transform itself into a 'rich man's club'.⁹

³ Remarks by Ambassador-designate K.B. Lall to the Community in a meeting at the Belgian Embassy in New Delhi attended by EEC Heads of Mission based in the country, 11 May 1973. Cited in FCO 37-1186, Minute of Sir Terence Garvey, British High Commissioner, New Delhi on meeting between Community Heads of Mission and K.B. Lall, 14 May 1973.

⁴ L.N. Mishra, 'Fear Over Loss of Trading Advantages through UK Entry into EEC', *The Times* (London), 20 February 1973, Supplement.

⁵ K.B. Lall, 'Introduction', in K.B. Lall, W. Ernst, H.S. Chopra (eds), *India and the EEC*, New Delhi: Allied Publishers, 1984, p. ix.

⁶ T. Swaminathan, 'An Indian Looks at the European Community', *Politique Etrangere*, January 1973, Vol. 26, No. 1, pp. 29–30.

⁷ *Ibidem*, p. 30.

⁸ India accounted for only 0.6 per cent of total EEC imports and 2.1 per cent of total exports.

⁹ Speech by Prime Minister J. Nehru at the Commonwealth Prime Ministers' conference, London, 11 September 1962, in *Keesing's Contemporary Archives*, Vol. 33, No. 1262; *Jawaharlal Nehru's Speeches*,

2. British quest for EEC membership

Until Britain announced its decision to seek membership in the Community in July 1961, New Delhi neither displayed ‘great interest’ nor made any ‘clear cut’ official announcement on the Common Market.¹⁰ The initial Indian attitude towards the EEC was said to be generally one of ‘indifference’,¹¹ of ‘coldness’, or ‘luke-warmness, tinged with a certain amount of suspicion’.¹²

Indian worries about eventual British membership in the EEC were two-fold. First, Indian exports of manufactured goods and primary products like tea were likely to be displaced in Britain – India’s key market – by European products as well as products from ‘associate’ territories. Second, the question of British entry also came in the midst of an acute foreign exchange crisis and huge trade deficits,¹³ which had to be financed by large-scale withdrawals from the foreign exchange reserves accumulated during the Second World War and foreign aid. Stringent import controls had also to be imposed, which, by reducing imports to the bare essentials, had created a widespread under-utilisation of the available industrial capacity.¹⁴

3. Nehru’s perceptions of the European Community

A key factor in Nehru’s perceptions towards the European Community was anti-colonialism as three colonial powers, *viz.* Belgium, France and the Netherlands, were members of the EEC, though India only confronted Portugal directly. Association with the Community was likely to lead to the continuation of colonial exploitation by other means. Nehru’s suspicions of the European Community seem to have also been partially influenced by his perceptions of the North Atlantic Treaty Organization (NATO) since the EEC-6 were also its members. He initially perceived it to be a ‘justifiable reaction’ but subsequently felt that it could enhance Cold War tensions

Vol. 4, New Delhi: Ministry of Information and Broadcasting, Publications Division, 1964, especially pp. 392–402. A decade later, Nehru’s daughter, Indira Gandhi expressed the same fear. See her reply at the end of her address at the One Asia Assembly, New Delhi, 6 February 1973, in India, Ministry of External Affairs (ed.), *Indira Gandhi: Selected Speeches and Writings*, Vol. 2: September 1972–March 1977, New Delhi: Publications Division, 1984, p. 71.

¹⁰ A. Ramkumar, ‘Indian Attitudes to the European Common Market’, in Indian Council of World Affairs (ed.), *Foreign Affairs Reports*, May 1964, Vol. 13, No. 5, p. 64.

¹¹ S. Gupta, ‘Commonwealth South Asia and the Enlarged Community’, *The Round Table*, October 1971, Vol. 6, No. 244, pp. 507–510.

¹² S. Bhoothalingam, ‘India and the EEC’, *German News* (German Embassy), 1 July 1972, p. 7.

¹³ India’s modest surplus of Rs50 million (USD 10 million) in 1950 with the Six had been transformed into a trade deficit of approximately Rs 1350 million (USD 281 million) in 1960. This deficit was thrice the value of the Indian exports to the Community. And with no other trading partner did India have such a large deficit. Lall, Ernst, Chopra, *op.cit.*, p. 11.

¹⁴ M. Singh, ‘India and the European Common Market’, *Journal of Common Market Studies*, 1963, Vol. 1, No. 3, p. 266.

and provide ‘a protective cover’ to former European colonies.¹⁵ He became more critical of NATO when it threatened to come to the rescue of Portuguese colonial rule in Goa. Krishna Menon too regarded the Common Market as a kind of political alliance that emerged from NATO.¹⁶

Despite these concerns about the Community, India did not really press its political criticism since its interests in the Community were essentially economic, not political. Nehru was generally optimistic about the prospects of the EEC. Apart from its enhanced global bargaining capabilities, he also felt that a united Europe might ‘preserve some balance’ between the two superpowers.¹⁷

During the Nehru era, a major dimension of India’s policy towards the EEC was in the broader context of North–South relations. In the early years, the EC’s developmental concerns were dictated by its political priorities, which because of French insistence focused primarily on Francophone countries. Nehru rued that in all this thinking in Europe, Asia hardly came into the picture.¹⁸ Nehru was apprehensive that if the Common Market became an inward-looking regional grouping and transformed itself into a rich man’s club, the gap between the developed and developing countries would become wider. This was a concern shared by his daughter, Prime Minister Indira Gandhi.¹⁹

Although the Community was responsible for the commercial policies of the Member States, it had not been equipped with the necessary tools to deal with the trade problems of the developing world until the early 1970s. During the Nehru era, Indian attempts to secure a viable trade arrangement to resolve its chronic and growing trade deficits with the Six proved elusive. India’s relations with the European Community remained low-key and South Asia remained a region of peripheral interest.

4. The 1970s and 1980s

During the Cold War, Europe was not central to Indian priorities despite several centuries of historical, ideological and intellectual proximity to the West. For several decades, India tended to look upon the EEC as another trading area and not as the collective diplomatic centre for Western Europe. Subsequently, in the broader context

¹⁵ Statement by Jawaharlal Nehru in the Lok Sabha, 29 September 1954, in Indian Council of World Affairs (ed.), *Jawaharlal Nehru in World Affairs 1946–64*, June 1964, Vol. 13, No. 6, p. 88; S. Gopal, *Jawaharlal Nehru. A Biography*, Vol. 2: 1947–1956, London: Jonathan Cape, 1979, p. 240.

¹⁶ Cited in M. Brecher, *India and World Politics: Krishna Menon’s View of the World*, London: Oxford University Press, 1968, p. 30.

¹⁷ J. Nehru’s Letter to Chief Ministers, 26 November 1957, in *SWJN, Second Series*, Vol. 40: 1 November–31 December 1957, New Delhi: Oxford University Press, 2009, pp. 727–728.

¹⁸ *Ibidem*.

¹⁹ I. Gandhi’s interview with *Bild Zeitung*, in *German News* (German Embassy), 15 September 1973, p. 4.

of the North–South dialogue, EEC Member States were perceived as creating hurdles for the establishment of a New International Economic Order.²⁰

Until the détente made gains in the early 1970s, Europe was perceived as the region most vulnerable to incidents and misperceptions which could spark global tensions. In the 1980s, the EEC was described as ‘a major economic force’, ‘a voice in the management of the world economy’,²¹ and ‘an important factor’ in world affairs.²² By the end of the 1980s, the Community was seen as having acquired greater power, which gave it ‘a dynamic political capacity’.²³ The European Community was perceived as an emerging new centre of political and economic power in a world increasingly characterised by regionalisation and the globalisation of commodities, financial and money markets.²⁴

Against the background of Europe’s quest for a distinct political identity and independent role in the management of world affairs (anchored around France and to some extent Britain and Germany), a stalemate in the Indo-US relations and the perceived over-dependence on the Soviet Union, Prime Minister Indira Gandhi is said to have regarded Europe as a ‘third option’.²⁵ Most Indian analysts, however, feel that Europe was never really an option vis-à-vis the United States. It had always been ‘the dependent variable’ and never ‘a real independent variable’ in global strategic affairs. Europe was not going to really make a difference to the strategic concerns of India.²⁶

5. Changing perceptions at the end of the Cold War

Since the 1990s, a key element of Indian foreign policy was to rebuild relationships with the Western world. With the launch of economic reforms in 1991 and the keen desire to integrate into the world economy, Europe became increasingly important in the Indian foreign policy calculus as the West was deemed vital as a source for foreign direct investment, advanced technology and access to markets.

²⁰ Valedictory Address by P.V. Narasimha Rao at the Indo-EEC seminar, Jawaharlal Nehru University, New Delhi, 19 November 1980, in P.V. Narasimha Rao, *A Role of Persuasion: Thoughts on a Nation, a People, and the World to Which They Belong*, New Delhi: Ministry of External Affairs, External Publicity Division, n.d., pp. 153–154.

²¹ Speech by Prime Minister Indira Gandhi at a dinner in honour of Gaston Thorn, President of the European Commission, 1 November 1982, in India, Ministry of External Affairs (ed.), *Selected Speeches and writings of Indira Gandhi*, Vol. 5: *January 1, 1982–October 30, 1984*, New Delhi: Publications Division, 1986, p. 382.

²² India, Ministry of External Affairs, *Annual Report 1987–88*, New Delhi, 1988, pp. 323–333.

²³ N.P. Jain, ‘The European Community and India: The New Horizons’, *Round Table*, 1990, No. 313, pp. 17–21.

²⁴ Address by Minister of External Affairs M. Solanki at the Foreign Service Training Institute, New Delhi, 30 March 1992, in *Foreign Affairs Record*, March 1992, p. 104.

²⁵ A.N. Ram, ‘India and the European Union in the New Millennium’, in R.K. Jain (ed.), *India and the European Union in the 21st Century*, New Delhi: Radiant, 2002, p. 202.

²⁶ C. Rajamohan, ‘India, Europe and the United States’, in R. K. Jain (ed.), op. cit., p. 62.

India was somewhat slow to make an overall politico-economic assessment of the 'new' Europe and assess the implications of the changing landscape in Central and Eastern Europe after the fall of the Berlin Wall. The eastward enlargement had erased 'the vertical faultlines that divided the European continent for over a half century' and the Union was perceived as emerging as 'a politically influential, economically powerful and demographically diverse regional entity in the world'.²⁷

India regards Europe as 'a key pole in the evolving multi-polar international system'²⁸ and considers itself and Europe 'indispensable poles in the emerging multi-polar structures'.²⁹ Indians, however, feel that it is going to be a very long way before Europe is going to act as a pole. Indian analysts as well as the upper and decision-making classes do not see the EU as a counterweight to the United States but as 'a building process and a construct' that could be able to deliver long-term gains for the Indian subcontinent, while maintaining intact the diverse range of Indian bilateral relations with specific European countries.³⁰ The EU displays a lack of geopolitical coherence and has not yet shown signs of acting as a credible power.³¹

The evolution of the Common Foreign and Security Policy and the adoption of the euro by the EU Member States were viewed as 'significant pointers' to the emergence of an 'European identity' and a potentially more important role in international affairs.³² However, this was likely to happen only 'when the European Union can have a convergence of views' on economic, political and strategic matters which are globally important, and then the EU will perhaps be 'a counterbalancing force' in the international global situation.³³ With the implementation of the Lisbon Treaty and the enhanced competences of EU institutions and the expansion of the EU's 'sphere of authority', the Indian Foreign Office felt that cooperation between India and the EU on 'a wider gamut of issues of bilateral, regional and global importance for the two sides' will 'naturally' increase.³⁴ Despite some improvements, many stakeholders, however, remain sceptical whether the institutional improvements of the Lisbon Treaty will result in any quantum leap on how the EU functions and

²⁷ M. Singh, 'Statement by PM Singh on the Eve of His Departure to The Hague', 7 November 2004, <http://www.pmindia.nic.in> (accessed on 22 February 2012).

²⁸ India, Ministry of External Affairs, *Annual Report 2006–2007*, New Delhi, 2007, pp. vii–viii, 79, 94–96, 160.

²⁹ Idem, *Annual Report 2008–2009*, New Delhi, 2009, pp. ii, x, 79, 91–92.

³⁰ J. Ruet, P.P. Chowdhury, H. Vasudevan, 'India's Europe: Cultural Footprints and Conflict Resolution Processes', in I.P. Khosla (ed.), *India and the New Europe*, New Delhi: Konark, 2004, pp. 105–106.

³¹ K. Lisbonne-de Vergeron, *Contemporary Indian Views of Europe*, London: Chatham House, 2006, p. 5.

³² India, Ministry of External Affairs, *Annual Report, 1994–95*, New Delhi, 1999, pp. 58–59.

³³ Speech by Foreign Minister Yashwant Sinha at the National Defence College, 'India's Foreign Policy: Successes, Failures and Vision in the Changing World Order', New Delhi, 18 November 2002, in India, Ministry of External Affairs, *Annual Report, 2007–2008*, New Delhi, 2008, pp. 69, 80–81.

³⁴ India, Ministry of External Affairs, *Annual Report 2010–2011*, New Delhi, 2011; idem, *Annual Report 2009–2010*, New Delhi, 2010.

reaches decisions and doubt whether the External Action Service will necessarily revolutionise the world.

6. Perceptions of Indian elites³⁵

The Indian elites' perceptions of the EU have been and for the most part continue to be essentially conditioned by the Anglo-Saxon media. This has resulted in a rather fragmented and partial view of Europe and its culture since it tended to reinforce and sustain traditional stereotypical images and clichés. It also impedes a more nuanced understanding of the processes and dynamics of European integration as well as the intricacies and roles of EU institutions. The EU is widely acknowledged in India as an economic superpower and a formidable negotiator in multilateral trade negotiations. For the great majority of Indians, however, most of Europe is a strange land, an exotic place for tourism, to which only a privileged layer of the society has had access.

The political elites, irrespective of their political affiliation, refrained from specifying the relative importance of the EU in relation to other countries/regions. The business elites acknowledged the importance of the EU to India although many of them declared the United States to be the most important country for India. They, however, claimed the EU to be a better economic partner than China.

The civil society elite considered the United States to be more important than the EU as it plays a more vital role in Indian foreign policy. They also highlighted the importance of other countries such as China, Japan and Russia and felt that more intense engagement was evident in the case of India's bilateral relations with the EU Member States than with the Union as a collective.

The elite across all cohorts declared the EU to be a formidable economic actor on the international scene. Many of them, however, felt that the Union tended to toe the American line on global political, military and security matters. Some 'elites' described the EU as a major player in terms of agenda-setting and regulating the norms of international behaviour. Some even felt that the EU was still at an 'experimental level', while others considered it to be an 'emerging power'. The EU was believed to have the potential to emerge as a leader in international politics. The elite described the Union as a unique and desirable/positive experiment, but felt that it lacked cohesion and adequate political will as was evident during the Iraq war as well as during the Copenhagen climate negotiations. It was surmised that the EU would continue to be regarded as a 'big player in a great game but not the leader'. However, some 'elites'

³⁵ This section draws on R.K. Jain and Sh. Pandey, 'The Public Attitudes and Images of the European Union in India', *India Quarterly*, 2012, Vol. 68, No. 4, pp. 337–338. Semi-structured face-to-face interviews of 38 Indian stakeholders were conducted during the second phase of the project (1 January to 30 June 2010) in New Delhi in order to identify their perceptions of the EU. Of these, eight were former/present members of the Lok Sabha and the Rajya Sabha including Union Ministers, 10 were affiliated to big businesses, 10 belonged to civil society and the remaining 10 were media elite.

recognised the EU as a leader in international politics. They cited the European Union's contribution in Afghanistan and efforts to improve relations with Iraq as well as its role in the democratisation of Central and Eastern Europe.

'Elites' across all categories invariably expressed the view that economic issues continue to be crucial in defining EU–India relations. The media elite highlighted that discussions pertaining to civilian nuclear cooperation and technology transfer had emerged as issues of considerable importance, whereas the political elite mentioned terrorism, tourism, development, free movement of labour, the World Trade Organization (WTO), and climate change negotiations as the main issues of current concern. Facilitating the movement of students seeking education as well as efforts towards non-proliferation and disarmament also found frequent mention.

Given India's competitive advantage in skilled manpower, the Indian elite urged that efforts be made to ease visa restrictions and legalise greater immigration of skilled workforce to the EU. Some suggested that EU standards ought to be kept in mind in the course of policymaking relating to manufacturing, sale and distribution of goods and services.

The 'elites' were also asked to rate the importance of the EU to India both in the present and in the future. There was a uniform increase across all categories from the present to the future. Business 'elites' were the most optimistic about the present as well as the future and seemed confident of a robust growth in India–EU trade relations. Conversely, the media elite were the most hesitant in acknowledging the importance of the EU in areas other than trade and climate change negotiations. This finding is consistent with the less than adequate coverage of the EU by the Indian print media.

The 'elites' painted an overwhelmingly positive picture when asked about the three spontaneous images that came to their mind when thinking about the EU with a few negative comments made by one or two elites across all categories. The dominant images of all 'elites' were clearly the euro, the Schengen visa, borderlessness, the brotherhood and unity that emerged after the Second World War, and of the EU being a unique experiment. There were only a handful of negative notions about the Union. The elites in general were sceptical about the political strength of the EU as an actor and about its relative significance and strength compared to the United States.

7. Perceptions of the European society

European social and cultural strengths include anti-discrimination laws and institutions aimed at combating discrimination and exclusion on grounds of religion, gender or ethnicity, viable democratic institutions, efficient governance, 'an uncompromising commitment to the rule of law, and a relentless striving for collective self-introspection and self-correction'.³⁶ India could also learn from European experience

³⁶ A.R. Momin, 'India as a Model for Multiethnic Europe', *Asia Europe Journal*, 2006, Vol. 4, No. 4, p. 535.

how to limit the influence of kin and nepotism in politics. A major strength of Europe is stable political institutions, including the norms of coalition governance, which are more driven by issues and stability.

With Europe having become increasingly multicultural, multiethnic and multilingual, it confronts a major challenge of diversity management and accommodation. Many educated Indians have tended to feel that Europe tends to be 'socially and culturally protectionist',³⁷ that Europe confronts social and political difficulties in dealing with its diversity of cultures, that multiculturalism does not seem to be working in Europe, and that European societies have not been able to meaningfully integrate non-Western ethnic minorities, especially Muslims.

Europe is perceived as deeply divided on the issue of Turkey's accession to the EU. If Turkey is admitted, a former Indian foreign minister remarked, it will mean 'the entry of the first Muslim country into the EU. If it is not, the EU will be perceived as an exclusively Christian Club'.³⁸ The admission of Turkey in the European Union is considered by many in India to be a real litmus test for the secular and pluralistic credentials of Europe. If it turned out that Turkey was considered ineligible for EU membership even after it abided by the admission norms just because it is a Muslim country, it would send 'a very wrong signal'.³⁹

For most Indians, there is nothing like a European culture, but many cultures and identities. This is partly the result of the ambiguity of the discourse about the EU's cultural identity within the European Union itself, which has been seeking to foster a European identity and common European values.

8. Postmodernist Europe

To most Indians, postmodern Europe seems to be a lonely power in what is basically a Westphalian world with pre-modern and modern mindsets. India's natural reference-frame is that of hard power and to the Indian elite soft power means no power. Postmodernism is not only 'alien but baffling for the Indian system'.⁴⁰

Postmodernist Europe has increasingly become a norms entrepreneur which engages in a kind of 'regulatory imperialism' through 'unilateral regulatory globalisation'.⁴¹ It seems to propagate and reflexively impose social, economic and ideological

³⁷ K. Lisbonne-de Vergeron, *op.cit.*, p. 41.

³⁸ Address by External Affairs Minister K. Natwar Singh at the seminar organised by the Observer Research Foundation, 'Europe and Asia: Perspectives on the Emerging International Order', New Delhi, 19 November 2004.

³⁹ 'Prime Minister Dr. Manmohan Singh's Interview with The Wall Street Journal Editorial Board', 22 September 2004, <http://www.mea.gov.in/interviews.htm?dtl/4562/Prime+Minister+Dr+Manmohan+Singhs+interview+with+Wall+Street+Journal+Editorial+Board> (accessed on 12 November 2014).

⁴⁰ P.P. Chaudhuri, 'Europe and the Rise of Asia', Jean Monnet Lecture, School of International Studies, Jawaharlal Nehru University, 17 October 2011.

⁴¹ A. Bradford, 'European Regulatory Imperialism', 1 September 2011, http://esnie.org/pdf/Florence_2011/Bradford.pdf (accessed on 12 November 2014).

norms as global public goods that have been so successful in Europe at the global level irrespective of other countries' stage of development, historical background, and social and cultural peculiarities. There is a basic contestation about the content, value and scope of norms because 'efforts by developing countries to play a role in the framing of rules, standards and norms for their participation in global trade and financial markets achieved only marginal results'.⁴² Thus, as Shyam Saran put it,

the role of the emerging economies was seen more in terms of co-opting them in a largely Western dominated system, ensuring that they played by the rules already established by the dominant players. If the global economic architecture was undergoing change in response to the transformation of the global economy, the change was still driven by the Western, industrialized economies with little by way of agenda setting by the emerging economies. The existing architecture was sought to be retained even while accommodating new players. More tenants occupied the building, but the landlord, who set the house rules, remained the same.⁴³

9. The Eurozone sovereign debt crisis

The global slowdown due to the unfolding of the Eurozone sovereign debt crisis has, *inter alia*, impacted the Indian economy through the deceleration in exports, the widening of the trade and current account deficit, the decline in capital flows, the fall in the value of the Indian rupee, the stock market decline and lower economic growth. Initial German and French responses to the disconnect between the single European currency, the single European Central Bank, and the fragmented fiscal arrangement were characterised by efforts to avoid confronting the challenge head-on by various 'Band-Aid solutions' such as the bailout packages for Ireland, Greece and Portugal.⁴⁴ India has been concerned about the social effects of austerity measures, especially as restoring competitiveness in most South European countries will in all likelihood be a multigenerational project.

10. Conclusions

Most stakeholders in India believe the European Union displays a lack of geo-political coherence and has not yet shown signs of acting as a credible power. On many foreign policy issues, Europe is not a single voice, but multiple voices competing for attention. Indians feel that it is going to be a very long way before Europe is going to act as a coherent foreign policy actor or counterweight to the United States.

⁴² S. Saran, *Global Governance and Emerging Economies – An Indian Perspective*, 7 June 2012, [http://www.ris.org.in/images/RIS_images/pdf/Emerging EconomiesPaperfinal.pdf](http://www.ris.org.in/images/RIS_images/pdf/Emerging_EconomiesPaperfinal.pdf) (accessed 12 November 2014), pp. 8, 14.

⁴³ *Ibidem*, p. 17.

⁴⁴ *Idem*, 'The Coming Global Crisis – Is India Ready?', *Business Standard*, 21 September 2011.

Both India and Europe have to make a conscious effort to overcome perceptual differences since misperceptions constrain greater mutual cooperation and dialogue. It is essential to explore innovative ways of how the EU can better target and synergise its media and communication strategies in key strategic partners like India in order to enhance its visibility and overcome stereotypes and misperceptions. More importantly, it is about overcoming the enormous information deficit which still persists about the EU in India and about India in the Union largely because of mutual indifference and neglect. Clearly, both have a visibility issue to address and an imperative need to devise more coherent and effective public diplomacy strategies.

Europeans have to revise their mental maps about the growing profile of emerging powers and the gradual shift of economic power to the East. This may not happen soon as old habits die hard, especially as Europeans are used to being influenced, and at one point of time, whether you get listened to depended on Europe. With the rise of the Rest, things are not quite what they seemed to be.

The European Union is increasingly perceived by India as a key strategic partner in meeting its development needs. This offers considerable opportunities for enhancing mutual cooperation. A worsening demographic profile with an ageing population is compelling the European Union to address the problems and opportunities of in-sourcing highly skilled immigrants or outsourcing services. There is considerable potential for India and Europe to move increasingly towards partnership in cutting-edge technologies in a manner which combines India's strengths with European capabilities. Growing trade and the rise of Indian multinationals is creating constituencies in Europe, which will be further strengthened by the conclusion of the India–EU trade and investment agreement.