INDIA

Official Name:

Capital:

Head of State:

Head of Government:

Minister of External Affairs:

ed 844 million in development

Minister of Commerce:

Republic of India

New Delhi

President Dr. Shankar Dayal Sharma

Prime Minister P.V. Narasimha Rao

Dinesh Singh

Pranab Mukherjee

DOMESTIC SITUATION

India's democracy remains vibrant, despite the many stresses caused by strong regional, linguistic, religious and social differences. Independence movements in Punjab, Kashmir and Assam have taken their toll, and Hindu chauvinism poses a serious challenge to the traditional secular base of Indian politics.

India is a major regional power and a forceful and articulate defender of developing country interests — economic as well as political. India can be expected to stake its claim to a permanent seat on the United Nations Security Council if Council reform becomes a real possibility. India is not a signatory of the nuclear Non-Proliferation Treaty, and its nuclear and conventional weapons ambitions are a source of concern.

In the Multilateral Trade Negotiations, India has been a leading proponent of special treatment for developing countries. Although this position has collided on occasion with developed country interests, India has taken important steps recently to liberalize its economy and promote greater openness to international trade and investment.

CANADIAN INTERESTS

i) Trade and Economic

Indo-Canadian trade relations have broadened somewhat as a result of efforts by both countries to identify and promote a greater degree of commercial activity. Trade and investment relations should expand, though progress will be gradual rather than dramatic.