

Bush: U.S.-India Trade Will Help Workers

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By DEB RIECHMANN, Associated Press Writer *35 minutes ago*

Applauding newly warming U.S.-India relations, President Bush said Friday Americans should not respond to this nation's exploding economy by closing itself off to global trade.

"The United States will not give into the protectionists and lose these opportunities," Bush said in a speech at Purana Qila, a historic fort here. "For the sake of workers in both our countries, America will trade with confidence."

Bush then left India after a three-day stay with a landmark nuclear deal that is the centerpiece of America's new romance with this 1 billion-strong democracy, the world's largest. He headed to Pakistan for an overnight visit under extraordinary security to a close anti-terror partner struggling with terrorism problems.

"I will meet with President Musharraf to discuss Pakistan's vital cooperation in the war on terror and our efforts to foster economic and political development so that we can reduce the appeal of radical Islam," Bush said. "I believe that a prosperous, democratic Pakistan will be a steadfast partner for America, a peaceful neighbor for India and a force for freedom and moderation in the Arab world."

Later, White House press secretary Scott McClellan told reporters that Bush meant to say Pakistan would be a force for freedom and moderation in the Muslim world. Pakistan is not an Arab country.

In India, an estimated 40 percent of Indians live on less than \$1 a day. Yet the middle class has swelled to more than 300 million, a number larger than the entire U.S. population, and India's exploding economy has created millions of jobs.

The outsourcing industry — in which Indian firms handle everything from software engineering to customer service call centers for foreign companies — is expected to bring in \$22 billion in revenue alone this fiscal year. Much of that outsourcing business is generated by U.S. companies, many that have eliminated domestic jobs for cheaper Indian labor.

The president said the United States should see this rapidly growing nation as a land of opportunity instead of a threat. America's best response to globalization is not to erect economic barriers to protect workers, but educate them to make sure they can compete on any stage, Bush said.

"In my country, some focus only on one aspect of our trade relations with India — outsourcing," he said.

But he also urged India to lift caps on foreign investment, lower tariffs that penalize American agricultural markets and protect its workers and children from abuses.

"India has responsibilities too," he said.

Bush told several hundred people from a brightly lit stage that he's been "dazzled" by India.

"Our two great democracies are now united by opportunities that can lift our people and by threats that can bring down all our progress," he said. "The United States and India, separated by half the globe, are closer than ever before, and the partnership between our free nations has the power to transform the world."

Bush spent much of Friday in Hyderabad, one of India's high-tech hubs that's driving economic expansion.

He met with young entrepreneurs at a business school, and visited an agricultural college that is researching biotechnology and ways to increase yields and output. Roughly 65 percent of India's population makes its living off agriculture, but the nation's farm sector lags behind.

In another part of the city that Bush didn't see, black flags flew above buildings in the predominantly Muslim Charminar quarter, where shops were closed in protest. Several hundred communist and Muslim demonstrators, chanting "Bush hands off India" and "Bush go home," carried posters of Osama bin Laden and burned an effigy of the president.

"We are protesting against George Bush because he is a warmonger," said B.V. Raghavulu, a leader of the Communist Party of India (Marxist).

Once Bush returns to Washington over the weekend, he must sell skeptics in Congress on the deal he inked with Indian Prime Minister Manmohan Singh for the United States to provide nuclear fuel, reactors and know-how to help India meet its growing demand for power.

As the president headed to Pakistan, Bush aides said officials were satisfied adequate security precautions were in place. National security adviser Stephen Hadley acknowledged, though, that "this is not a risk-free undertaking."

Bush has promised to raise with President Gen. Pervez Musharraf the need to do more to hunt down al-Qaida members. Bin Laden is believed to be hiding along the porous and mountainous border with Afghanistan. And just a day before Bush arrived, a suicide car bomber killed an American diplomat and three others in a strike near the U.S. consulate in the southern port city of Karachi, a hotbed of Islamic militancy hundreds of miles from Islamabad, where the president was staying.

He also will talk about the need for additional democratic reforms.

But a public show of solidarity for the Pakistani leader, who has survived repeated assassination attempts in part because of his support for the U.S. war on terror, was taking center stage.

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