SOUTH ASIA
Envisioning a Regional Future
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Envisioning a Regional Future

Editor
Smruti S Pattanaik

Institute for Defence Studies & Analyses
New Delhi

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<td>ADB</td>
<td>Asian Development Bank</td>
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<tr>
<td>AFTA</td>
<td>ASEAN Free Trade Agreement</td>
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<tr>
<td>AL</td>
<td>Awami League</td>
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<tr>
<td>ANA</td>
<td>Afghan National Army</td>
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<tr>
<td>ANDS</td>
<td>Afghanistan National Development Strategy</td>
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<tr>
<td>APEC</td>
<td>Asia-Pacific Economic Cooperation</td>
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<tr>
<td>APECCITT</td>
<td>Asia-Pacific Economic Cooperation Counter Terrorism Task-force</td>
</tr>
<tr>
<td>APRC</td>
<td>All-Party Representative Committee</td>
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<tr>
<td>ASEAN</td>
<td>Association of the South East Asian Nations</td>
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<tr>
<td>BG</td>
<td>Broad Gauge</td>
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<tr>
<td>BIMSTEC</td>
<td>Bay of Bengal Multilateral Sectoral Technical Economic Cooperation</td>
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<td>BNP</td>
<td>Bangladesh National Party</td>
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<td>BOT</td>
<td>Build Own Transfer</td>
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<tr>
<td>CA</td>
<td>Constituent Assembly</td>
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<tr>
<td>CAREC</td>
<td>Central Asian Regional Economic Cooperation</td>
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<tr>
<td>CBO</td>
<td>Community Based Organisation</td>
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<tr>
<td>CC</td>
<td>Constitutional Committee</td>
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<tr>
<td>CENTO</td>
<td>Central Treaty Organisation</td>
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<tr>
<td>CFA</td>
<td>Ceasefire Agreement</td>
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<td>CPA</td>
<td>Comprehensive Peace Agreement</td>
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<tr>
<td>CPJ</td>
<td>Consultative Peace Jirga</td>
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<tr>
<td>CPN (UML)</td>
<td>Communist Party of Nepal-United Marxist Leninist</td>
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<tr>
<td>CSC</td>
<td>Council of Security Cooperation</td>
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<td>CSO</td>
<td>Civil Society Organisation</td>
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<td>Abbreviation</td>
<td>Full Form</td>
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<tr>
<td>CTTCS</td>
<td>Counter-Terrorism Transnational Crime Sector</td>
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<td>DAC</td>
<td>Development Cooperation Directorate</td>
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<td>DG</td>
<td>Dual Gauge</td>
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<td>ECO</td>
<td>Economic Cooperation Organisation</td>
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<td>EPDP</td>
<td>Eelam Peoples’ Democratic Party</td>
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<td>EU</td>
<td>European Union</td>
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<td>FAO</td>
<td>Food and Agricultural Organisation</td>
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<td>FARC</td>
<td>Revolutionary Armed Force of Columbia</td>
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<td>FATA</td>
<td>Federally Administered Tribal Area</td>
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<td>FDI</td>
<td>Foreign Direct Investment</td>
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<td>FEW</td>
<td>Food-Energy-Water</td>
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<td>FIA</td>
<td>Federal Investigation Agency</td>
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<td>Free Trade Agreement</td>
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<td>GBM</td>
<td>Ganga Brahmaputra Meghna</td>
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<td>GCC</td>
<td>Gulf Cooperation Council</td>
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<td>GEP</td>
<td>Group of Eminent Person</td>
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<td>GER</td>
<td>Gross Enrolment Rate</td>
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<td>GHQ</td>
<td>General Head Quarter</td>
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<td>GLOF</td>
<td>Glacial Lake Outburst Flood</td>
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<td>GoSL</td>
<td>Government of Sri Lanka</td>
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<td>GWOT</td>
<td>Global War on Terror</td>
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<td>HDI</td>
<td>Human Development Index</td>
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<td>HQ</td>
<td>Head Quarter</td>
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<td>HRCP</td>
<td>Human Rights Commission of Pakistan</td>
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<td>IC</td>
<td>International Community</td>
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<td>IC</td>
<td>Interim Constitution</td>
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<tr>
<td>ICD</td>
<td>Inland Container Depot</td>
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<tr>
<td>ICMOD</td>
<td>International Centre for Integrated Mountain Development</td>
</tr>
<tr>
<td>IDP</td>
<td>Internally Displaced Person</td>
</tr>
<tr>
<td>INGO</td>
<td>International Non Governmental Organisation</td>
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<tr>
<td>IPA</td>
<td>Integrated Program of Action</td>
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<td>IPKF</td>
<td>Indian Peace Keeping Force</td>
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<tr>
<td>ISAF</td>
<td>International Security Assistance Force</td>
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<tr>
<td>ISGA</td>
<td>Interim Self-Governing Authority</td>
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<th>Abbreviation</th>
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<td>ISI</td>
<td>Inter-Services Intelligence</td>
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<tr>
<td>IWT</td>
<td>Inland Water Transit</td>
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<td>IWT</td>
<td>Indus Water Treaty</td>
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<tr>
<td>JHU</td>
<td>Jathika Hela Urumaya</td>
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<tr>
<td>JVP</td>
<td>Janatha Vimukthi Peramuna</td>
</tr>
<tr>
<td>LDC</td>
<td>Least Developed Countries</td>
</tr>
<tr>
<td>LTTE</td>
<td>Liberation Tiger of Tamil Eelam</td>
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<tr>
<td>MDP</td>
<td>Maldives Democratic Party</td>
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<tr>
<td>MG</td>
<td>Meter Gauge</td>
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<tr>
<td>NA</td>
<td>Nepal Army</td>
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<tr>
<td>NAFTA</td>
<td>North America Free Trade agreement</td>
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<td>NATO</td>
<td>North Atlantic Treaty Organisation</td>
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<td>NC</td>
<td>Nepali Congress</td>
</tr>
<tr>
<td>NEFIN</td>
<td>Nepal Federation of Indigenous People and Nationalities</td>
</tr>
<tr>
<td>NERF</td>
<td>North East Reconstruction Fund</td>
</tr>
<tr>
<td>NSG</td>
<td>Nuclear Suppliers Group</td>
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<tr>
<td>NTB</td>
<td>Non Tariff Barrier</td>
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<tr>
<td>NWFP</td>
<td>North West Frontier Province</td>
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<tr>
<td>OECD</td>
<td>Organisation for Economic Cooperation and Development</td>
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<td>OEF</td>
<td>Operation Enduring Freedom</td>
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<tr>
<td>PCPB</td>
<td>Post Conflict Peace Building</td>
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<td>PIC</td>
<td>Permanent Indus Commission</td>
</tr>
<tr>
<td>PLA</td>
<td>People's Liberation Army</td>
</tr>
<tr>
<td>PRT</td>
<td>Provincial Reconstruction Team</td>
</tr>
<tr>
<td>P-TOM</td>
<td>Post-Tsunami Operational Mechanism</td>
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<tr>
<td>RECC</td>
<td>Regional Economic Cooperation Conference</td>
</tr>
<tr>
<td>RSC</td>
<td>Regional Security Complex</td>
</tr>
<tr>
<td>RSS</td>
<td>Rashtriya Swayamsevak Sangh</td>
</tr>
<tr>
<td>SAARC</td>
<td>South Asian Association for Regional Cooperation</td>
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<tr>
<td>SADF</td>
<td>South Asian Development Fund</td>
</tr>
<tr>
<td>SAGQ</td>
<td>South Asia Growth Quadrangle</td>
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<tr>
<td>SAP</td>
<td>Structural Adjustment Program</td>
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<tr>
<td>SAPTA</td>
<td>South Asia Preferential Trade Agreement</td>
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<tr>
<td>SAFTA</td>
<td>South Asia Free Trade Agreement</td>
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<tr>
<td>Acronym</td>
<td>Full Form</td>
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<tr>
<td>SCO</td>
<td>Shanghai Cooperation Organisation</td>
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<tr>
<td>SDF</td>
<td>SAARC Development Fund</td>
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<tr>
<td>SDOMD</td>
<td>SAARC Drug Offence Monitoring Desk</td>
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<td>SEATO</td>
<td>South East Asian Treaty Organisation</td>
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<td>SFRP</td>
<td>SAARC Fund for Regional Projects</td>
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<td>SIPA</td>
<td>SAARC Integrated Plan of Action</td>
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<td>SLFP</td>
<td>Sri Lanka Freedom Party</td>
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<td>SRMTS</td>
<td>SAARC Regional Multimodal Transport Study</td>
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<td>SSR</td>
<td>Security Sector Reform</td>
</tr>
<tr>
<td>STOMD</td>
<td>SAARC Terrorist Offences Monitoring Desk</td>
</tr>
<tr>
<td>TAPI</td>
<td>Turkmenistan-Afghanistan-Pakistan-India</td>
</tr>
<tr>
<td>TAR</td>
<td>Tibetan Autonomous Region</td>
</tr>
<tr>
<td>TMVP</td>
<td>Tamil Makkal Viduthalai Puligal</td>
</tr>
<tr>
<td>TULF</td>
<td>Tamil United Liberation Front</td>
</tr>
<tr>
<td>UCPN</td>
<td>United Communist Party of Nepal</td>
</tr>
<tr>
<td>ULFA</td>
<td>United Liberation Front of Assam</td>
</tr>
<tr>
<td>UNDP</td>
<td>United Nations Development Program</td>
</tr>
<tr>
<td>UNESCO</td>
<td>United Nations Economic, Social and Cultural Organisation</td>
</tr>
<tr>
<td>UNFCCC</td>
<td>UN Framework Convention on Climate Change</td>
</tr>
<tr>
<td>UNGA</td>
<td>United Nations General Assembly</td>
</tr>
<tr>
<td>UNMIN</td>
<td>United Nation Monitoring Mission in Nepal</td>
</tr>
<tr>
<td>UN-OHCHR</td>
<td>UN Office of the High Commissioner for Human Rights</td>
</tr>
<tr>
<td>UNP</td>
<td>United National Party</td>
</tr>
<tr>
<td>UNSC</td>
<td>United Nations Security Council</td>
</tr>
<tr>
<td>UNSG</td>
<td>United Nations Secretary General</td>
</tr>
<tr>
<td>UPFA</td>
<td>United People’s Freedom Alliance</td>
</tr>
<tr>
<td>USGAO</td>
<td>United States Government Accountability Office</td>
</tr>
<tr>
<td>VHP</td>
<td>Vishwa Hindu Parishad</td>
</tr>
<tr>
<td>WB</td>
<td>World Bank</td>
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<tr>
<td>WMD</td>
<td>Weapons of Mass Destruction</td>
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<tr>
<td>WoT</td>
<td>War on Terror</td>
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</table>
About the Contributors

1. **Nirupama Rao** is Foreign Secretary, Government of India. She has served in various world capitals, including Washington and Moscow. She has had extensive experience in relations between India and China, having served in the East Asia Division of the Ministry of External Affairs, New Delhi from 1984 to 1992, including as Joint Secretary (East Asia). Ms. Rao was a Fellow of the Centre for International Affairs (now the Weatherhead Centre) of Harvard University from 1992-93. She was a Fellow of the Centre for International Affairs (now the Weatherhead Centre) of Harvard University from 1992-93. She was Minister in the Indian Embassy in Washington from 1993-95, in charge of Press Affairs. She served as the first woman spokesperson of the Ministry of External Affairs. She was High Commissioner for India in Sri Lanka (2004-06) and thereafter Ambassador of India to China (October 2006–July 2009).

2. **Arvind Gupta** holds the Lal Bahadur Shastri Chair at the Institute for Defence Studies and Analyses and is Additional Secretary, Ministry of External Affairs. He served as Joint Secretary at the National Security Council Secretariat. He has written extensively on India’s foreign policy and non-traditional security issues, including climate change. He also heads IDSA Task Forces on Environmental security, water Security, Pakistan and Nuclear issues. He has authored and edited a number of books. He is the Convener of the Indian Pugwash Society.

3. **Sujit Dutta** holds the Mahatma Gandhi Chair and is a Professor at the Nelson Mandela Centre for Peace and Conflict Resolution, Jamia Millia Islamia, Delhi. He is also Senior Fellow at the IDSA currently on lien. He was a Senior Fellow at the US Institute of Peace in 1998. He has been a member of the Eminent Person’s Group on India-China Relations and has written extensively on Asian Security, China and East Asia.

4. **Shahedul Anam Khan** is Strategic Affairs Editor of the *Daily Star*, and also former Director General of the Bangladesh Institute for International and Strategic Studies, Dhaka. He earlier served as Director of Military Intelligence and Director of Military Operations at the Army Headquarters in Bangladesh. He is the joint author of *Understanding Terrorism in South Asia: Beyond Statist Discourse*, published in 2006, *Terrorism in the 21st*
South Asia: Envisioning a Regional Future

Century: Perspectives from Bangladesh and Countering Terrorism in Bangladesh, both published in 2008.

5. Kaiser Bengali is Advisor to the Chief Minister on Planning and Development, Government of Sindh, Pakistan. He is an economist and has a Masters Degree in Economics from Boston University, and a PhD in Economics from University of Karachi. He was also a member of National Finance Commission, National Coordinator of the Benazir Income Support Program, Managing Director of the Social Policy & Development Centre, Karachi and has taught in various Universities.

6. Nausheen Wasi is Lecturer at the Department of International Relations, University of Karachi. Earlier, she was associated with the Pakistan Institute of International Affairs as a Research Scholar. Ms. Wasi has numerous publications to her credit. Her areas of interest include security studies and issues of regional cooperation and integration with particular reference to South Asia.

7. Darini Rajasingham Senanayake is a Social Anthropologist based in Colombo. She has also been a Research Fellow at the Institute of South Asian Studies at the National University of Singapore. She has a MA and PhD from Princeton University. She is recipient of various fellowships like the Fulbright New Century Scholarship; Asia Fellowship; and a Social Science Research Council-Macarthur Foundation Fellowship. She has authored a number of books and has several publications in international journals to her credit.

8. Uttam Sinha is Research Fellow at the Institute for Defence Studies and Analyses. He was a Chevening Fellow in 2008 and a visiting fellow to the International Peace Research Institute, Oslo. He has written a number of articles in national and international journals and has co-edited two books. He specialises on non-traditional security issues including climate change and water security issues in South Asia, and co-authored IDSA Task Force Report on “Security Implications of Climate Change in India”, published in 2009.

9. Davood Moradian, Director General, Centre for Strategic Studies, Ministry of Foreign Affairs, Kabul. He is also a Senior Policy Advisor to the Foreign Minister of Afghanistan. He has completed his undergraduate studies in the University of London in the field of International Relations and International law. He obtained his PhD from University of St Andrews (Scotland), where he also taught International Relations.

10. Sumanasiri Liyanage teaches political economy at the University of Peradeniya, Sri Lanka. He is a regular contributor on social issues in Sri Lanka to academic journals. He has co-edited two books; A Glimmer of
About the Contributors


11. Krishna P. Khanal is a Professor of Political Science at the Tribhuvan University in Nepal. He holds Master's Degree from the same University. His latest publications include Nepal’s Discourses on Constituent Assembly (2005), Restructuring the State (in Nepali, 2008), He has edited Federalism in Nepal – Execution and Management (in Nepali, 2008).

12. Tahmina Rashid is an Associate Professor at University of Canberra, Australia. She was earlier the Program Director, International Development in the School of Global Studies, Social Science and Planning at RMIT University, Melbourne. She is the author of Contested Representations: Punjabi Women in Feminist Debates in Pakistan, Karachi, Oxford University Press, 2006.

13. Ibrahim Hussein Zaki is currently the Special Envoy of the President of the Maldives and also the elected Vice-President of the Maldivian Democratic Party (MDP) that came into power in November 2008 following the first ever multi-party elections held in the country.

14. Nishchal N. Pandey is Director of the Centre for South Asian Studies (CSAS), Kathmandu. He was previously Executive Director, Deputy Executive Director and Research and Documentation Officer of the Institute of Foreign Affairs (IFA) under the Ministry of Foreign Affairs, Government of Nepal where he worked from 1998-2006. He had written a number of books, his latest publication New Nepal: The Fault Lines was published by Sage Publications, New Delhi in 2010.

15. Ahmed Shayeq Qassem is a former Afghan diplomat and a researcher based in London. He is a PhD from the Australian National University, Canberra. He was earlier serving the Foreign Ministry of Afghanistan. His latest book titled, Afghanistan’s Political Stability is published by Ashgate in 2009.

16. Rajesh Rajagopalan is Professor in International Politics, Organisation and Disarmament at Centre for International Politics, Organization and Disarmament, School of International Studies. Previously, he was a Senior Fellow at the Observer Research Foundation, New Delhi, and Research Fellow at the Institute for Defence Studies and Analyses, New Delhi. He also served as Deputy Secretary in the National Security Council Secretariat, Government of India (2000-2001). He has written two books, Fighting Like a Guerrilla: The Indian Army and Counterinsurgency (New Delhi: Routledge, 2008; and Abingdon, UK, Routledge, 2008) and

17. **Swaran Singh** is Professor of Disarmament and Diplomacy, Jawaharlal Nehru University, New Delhi. He has been a visiting faculty at Beijing University, Xiamen University, Shanghai Institute of International Studies and SIPRI. Professor Singh has authored a number of books like *China-India Economic Engagement: Building Mutual Confidence* (2005), *China-South Asia: Issues, Equations, Policies* (2003) and *China’s Changing National Security Doctrines* (1999) and *Limited War* (1995); recently edited work *China-Pakistan Strategic Cooperation: Indian Perspectives* (2007) and co-authored *Regionalism in South Asian Diplomacy* (SIPRI Policy Paper No. 15, February 2007).

18. **Smruti S. Pattanaik** is Research Fellow at the Institute for Defence Studies and Analyses, New Delhi. She has a PhD in South Asian Studies from the School of International Studies, Jawaharlal Nehru University, New Delhi. She has been a Post-Doctoral Fellow at the MSH and CERI (Sciences Po), Paris and a Visiting Asia Fellow at the Department of International Relations, Dhaka University, in 2004 and 2007. Her current research is focussed on India’s Neighbourhood Policy. She is the author of *Elite Perceptions in Foreign Policy: Role of Print Media in Influence Indo-Pak Relations, 1989-99*, published by Manohar Publishers in 2004.

19. **Nitya Nanda** is a Fellow with the Centre for Global Agreements, Legislation and Trade, The Energy and Resources Institute (TERI), New Delhi. He has several publications on trade and economic issues in national and international journals and edited volumes. He is the author of *Expanding Frontiers of Global Trade Rules: The Political Economy Dynamics of the International Trading System* published by Routledge, London.

20. **Souvik Bhattacharjya** is a Research Associate with the Centre for Global Agreements, Legislation and Trade, The Energy and Resources Institute (TERI), New Delhi. He was awarded the UNEP Fellowship for its Global Flagship Project on “Environment and Development”.

21. **M. Rahmatullah** is the Former Director (Transport), UNESCAP and is currently the Transport Policy Advisor to the Government of Bangladesh. He has been a founding faculty member of Urban and Regional Planning Department, Bangladesh University of Engineering and Technology. He was also Program Director, Centre for Policy Dialogue. He has authored two Policy Briefs on Transport issues, and also pursued research on regional cooperation in transport among SAARC and BCIM countries, as a team leader for the SAARC Regional Multimodal Transport Study (SRMTS).
Introduction
Moving Beyond the Rhetoric of Cooperation

Smruti S Pattanaik

The idea of a political community cutting across state boundaries of global citizenship, of economic integration among states is not new in international politics. Ever since the modern state system came into being, rather than functioning as self-contained units, the states have cooperated with each other to deal with various issues of common interest and concern. While earlier such cooperation often took the shape of military alliances to counter potential adversaries, with advancement in global communication and revolution in information technology, more and more states realised the need of greater economic cooperation and mutual interdependence as a means for global peace and harmony.

With the birth of the European Union, the concept of economic integration gained political currency in international politics. The phenomenon of globalisation also contributed to the movement towards integration of markets and interdependence between countries. Today the world economy is so integrated that economic crises in one country now have a spiraling effect on the entire world. The recent credit crises in the US which had a world impact is a case in point. Economic integration is an integral part of development efforts in any region of the world. However, South Asian countries mired in mutual suspicion and mistrust are still lukewarm to the idea of regional integration even if they have adopted national measures to integrate individual countries with the global market. Some of them have even emerged as major players in world trade – of course, as suppliers of mostly finished products.

South Asia’s growing economy, its emerging markets and expanding middle class with greater purchasing power has made the region one of the most sought after destinations for trade and investment. This is despite the
reluctance of the countries in the region to form a common economic unit. However, there is a prospect for greater regional cooperation now than ever before. Interestingly, the recent political transition and establishment of democratically elected governments in many South Asian countries has generated hopes of political stability in the region. This would be an important factor in establishing peace and political stability in the region. It is hoped that with the onset of democracy in most of the countries, the elected governments would take adequate steps for good governance and economic development to cater to the demands of the people they represent. Many in South Asia live below the poverty line and have high expectations from their governments. They are the people who constitute a large 'vote bank' in electoral politics. Therefore, popular aspiration embedded in electoral politics is likely to create pressures for greater indulgence of the governments in economic development which would create opportunities for breaking out of their insular and inward-looking economies and pave the way for regional economic integration.

At the political level too, there is a need for greater inter-governmental coordination and synchronisation of efforts to fight the common threats of transnational network of terrorists, illegal flow of arms and ammunitions and rise of religious radicalism. Given the porous borders and ethno-communal linkages amongst the people, political instability in one country will inevitably have adverse impact on the society and politics of other states. Terrorist violence in one country has inter-state ramifications. Countries in the region continue to host refugees and illegal immigrants which have larger socio-economic and security repercussions. Exacerbation of conflict in some countries, inability of countries to deal with violence politically and accommodation of minority rights have created the conditions for perpetuation of violence. It is in this context that cooperation becomes the key. Therefore, relations between the South Asian countries becomes crucial as a framework of analysis to envision a common regional future in terms of economic cooperation and political stability of the region.

**Economics of Cooperation**

Current global economic downturn has affected the export-oriented economies of South Asian countries that send bulk of its products to the markets in the Western countries. Due to the complex political relations among the states, official bilateral trade within the region has remained confined to about 5 per cent. But unofficial trade between the countries has prospered over the years which indicates the potential of intra-regional trade
Introduction

and the scope for enlarging the official trade basket. While the smugglers and their agents have profitted the countries of the region have lost millions in terms of revenue. This should provide sufficient rationale for the countries of South Asia to have liberal trade regimes that facilitate economic integration.

However, the issue of integration is enmeshed in protective trade regimes and lack of standardisation of procedures, custom rules and excessive documentation. Most of the countries seek to protect their domestic industries that require government support by providing favourable tax regimes and regulated foreign investment. This approach may be changing slowly at the moment as the countries are trying to move towards free trade and a zero tariff regime and are in the process of reducing their long negative list.

According to the Advance Report of 2010 brought out by the World Bank (WB), India accounts for 80 per cent of the total GDP of the region followed by Pakistan (10 per cent) and Bangladesh (7 per cent). Another report of the Bank says that South Asia is home to half of the world’s poor. The WB statistics for the countries shows that about 29 per cent of Indians, 33 per cent of Pakistanis, 42 per cent of Nepalese and 50 per cent of Bangladeshis live below the poverty line. Thus, there is an urgent need for joint action against poverty in the region. This can take the shape of commitment of the states to integrate their economies with each other and enable the process of regional cooperation. In fact, this will provide greater employment opportunities for the large number of educated unemployed youth who are suspected to be falling prey to terrorist networks out of economic compulsions, in many cases. The International Labour Organisation (ILO) report on “Global Employment Trends for Youth” published in August 2010 is instructive in this regard. Number of youth in South Asia will increase by 12.1 m or from 27 per cent to 29 per cent by 2015. Youth employment to population ratio is at 8.6 per cent and youth unemployment rate is 10 per cent. There is an increase in the number of unemployment youth between 1998-2008 and South Asia has the highest number of such youth which is 27.5 per cent out of the global figure.

Attempts are being made to restore the extensive transport and communication networks in the region which were suspended after the partition of India. It is true that the SAARC countries have agreed to establish multi-modal transport networks in the region as part of the regional initiative. Some of the countries are also part of Asian Highway and Asian Railway network that looks promising as far as transport integration is concerned. Connectivity has become a key word which has the potential to energise the regional economy. However, mutual suspicion continues to hinder any possibility of restoring these pre-partition linkages. Moreover, the prevailing
instability in many of these countries has made them rather inward-looking for want of regional synergy and vision.

**Cashing on Socio-Cultural Capital**

Connected to the issue of economic integration is the need to promote common socio-cultural and religious heritage of the countries to establish a common bond to knit the people of different countries together – a bond that would transcend the geographical confines of the nation states in South Asia and withstand the compulsions of politics. In this context, it is imperative to get out of the conflict-suspicion paradigm to a beneficial cooperative framework and develop a long-term vision of the future rather than stay mired in short-term political considerations. The big question here is can the region overcome the state-sponsored project of creating the ‘other’ out of communities that share a common socio-cultural tradition?

The wounds of partition are yet to heal in South Asia and the post-colonial nation-states in the region have carefully nurtured the concept of the ‘other’ in the process of creating exclusive national identities that justify their existence as separate nations. Therefore, it becomes difficult for the states to sell ‘regionalism’ as it subsumes the invented ‘other’ and makes it irrelevant. The creation of the ‘other’ as an *agent saboteur* provides a ground for the state to strengthen its military machinery rather than spending on developmental issues. The visa regime becomes an instrument to consolidate this image as the state assumes the authority to control people-to-people contact through such mechanism. In the absence of regular contact, the states hope that the collective memories of people (especially regarding the natural affinity between them) will gradually fade away making it easier for them to impose their exclusivist identities on the people in which the regime would emerge important. Denial of visa to cultural activist served this purpose as its sole motive is to prevent a sense of cultural unity among the people. Such barriers, thus, create more ground for the states of South Asia to deeply nurture a sense of enemy image of each other, to the advantage of the ruling elites. The media remains largely state controlled and at times promotes ‘media nationalism’ and hardly plays a constructive role in the process. However, of late, with the advent of satellite channels and revolution in information technology things may begin to change. Social network websites like ‘Facebook’ or ‘Twitter’ are now in the business of creating trans-state communities that share similar vision. These networks facilitate interaction across the border and may compel the states to leave their exclusivist nation-building projects and lower the walls they have created between the peoples in the name of safeguarding their respective national identities and interests.
Strengthening Democracy

Democracy is in poor health in the region because of various reasons, i.e., assertive military in some states, poor system of governance, predominance of feudal social structure, widespread corruption, and a rather diffident civil society. Non-democratic regimes, especially led by the military in certain countries, seek to perpetuate an atmosphere of mistrust and suspicion and draw legitimacy for their political sustenance from the unfriendly relations that exist between the states. However, in the last two decades, the people of South Asia have strongly demonstrated their preference for democracy, especially in countries either plagued by political instability or under military rule. It has led many analysts to argue that a wave of democracy is now sweeping the region which bodes well for regional cooperation. The year 2008 has been most significant in this respect. That year, Pakistan reverted to democratic rule; the elections in Bangladesh saw an end to a period of nagging political instability that had seen military-backed caretaker government assuming power; multiparty democracy was introduced successfully in Maldives, the Maoists of Nepal were successfully mainstreamed into the democratic political process and Bhutan transited from absolute monarchy to constitutional monarchy. Similarly Sri Lanka saw an end to violent conflict with the elimination of LTTE, providing political space for ethnic reconciliation.

The process of democratization, gradual empowerment of marginalized people and their aspirations for the establishment of a more egalitarian society have raised issues that are crucial to democratic governance. The people of the region are now yearning for a better standard of living and access to health-care and education. In the changing political scenario there is a demonstrated will of the people to break free of the barriers set by the states and transform the economic landscape of the region. The onset of democracy thus gives rise to hope that the governments in region will take the popular will for change seriously and work sincerely towards strengthening regional cooperation.

In the recent past there has been some commendable cooperation between the democratically elected governments. For example, cooperation between Bangladesh and India to address the issue of terrorism, cooperation between India and Sri Lanka that saw the end of the Liberation Tiger of Tamil Eelam (LTTE) and the landmark twelve-point agreement in Nepal which was facilitated by India led to the mainstreaming of the Maoists. Similarly, the democratic leadership in Pakistan made some encouraging statements vis-à-vis India which showed that it was prepared to make a break with the past. The statements like Pakistan did not consider India an enemy, that it will
not be the first to use nuclear weapon against India, and that a relationship of friendship with India was more important clearly outlined such a mindset. The spoilers in Pakistan have tried to reverse this encouraging trend; however, it is too early to say whether they will succeed in the end. With India willing to pursue peace with Pakistan despite 26/11 Mumbai attacks, the spoilers may find it difficult to stop the process of dialogue.

Even if the governments may not be able to revive the dialogue process, the civil societies in the two countries have started taking initiatives to move forward in the right direction. In spite of state barriers, there are Track-II level meetings between India and Pakistan and India and Bangladesh. Similarly, there have been various civil society initiatives to pressurise the governments to break the stalemate. For example, in the recent past the media has started a campaign of Aman ki Asha to propagate the desire of the people for peace and to drive home the point that conflictual relationship cannot be sustainable and would not benefit the region. With democracy taking roots, it is hoped that the governments will be under pressure to translate the popular demand for greater cooperation between the states into reality.

**Challenges to Regionalism**

Issues of terrorism, religious radicalism, assertion of ethno-national identity have made the states adopt a cautious policy towards the issue of regional integration. Many a times the countries of the region accuse each other of interference in their internal affairs and take it as a pretext not to do anything at the internal level to address the domestic concerns that result in the alienation of the people. At another level, transnational linkages between the terrorist groups, sometimes with state patronage, have also hindered the process of integration. For example, Pakistan’s reluctance to bring the perpetrators of the Mumbai attack to book has led to hardening of sentiments in India vis-à-vis the dialogue process. Similarly, the civil society in Pakistan – especially the saner elements – has not felt it necessary to put any pressure on their government to do something tangible to address these genuine Indian concerns. As a result, the rise of tension between India and Pakistan has inevitably affected the progress of the SAARC as a collective forum. Therefore, it is not surprising that the Maldivian president in his address in the sixteenth SAARC summit at Thimpu held India and Pakistan responsible for the slow progress in regional cooperation.

The nuclearisation of South Asia has its own dynamics. It is debatable whether nuclearisation has led to strategic stability or instability. However, there is a greater popular realisation today than ever before that war can no longer be an option. It is also true that a limited war would always have the
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...risk of escalation and can graduate into a larger catastrophe. Moreover, a close examination of the security dynamics in South Asia reveals that internal threats faced by various states are more acute than the external ones. Whether it is assertion of ethnic identity or left or right wing extremism many of them originate from state's inability to resolve issues of political grievances and economic aspirations.

Unfortunately, weak governments with their narrow ideological orientations and focus on regime interest have created the necessary condition for the terrorist and radical elements to thrive in. The states of region must realise that their patronization of terrorism has not contributed to resolution of bilateral conflicts; rather it has exacerbated the conflicts and seriously affected bilateral relations. An assessment of various ongoing conflicts in the past suggests that war has not resolved any issue in South Asia. This leads us to the question: whether South Asian countries could learn from their past mistakes and move towards dialogue and discussion and have patience while striving for peaceful settlement of various disputes. If the answer is affirmative, one can be hopeful that the region would move towards cooperation rather than conflict.

Popular Aspiration for Peace

There is a growing feeling among the people of South Asia that the states need to make earnest efforts to address the issues of misgovernance, corruption and poverty and tide over their reluctance to cooperate with each other at the regional level. There are several ways in which constructive ideas aimed at boosting inter-state cooperation can be exchanged amongst the people. These can be achieved if the governments relax their visa regimes, facilitate people-to-people contacts and encourage exchanges in areas like culture, art and cinema.

Though inter-state relations continue to hinge on bilateral issues there is a need to jettison them in the interest of regional integration. It is necessary to conceptualise South Asia as a region and emphasise on the common challenges that confront its people, cutting across states. The states ought to realise that efforts by different states to individually tackle common challenges – like terrorism, terror financing, climate change, growing water scarcity etc. – are unlikely to succeed and they need to develop a common regional vision and a regional approach to meet these challenges.

This book seeks to address the following questions: how do we see the future of South Asia? Are we moving towards a future that is marked by mutual antagonism and uncertainty or cooperation marked by peace,
prosperity and stability? Based primarily on these two important questions, this book is divided into four thematic sections: (i) delineating important issues of regional cooperation and forging consensus on regional agenda and goals; (ii) country-perspectives on issues that are confronting the nation-states in South Asia; (iii) interests of major powers in South Asia and how it impinges on regional security dynamics; (iv) what is the way out from the present conundrum.

The first section deals with building a regional consensus on issues which would determine the direction of the future. Nirupama Rao, the current Foreign Secretary of India, has laid down a broad template for such a vision while delineating the reasons for forging regional cooperation. She also tries to explain the role India intends to play in it. Arvind Gupta deals with possible future scenarios. He argues that regional cooperation is vital for peace and prosperity in South Asia. For this the countries in the region should shed their anti-India mindset and demonstrate strong political will in favour of cooperation. Otherwise, he argues, the region may see the rise of tension which may perhaps lead to conflict. Shahedul Anam Khan rues the fact that in spite of realisation by the states, terrorism is a common threat which is well reflected in the many instruments and protocols of SAARC well before 9/11; the SAARC countries have failed to implement these provisions. He explores why South Asia requires a regional approach and how to achieve it. Kaiser Bengali and Nausheen Wasi make an argument in favour of India-Pakistan cooperation to deal with challenges posed by extremist and terrorist elements. They emphasises that India has a major responsibility towards the success of democracy in Pakistan as a democratic Pakistan is in India’s interest. Darini Rajasingham Senanayake argues how transnational actors, aid agencies, external powers, while providing aid and humanitarian assistance, in some cases, exacerbate intra-state conflicts as they fail to build local stakeholders and their conception of peace is exogenous to the local condition. She argues that there is a need to re-think the current state-centric regional security approach and shift to a more comprehensive human security framework that entails poverty reduction, inclusive development and peace building. Uttam Kumar Sinha argues how cooperation in water would be key to building peace in the region and therefore managing riparian relations would be a major challenge that would impinge on regional cooperation.

It is an undeniable fact that domestic politics impinges on the external policies of states which have a bearing on inter-state relations. While some of the states are too mired in domestic problems some others lack the political will to cooperate given the regime-centric view of regional cooperation. The second section of the book deals with domestic politics of some of the South
Asian countries to understand the direction in which the countries are heading in the stability-instability paradigm. The direction of the states, their ability to resolve some of the fundamental problems relating to state restructuring so as to address grievances of its diverse population will have implications for the entire region. Davood Moradian feels that the roots, drivers and causes of many of the present problems in Afghanistan can be located in the relationship between the Afghan state and society, the nature and the evolution of Afghan statehood and its engagement and interactions with the international system. He concludes that premature disengagement of the US or sub-contracting Afghanistan to Pakistan and/or to reactionary forces will take Afghanistan back to the 1990s and turn it into a failed state and a haven for international terrorism and drug lords. Sumanasiri Liyanage builds a few scenarios and analyses their possible impact on the Tamil issue and the future of the Sri Lankan state. Krishna P. Khanal dwells on the issue of federalisation of the Nepali State and the attendant challenges and opportunities. He argues that though there are several proposals that have been floated in Nepal on how to federalise the state, there is a lack of political consensus over the issue and the inability of the political parties to form a government despite twelve attempts has stalled the Constitution writing process which does not augur well for the future of Nepal. Tahmina Rashid argues that most of the ills Pakistan is suffering from have their origin in the Islamisation efforts by the Zia regime, which Islamised not just the state but the mindsets in Pakistan as well. This phenomenon was visible among the people who studied in modern schools. This has led to emphasis on ritualism and piety which has given rise to public display of religiosity. More and more people are now joining the so-called ‘apolitical’ *dawab* groups. These groups are now playing a leading role in the radicalisation of the civil society in Pakistan. Ibrahim Hussain Zaki feels optimistic and concludes that consolidation of democracy would ensure cooperation rather than conflict.

The third section of the book deals with Extra-Regional Powers and Regional Security. External powers have their own interests in the region and their presence has generated a certain amount of apprehension given the fact that the region is afflicted with identity-based ethnic conflicts and any outside manipulation could complicate the domestic political situation and intensify the conflicts. The international community is now focussed on the region as terrorism, largely emanating from the Af-Pak region, has threatened global peace. This has been welcomed by some states while others have felt threatened by it.

Nishchal Nath Pandey brings out various international actors and their interests in Nepal and how that impinges on the fragile peace process in the
country. He feels that the UNMIN’s role has been controversial as it is pursuing the agenda of the Maoists and argues that this is not in the interest of peace. Nepal’s tenuous peace process, the author feels, will affect not just the future of the state but the region as a whole. Ahmad Shayeq Qassem discusses the role of the regional countries in Afghanistan and how Afghanistan perceives its role as a land-bridge between the South and Central Asia. He argues that Pakistan is crucial for stability of Afghanistan and concludes that Pakistan will continue to look for strategic depth in Afghanistan even if India decides to close its Consulates in Afghanistan. He concludes that Afghanistan conundrum can only be resolved within the purview of the Afghan Constitution. Rajesh Rajagopalan argues that it is the regional countries that have used the extra-regional powers to further their interests rather than the other way round. He concludes by saying that the key drivers of extra-regional involvement in South Asia are likely to continue because of the regional security agenda of the local powers than that of extra-regional ones. Swaran Singh delineates how China has pursued its South Asia policy and argues that while many in India see China’s presence in the region as an effort to ‘encircle India’, this may not be entirely true. Such analyses, he cautions, often fuel skepticism on both sides and affects mutual perceptions and policies adversely.

The last section focuses on “Forging Regional Cooperation: The Way Ahead”. This section deals with regional organisations and initiatives. The chapter on future of SAARC deals with how the regional organisation has proceeded since its creation and how its agenda has expanded given the reality of globalisation and compulsion of economic integration. This chapter argues that even small steps taken by the SAARC, given the complexity of the region, should be seen in a positive light. If in the process it is able to foster a regional identity it should be welcome. Nitya Nanda and Souvik Bhattacharjya focus on economic cooperation and the challenges and hurdles such cooperation faces. The authors argue that the initiative has met with limited success due to limited tariff reductions, barriers present in trade agreements, prevalence of sizeable informal trade and weak governance and political frictions. The authors conclude that SAFTA has its own dynamics and cannot be linked to promoting regional peace and cooperation as trade integration is neither a necessary nor a sufficient condition to achieve peace. M. Rahmatullah makes an analysis of various trade and communication routes that had existed during the British period and new routes that could be made feasible. He argues that it is also essential that concerted efforts be made together by all stakeholders: the governments, the private sector and the civil society at large, to bring about a change in the political mindset of the leaders who are still not fully convinced of the benefits of regional cooperation. The author concludes that unless
earnest efforts are made in this regard, the countries will lose out on the benefits of globalisation.

The contributors to this volume argue that the search for a common regional future will not be futile if states change their mindset towards cooperation. As has been outlined above the challenges that the states face are common to all and they cannot be addressed individually by any single country of the region. Mutually beneficial policies like harnessing of joint rivers for energy or to control floods and the sharing of flood related data would not be possible if the states remain self-centred. Moreover, challenges of poverty and unemployment can only be addressed through greater economic integration which will provide comparatively less-developed states with an opportunity to benefit from their association with some of the fast-developing economies like that of India. In spite of intractable bilateral issues, attempt needs to be made to change the mindset of the ruling elites towards regional cooperation.

According to World Bank Report, South Asia is growing at 7 per cent in 2010 and is likely to grow at 8 percent in 2011. In the first three quarters of 2009, South Asia attracted about 40 per cent of total investment commitments in private participation in infrastructure projects in the developing world worth a record US$26 billion. During this time, India exported more small cars to the rest of the world compared to China. South Asia has 26 per cent of the world’s youth which is likely to grow to 28 per cent in 2010 according to the World Bank’s ‘Population Prospect 2008’ revised database. As South Asia is changing, the contours of the relationship between the states are likely to change. All hopes for a change in mindset towards regional integration rest on the new generation of youth in the region. Even if the nation-states impose a strict visa regime the virtual world has no boundaries and it is most likely that the youth of this age will not feel encumbered by the bitterness of the past and relate to one another more uninhibitedly across the artificial walls of distrust so carefully built by the states. Their interactions through the virtual world whether it is Facebook, Twitter or Orkut, have managed to break the psychological barriers and deconstruct the ‘other’ that the nation-states have created. Moreover, with democracy taking roots the popular yearning for peace and progress will compel states to adopt a pro-integration approach in the days to come.

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SECTION I

FORGING REGIONAL CONSENSUS
That we strive for a peaceful and stable neighbourhood, and for building peaceful and mutually beneficial relations with our neighbours goes without saying. This is an issue of critical importance since in the absence of such a neighbourhood, our efforts to play any substantive regional or global role, in accordance with our size and economic strength, and also our unhindered economic development would stand to be affected. Therefore, having a peaceful and stable neighbourhood is one of our top most foreign policy goals.

The prognosis for the South Asian region in the coming decade is indeed of critical relevance to India and the region. The sub-text – moving towards cooperation or conflict – is in a sense also reflective of our collective efforts in the region to forge a more integrated South Asian region and the successes and shortcomings of the SAARC process, which is a tangible expression of these efforts. A certain sense of disappointment is understandable. While, we have indeed come a long way since SAARC was established in 1985, there is also no denying the fact that SAARC has not moved as quickly and substantively as all of us would have desired. An example that readily comes to mind is ASEAN. The ASEAN experience is a clear signal to potential opportunities that can be realized if we were to accelerate the process of regional integration. Greater economic cooperation and connectivity should be the lodestars for this endeavour.

Given our shared history and common cultural, linguistic and ethnic ties,

*Adopted from the Keynote Address delivered at the Third International Conference on “South Asia 2020: Moving Towards Cooperation or Conflict?” November 4, 2009.
there has always existed an implicit assumption that greater regional integration should have been easy to achieve. But that has not been the case. How do we do achieve this goal? What are the challenges we face on the path to such achievement? What is our approach to the region?

We believe that the future of peace, security and development of South Asia has to be embedded in the paradigm of common economic prosperity. India is also already engaged in this process at the bilateral level and collectively as part of the SAARC process. The challenge today for us is to build inter-dependencies which not only integrate our region but also create a vested interest in each other’s stability and prosperity. Critical to this endeavour is connectivity of goods, people and ideas. India has also actively provided development assistance and is engaged in capacity augmentation and institution-building exercises in our neighbouring countries. Within this overall approach, there is the challenge of evolving differentiated responses best suited to the requirements of our neighbours as they are in varying stages of transition both on the political and socio-economic fronts.

I would argue that it is the threat of terrorism that is the most important threat facing us and which if not addressed immediately and collectively has the potential to engulf the region and beyond. At the same time, there are other developments that signal cautious optimism. Most of our neighbours are going through major internal political transformations that express the voice and aspirations of their peoples. India has been actively engaged with its neighbours to promote peace and stability in the subcontinent. There is also the challenge of managing relations with our immediate neighbours on account of the geography of the region and also because our bilateral relations cannot be seen solely from the foreign policy perspective.

Let me elaborate. Geography has played an important role in shaping perceptions of our neighbours in South Asia towards India. That India is a large country is a given fact. This in itself causes apprehensions of so-called domination among our neighbours. It is also a fact that most of our neighbours share borders not only with India but also in most cases with one more country in the region. However, in an almost gravitational sense, they have to necessarily depend on India for physical connectivity in the region. This dependence is more acute for land-locked countries. India has thus to play a central role in carrying forward the process of improving connectivity in the region. What is it that India can do to ensure that our neighbours feel more secure about us and that our approach is seen as more inclusive? Today, with sustained high economic growth rates over the past decade, India is in a better position to offer a significant stake to our neighbours in our own prosperity and growth. We have consistently conveyed to our neighbours that
they need to see India as an opportunity and that India is ready to work with them for mutual benefit.

There is also a need to recognize that our relations with immediate neighbours in South Asia also have a clear domestic dimension. For example, our relations with Myanmar need to take into account the presence of tribal groups across our borders that can influence developments and impact on security in our bordering states of Arunachal Pradesh, Nagaland, Manipur and Mizoram. At the same time, these links could also be a powerful binder.

Our dealings with Nepal need to take into consideration perspectives of bordering States such as U.P., Bihar, Sikkim. Similarly, our initiatives with Bangladesh need to take into account perspectives of West Bengal and our North-eastern States on issues such as migration, water sharing, trade or transportation.

There is also the challenge of globalisation that has brought problems of a transnational nature in its wake and that makes it mandatory for us to seek collaborative inter-state and regional responses. These problems include issues such as organised crime, money-laundering, pandemics, food security, energy security, etc.

Terrorism remains a central challenge to regional security. This was again underscored by the terrorist attack on our Mission in Kabul on 8 October 2009 as also previously by frequent terrorist incidents including the 26/11 Mumbai attacks. There is a real challenge posed by resurgence of the Taliban and Al Qaeda. There is a need for the international community to recommit itself in assisting Afghanistan. India is also playing its due part. Our assistance programme in Afghanistan worth US$ 1.2 billion has been focussed on building indigenous Afghan capacities and institutions for an effective state system that is able to deliver goods and services to the Afghan people.

There is a growing consensus that the increase in terrorist activities in Afghanistan is linked to the support and sanctuaries available in the contiguous areas. The international community should put effective pressure on Pakistan to implement its stated commitment to deal with terrorist groups within its territory or else the gains of the past eight years in Afghanistan would be wiped out. Failure to act effectively runs the risk of catapulting the region into a spiral of violence that would inevitably adversely affect the region including India. Recent incidents in our neighbourhood are also a stark reminder that those who strike Faustian bargains with such elements are often left to rue the consequences. We cannot afford to lose the battle against the ideologies of hatred, fanaticism and violence. We must act jointly and with determination to meet the challenge posed by terrorism and to defend the values of pluralism, peaceful coexistence and the rule of law.
We firmly believe that a stable Pakistan at peace with itself and region is a desirable objective. We have, on several occasions, conveyed to the Pakistani leadership our desire to engage in meaningful discussions and to develop our relations in a positive manner. This is only possible when Pakistan fulfils its commitment not to allow its territory to be used for terrorist activities against India.

Notwithstanding the threat that terrorism poses, other developments in the region, which if sustained and handled carefully, augur well for the region. India is also playing its due role to ensure that these developments become a source of greater stability in the region. Nepal today is undergoing a transition towards a democratic polity. India has supported this process. We had also provided assistance to the peace process, including vehicles, communication equipment, electronic voting machines and other logistical support worth Rs 150 crores. We have been encouraging all political parties to cooperate with the new government in working towards early conclusion of the peace process on the basis of widest possible consensus.

The comprehensive defeat of the LTTE in Sri Lanka provides the country with a historic opportunity to ensure a future free from terrorism and conflict. We support a lasting political settlement in Sri Lanka that meets the political aspirations of all communities through the effective devolution of power. We have extended humanitarian assistance to Sri Lanka including for the rehabilitation of internally displaced persons. We are moving from purely relief efforts to a broader rehabilitation and reconstruction phase. The Government has already committed Rs 500 crores for this purpose. Our assistance so far covers humanitarian supplies such as food, medicines, shelter material, and other essential supplies. We set up an emergency field hospital that treated over 50,000 people in the past six months’. Four Indian de-mining teams are presently working in Northern Sri Lanka. We are also providing assistance to revive agriculture there. Both sides are also discussing our readiness to assist in reconstruction of critical civil infrastructure in Sri Lanka.

A welcome development was the return of Bangladesh to multi-party politics. We are working closely with the newly elected Government to build further on our historical bonds of friendship and to take our relations forward in a mutually beneficial way. The Bangladesh leadership has assured us that Bangladesh’s territory will not be allowed to be used by elements inimical to the interests of India.

Our close relations with Bhutan had developed further during the last one year and since the introduction of democracy in Bhutan. The India-Bhutan Friendship Treaty updated in 2007 not only reflects the contemporary nature
of our relationship but also lays the foundation for their future development in the 21st century.

With Myanmar, India has consistently maintained that the national reconciliation process should be expedited and be more broad-based. We hope that free and fair elections would be held in Myanmar in 2010 as scheduled. Our engagement with Myanmar has grown constructively in recent years.

India welcomed the first multi-party elections held in Maldives in October 2008. Both governments are committed to maintaining and developing our close and friendly relations.

The SAARC process offers an important vehicle for achievement of a peaceful, prosperous and stable South Asian region. As the largest country in the region and its strongest economy, India has expressed its willingness to assume greater responsibility to encourage the SAARC process. In recent years, SAARC is undergoing a transformation from a declaratory to an implementation phase. Its core institutional mechanisms have been activated, namely, the SAARC Food Bank, the SAARC Development Fund, the South Asian University, the SAARC Arbitration Council, and the SAARC Regional Standards Organization. We have also disbursed our voluntary and assessed contributions of US$190 million. This is in line with India’s asymmetric and non-reciprocal commitments to SAARC.

We are also pursuing several other regional economic cooperation mechanisms involving the region. These include the Bay of Bengal Initiative for Multi-sectoral Technical and Economic Cooperation, BIMSTEC. India is also a Summit Partner of the Association of South East Asian countries. These ties are growing exponentially as was witnessed during last week’s Summit meetings in Thailand.

With regard to bilateral economic and commercial relations in the South Asian region, India has taken the lead. India is largest trade partner and one of the most important foreign investors in our neighbouring countries. We have established a free trade arrangement with Sri Lanka. There is duty free access w.e.f. January 1, 2008 for products originating from Bangladesh, except for items in the sensitive list, which has also been substantially pruned down.

In terms of trade infrastructure and connectivity, there are 15 transit routes from Kolkata/Haldia to Nepal for its third country trade. We have now agreed to add Vishakhapatnam port for this purpose. The creation of an ICD in Birgunj and extension of the railway line from Raxaul to Birgunj has facilitated movement of goods in transit by rail. There is also a direct road transit route from Nepal to Bangladesh for bilateral and third country trade. A direct railway transit route is under discussion. With Bangladesh, we have more than 20 operational land customs stations, 4 points for movement of goods by
train and 8 routes for movement through river systems. Dhaka is connected with Kolkata by road and train service and to Agartala by bus service. With Myanmar, we are undertaking the Kaladan Multi Modal Transit Project involving sea, river and road connectivity and several road projects across the border.

Better connectivity is necessary to fully utilize our geographical resources endowment. The Government has embarked on an ambitious programme for upgradation of border infrastructure along our borders with Nepal, Bhutan, Myanmar and Bangladesh. These projects involve upgradation of highways, extension of railway lines into neighbouring countries, restoration of rail links with Pakistan and Bangladesh and setting up of integrated check points. These projects would lead to improvement of infrastructure in our bordering areas and improvement of transport connectivity with them.

SAARC has also already identified a number of projects based on its regional multi-model transport study. In addition to increasing connectivity between India and its neighbours, several road corridors have been identified linking Afghanistan-Pakistan; Afghanistan-Pakistan-India-Nepal; Bangladesh-India-Nepal, etc. There is also a proposal to restore the ferry service between India and Sri Lanka through Colombo-Cochin route.

Our aspirations of full regional connectivity would not be met merely through physical connectivity. We also need to put in place enabling mechanisms to make travel freer and easier. India has taken measures to liberalise visas for students, teachers, professors, journalists and patients from SAARC countries. South Asia University is an ambitious project reflecting our effort to enhance connectivity of the mind. The SAARC University Project, which is scheduled to open in less than a year, would cater to more than 5000 students, when fully operational in five years’ time.

Development cooperation is a natural and well-recognized method to promote closer regional ties. Our own fast pace of economic growth exerts a ripple effect in the region as it attracts our neighbours to access the benefits that stem from the growth of our market, our infrastructure, and our level of development in various fields, be it education, healthcare, financial services, and communications. As mentioned earlier, India has been actively involved in providing development assistance to our neighbours.

We have also begun discussing issues such as food security and climate change that impact on our development strategies and need our focused attention. The South Asia region is highly vulnerable to the effects of climate change in particular due to potential melting of glaciers and inundation of low lying islands and coastal areas. Increased glacier melts would initially cause floods but would eventually lead to reduced water flows in our major rivers.
All these developments would have severe implications for food and water security in South Asia.

India is constructively engaging in the multilateral negotiations taking place under the UN Framework Convention on Climate Change (UNFCCC). The main principle on which the Convention is based is the principle of “common but differentiated responsibilities and respective capabilities”. We firmly believe that Climate Change should not be an excuse to add a greater burden or impose conditionalities onto the development challenges that developing countries face. We also have to move away from concentrating on ‘mitigation’ only and ensure that there is a focus on adaptation, which is critical for developing countries.

Cognizant of the threat that Climate Change poses, India has already taken several independent initiatives. India has launched National Action Plan on Climate Change and India stands ready to share its experience with our neighbours. There are number of areas that are relevant to them such as our mission on sustaining the Himalayan ecosystem, protection of coastal areas, disaster management strategies and collaborative research on climate change modeling.

My address would be incomplete without addressing the subject of our relations with China, our largest neighbor. China borders our region of South Asia, and with India alone, it shares a border of almost 3500 km. The relationship we have with China is complex but growingly variegated in texture and substance. The rapid growth of both India and China is a phenomenon that in many ways is a source of energy and dynamism in the regional and global context. I see our dialogue with China acquiring further substance and relevance in the years to come, with even more effort and political will being invested in seeking a fair, reasonable and mutually acceptable settlement of the outstanding boundary question between the two countries. The maintenance of peace and tranquility in the border areas will receive close and continuing attention in this scenario. We are however conscious of the fact that outstanding issues in our relationship with China will take time to be resolved.

China’s relations with our South Asian neighbours are also growing in many areas with increased trade and economic activity, political level interaction, and cultural and educational exchanges, apart from transportation links and connectivity. But the compelling logic and rationale for closer ties between our South Asian neighbours and India must not be deterred or diluted by such developments. These are ties dictated by geography, the need for security and stability, mutual economic advantage, transit and connectivity,
shared cultural traditions, the movement of people, common approaches to the management of natural disasters and climate change, and developmental priorities that can only be achieved by close cooperation and constant dialogue.

In conclusion, and on balance, I believe that we can look to the future with a sense of optimism and purpose. We stand committed to both bilateral and regional efforts in building a stable, peaceful, vibrant and economically prosperous South Asia. The year 2020 is an achievable target date and we must jointly work to this end.
2

South Asia in the Next Decade: A Futuristic Perspective

Arvind Gupta*

Introduction

South Asia is on the cusp of history. The region is buffeted by powerful forces of change unleashed by globalisation. While the countries of the region have benefited to an extent from globalisation (increased flow of FDI, increase in trade volumes, increase in remittances etc.), it is equally true that globalisation has also had a negative impact on the countries as reflected in increased inequalities, misuse of technology by non-state actors, increase in identity based tensions and conflicts. The region largely missed the peace dividend offered at the end of the Cold War twenty years ago. It lagged behind the other regions in growth and development. However, it have once again been presented with an opportunity, provided the leaders of the region take broader view of global and regional developments.

It is worthwhile to examine where the region will be heading in the foreseeable future. Will there be greater cooperation among the countries of the region say in the next ten years or will there be confrontation and conflict? Although it is not possible to predict the future, but thinking about it forces us to confront some difficult but necessary questions. Several scenarios ranging from conflict to cooperation and many in between can be conjured up. Which scenario will materialise will depend upon the choices that are made today.

*The paper is the outcome of discussions held in the South Asia cluster of the Institute for Defence Studies and Analyses (IDSA).
If the past is any guide, there will also be many surprises that cannot be foreseen today. Thinking about the future of South Asia will sensitise us to the fact that we should be prepared to deal with uncertainty and unpredictability in the best possible manner. It may also help us to make course corrections in existing polices.

The Present Situation

South Asia does not exist in a vacuum. The global and regional environment has changed considerably. The old order is giving way to a new one whose contours are not clear as yet. Globalisation is here to stay no matter how much opposition there may be to it. Countries not plugged in with the rest of the world and unable to adjust to the dictates of knowledge economy will suffer. G-8 is slowly giving way to G-20. The centre of gravity is visibly shifting to the Asia-Pacific region. India and China are rising. The Indian Ocean has emerged as a locus of global trade as also of numerous challenges to maritime security. The rise of India can be of great benefit to the South Asia region provided the misplaced anti-India mind set is given up.

All countries in the region have made some progress towards democracy. All have democratically elected governments. This is a major change from the past. Most of them have survived the global economic crisis relatively unscathed but the economic situation is delicate in many countries and undue optimism is not warranted on this score. They have also shown commitment to regional cooperation as reflected in the last few SAARC summits. SAARC has also been expanded by the inclusion of Afghanistan and several countries have joined the grouping as observers.

Yet, the region is facing serious issues of security and development. Sustainable development requires major effort, continued commitment and huge resources. No country in South Asia can resolve its problems alone. The commitment to regional cooperation has yet to be converted into concrete actions. Most countries are trying to go it alone. The intra-regional trade and investment is miniscule. SAFTA has not lived up to its potential. This is surprising considering that economic integration could benefit the region as a whole.

A snapshot of socio-economic indicators in South Asia shows a mixed picture. Some countries have made visible, though not sufficient improvement, in education, infant mortality rate, economic growth etc. Others have not been so successful. Yet, overall the picture with regard to human development leaves much to be desired. There are still vast pockets of poverty and underdevelopment in India as well which has grown substantially in the last
decade or so. While absolute poverty is diminishing due to economic development relative poverty continues to grow. Economic development is restricted to few pockets. On many socio-economic parameters, the indicators for the region are even worse than those of the sub-Saharan Africa region.

South Asia is home to nearly 1/5th of world’s population but accounts for a mere 5.9 per cent of the global GDP. Its population will rise to about 1.75 billion in 2020 from the current level of about 1.5 billion. The countries in the region rank poorly on the UNDP’s Human Development Index for 182 countries. The highest rank is occupied by Maldives (95) while Afghanistan is at No. 181. The region contributes a miniscule 1.7 per cent to global trade. Intra-regional trade is just about 6 per cent of the region’s global trade as compared to NAFTA’s 62 per cent, EU’s 58 per cent and ASEAN’s 26 per cent.

Governance remains a huge challenge across the region. Public trust in the ability of politicians and governments to deliver growth and justice is decreasing. This often raises the issue of the legitimacy of the governments to govern. The picture is made clear Human Development Index (HDI) ranking. One may not always agree with the methodology of the measurement of HDI but it cannot be denied that HDI has come to be accepted as the most important measure of human development. On HDI rankings, the countries of South Asia rank quite low. In some areas of human development the record of sub-Saharan Africa is better than that of South Asia. There are acute regional variations within South Asia and within the countries in HDI parameters. This leads to regional inequalities and tensions.

One of the most worrying aspects of South Asian picture is the security situation. At least two countries figure in the top ten of the “Failed State Index” developed by the Foreign Policy Institute. Several others rank quite high. This shows how the region is perceived by the outside world. The enduring Indo-Pak rivalry is seen as a factor that has hindered regional cooperation and made the region unstable. The situation in Afghanistan and the presence of Al Qaeda and Taliban in the Afghanistan-Pakistan region is also seen as a factor that threatens regional and international peace and stability.

Most countries face debilitating internal problems. The challenge to stability from non-state actors is growing, not diminishing. These non-state actors have cross border linkages which makes dealing with them difficult. In some cases the distinction between state and non-state actors is blurred. Arms and ammunition are freely available. Drugs and organised crime continue to fuel insurgencies and militancy. There is hardly any dialogue or exchange of views
among the countries of the region on security issues of common concern. The region’s security is influenced by the agenda of outside powers.

Making the situation worse is the fact that the region continues to suffer from trust deficit. The baggage of history is too heavy to bear and seemingly impossible to shed. There is little forward thinking for a better future. Anti-India sentiments prevail in many countries. This hampers meaningful cooperation in diverse fields. The political contacts among the leaders of the region too are insufficient – given the scale of the problems that need to be resolved.

The past issues have not yet been resolved and new issues have begun to arise. The region and its poor will suffer heavily from the adverse impact of climate change, the impending water scarcity, food shortages, natural disasters and health emergencies. But little meaningful thought has been devoted to these issues.

The population in the region is also rising. South Asia will have a population of about 2.3 billion by 2050 which will be difficult to sustain in the region which is already battling poverty and conflict on a large scale. A younger population can be an asset or a burden. If there are enough employment opportunities and avenues for growth this demographic can be an asset. If there is insufficient growth or the region is mired in tensions, the youth can take turn towards insurgency and militancy. At the moment, unemployment is a major problem in the region. Very often, economic growth has not resulted in jobs. The youth of the region are not fully equipped to handle jobs that are generated in a knowledge economy. This is because of the poor and inadequate education system. This is why many young people migrate abroad in search for better opportunities.

Possible Scenarios

The present contains the germ of the future and it does not present a pretty picture. It is obvious that a lot of determination and hard work will be required to realise a better future. It can be argued that the shape of South Asia in the next decade will depend upon the choices that we make today. If South Asia has to move towards prosperity, every country has to move towards forging cooperation in the region.

An attempt has been made in this paper to identify some critical drivers which are likely to shape the future of the region. These drivers have been developed to answer the question: Will the South Asian region see cooperation or conflict in 2020. The time horizon of ten years is neither too long nor too short. There can be scores of drivers – political, economic, military, external, internal etc. that can shape the future. Our attempt is to choose
and identify the high impact high uncertainty drivers since these will have disproportionate impact on the future. The interplay of these drivers will determine whether there will be confrontation or cooperation in future. While developing the drivers, a fair amount of socio economic data, past history has been taken into account.

Critical Drivers
Several critical drivers that will influence the South Asian situation can be identified. These are demography, internal stability, economic growth, climate change, water, food, education, non-state actors, attitude towards India and external powers. There are several drivers within each of these. Together these drivers can generate an entire spectrum of futures for South Asia ranging from cooperation at the one end to conflict at the other.

Demography
Most estimates indicate that despite the fall in fertility rates, the population pressure in South Asian countries will continue to increase in the foreseeable pressure albeit at a rate lower than in the past decade. The rural to urban areas migration will also intensify. Most countries will need extra resources to feed the increasing population. The recurrence of a food and fuel crisis like the one in 2008 could prove to be destabilising. Already the progress in realising the Millennium Development Goals has been slow and many of the targets are likely to be missed. To take advantage of the young population profile, huge investments in education and health will be required. Currently, resources of such magnitude are not available unless economic integration in South Asia is pursued.

Internal instability
Many countries in the region are facing internal instability. Good governance is required to deal with domestic instability. Domestic instability emerges as an autonomous driver in shaping the future of the region. Instability would lead to state collapse and threaten regional stability as well. It could also give impetus to insurgencies, militancy and terrorism. If the states are unstable, regional cooperation will be difficult.

Economic growth
The record of economic growth in the region is patchy. What is even more important is that the economic growth will need to be inclusive so that its benefits spread evenly among the population. The conditions in India are conducive for a sustained high economic growth but the same cannot be said
of Pakistan which has been forced to approach the IMF for loans and whose economy is increasingly becoming dependent upon foreign aid. Other countries may be able to sustain a growth rate of 5 to 6 per cent during the next decade but this may not be sufficient to remove poverty. Policy interventions of high quality will be required to make the growth inclusive.

Energy
South Asian countries will require large amount of energy for their economic growth. India needs to generate about a million megawatts of power by 2030. There is untapped potential for hydroelectric energy in Nepal and Bhutan and natural gas in Bangladesh. But, energy cooperation has been a sensitive subject and no worthwhile cooperation among the South Asian countries has taken place. Besides, development of energy resources requires massive investments and also political stability. Therefore, it is quite possible that the countries in the region will continue to face serious energy shortages as is the case at present. Fresh thinking and a zero-sum mentality are required to ensure an adequate energy future in the region.

Climate change, food and water security
The region is highly vulnerable to the adverse impact of climate change including rising sea levels, melting of glaciers, increased frequency of extreme weather related events, floods and droughts, pandemics etc. These will continue, over a larger time scale than ten years, but the region has to begin cooperating for adaptation and mitigation. The paucity of South Asia specific data is a serious impediment. Further, adaptation will require large amount of resources which may not be forthcoming. There could be large scale migrations in future, if droughts, floods and rise in sea levels become the norm in the region. The next ten years offer a window of opportunity for the countries in the region to get their act together. Climate change could also exacerbate food and water security related issues and intensify the agricultural crisis that most countries are facing. The developed countries, which are the major emitters, are also putting tremendous pressure on the developing countries to reduce their emissions.

Terrorism
As the quality of governance deteriorates, the non-state actors become active. Terrorists, militants and insurgents, who advocate the violent overthrow of the existing systems become increasingly more important. Events of the last few years have shown that dealing with terrorism is a complex task. The political will required to deal with terrorism is often lacking. There is little
agreement on what constitutes a terrorist. Unbridled growth in terrorist acts, insurgencies and militancy coupled with organised crime could jeopardise stability in the region. Linked to this is the issue of the proliferation of small arms and WMDs. Robust cooperation, rising above narrow considerations of will be required to deal with this problem. The problem of terrorism is likely to continue in the foreseeable future. A problematic aspect of the situation is the ambiguity in the policies of some countries for dealing with non-state actors.

**Anti-India sentiment**

Grouses of various kinds against India, both imagined and real, have been the hallmark of inter-state relationships in the region. This has hampered regional cooperation. India’s views have also been on many occasions conditioned by narrow considerations. Such ingrained attitudes will not disappear overnight. Genuine regional cooperation fostered by taking small steps will alleviate misgivings with regard to India. India’s neighbours will need to appreciate India’s genuine security concerns. Likewise, Indian actions should reassure and not irritate the neighbours. India’s neighbours will only gain by linking with India’s growing economy. Hostility towards India and the tendency to bandwagon against India by bringing in external powers will cause incalculable harm to the region. Indo-Pak rivalry has impeded the cause of regional cooperation. Once the advantages of dealing with India are realised, mutual distrust will mitigate. An enlightened leadership is needed to take a sober and positive view of mutual relations.

**External powers**

Historically, the presence of external powers has always complicated the security situation in the region. The US is at the cross roads: will it leave Afghanistan with the possibility of a Taliban takeover or will it get bogged down in a war which it cannot possibly win? Yet, the US cannot ignore its key interests in the region. How it will deal with the instability in the Af-Pak region? How will it deal with the possibility of non-state actors getting access to nuclear material? The choices made by the US will have profound impact on the security situation in the region. Likewise, China has come to acquire significant clout in the region. Will the rise of China be benign for the region? How will India deal with a rising China? Will the two countries forge a cooperative relationship? How will China perceive the growing Indo-US relationship? India has a natural interest in the protection of the sea lanes of communication for its energy supplies and trade. Pakistan’s tendency to regard itself as equal to India in every respect may suck it into
an unsustainable arms race. These are some of the imponderables that will
determine the security environment in the region in the coming decade.

These drivers can be ranked on the impact-uncertainty matrix as
follows:

<table>
<thead>
<tr>
<th>Driver</th>
<th>Impact</th>
<th>Uncertainty</th>
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<tbody>
<tr>
<td>Demography</td>
<td>HIGH</td>
<td>High</td>
</tr>
<tr>
<td>Internal instability</td>
<td>HIGH</td>
<td>High</td>
</tr>
<tr>
<td>Economic growth</td>
<td>HIGH</td>
<td>High</td>
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<tr>
<td>Energy</td>
<td>HIGH</td>
<td>High</td>
</tr>
<tr>
<td>Climate change, food and water security</td>
<td>HIGH</td>
<td>High</td>
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<tr>
<td>Terrorism</td>
<td>HIGH</td>
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<tr>
<td>External powers</td>
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<td>High</td>
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<tr>
<td>Anti-India sentiment</td>
<td>HIGH</td>
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South Asia 2020: Key Drivers Impact – Uncertainty Matrix

Key Drivers are Inter-Connected

Demography  Internal instability  Economic growth  Governance
External Powers  Energy  Climate Change  Regional Cooperation
Attitude towards India

Low  Medium  High
Each of these drivers is a high impact, high uncertainty driver. Although one could argue that demography should be classified as a low uncertainty driver, the reason why it has been ranked as a high uncertainty driver is because of the uncertainty regarding rural migration, the ability to use the large young population as an asset. Likewise, other drivers too have been ranked high on uncertainty because the nature of their impact is highly uncertain.

Based on how these drivers play out in the next ten years, several futures are possible for South Asia. However security and development will be interlinked in each of these futures. One without the other is not possible. If the nations opt for cooperative security, a better future might materialise. The zero-sum game mentality will have to be shunned in favour of positive sum game.

SAARC, over the years has developed a blueprint for regional cooperation. But this has been languishing for want of political will. It is unfortunate that few political parties in the region can win votes on the plank of friendship
with India. If this situation prevails, the next decade cannot be better for the region than it is at present.

There are two distinct paths to 2020 – that of cooperation or that of tension and conflict. Which path the region takes will depend upon the choices the leaders and the people make. The core scenario is the business as usual scenario. The other scenarios are the offshoots of the core scenario depending upon the policy choices made by the policymakers.

The business as usual scenario: In the business as usual scenario, 2020 will turn out to be an unpalatable future for the region if the present trends are extrapolated linearly. The present policies followed in the region have not been able to deal with the problems of poverty and development. They need improvements if the region has to fair better. In the core scenario, the demographic pressure continues to mount, economic growth remains below what is required to overcome poverty, climate change related issues have begun to manifest in a myriad ways, terrorism continues to grow, and external powers maintain their presence in the region for security reasons. The region is not able to come to terms with governance issues. Anti-India sentiment remains preponderant. The region will be unable to deal with the emerging problems of climate change, energy, water and food security in a meaningful and effective way because this requires cooperation of a high degree which will not be forthcoming.

Cooperative scenario: But the business as usual scenario is not inevitable. A cooperative scenario is possible. Increasing population is turned into an asset through improvements in education and creation of employment opportunities; economic growth is enhanced by improved productivity, innovation and investments in human and physical infrastructure as well as greater regional cooperation; energy shortages are overcome through investments in renewable sources of energy, power sector reforms and region wide energy cooperation; the problem of terrorism is tackled by a variety of means including good governance, non-discriminatory policies, inclusive growth and regional cooperation; cooperation with external powers is forged not to score points or for the purposes of bandwagoning but for beneficial cooperation and the anti-India mindset is shed to promote the above.

In this scenario security and development are given equal emphasis. Sufficient political will is mustered to promote regional cooperation. Cooperative security becomes the norm. Economic integration becomes the instrument of change. Intra-regional trade increases rapidly. There are rapid strides in education, health and other kind of cooperation. Sub-regional cooperation flourishes. The countries of the region cooperate on issues like climate change, energy, food and water security.
In order to realise such a scenario, political will has to be found for realising cooperation and economic integration. A number of steps like improving human and physical connectivity, working together to meet the likely contingencies on food, energy, water front; and working together to forge economic integration at a future.

**Mixed scenario:** It may be difficult to overcome the impediments to regional cooperation given the mindset that has prevailed over the last sixty years to develop a model of regional cooperation overnight. The EU has taken nearly five decades to reach its present state of integration. Between the worst case and the cooperative scenario there are a range of scenarios in which there is a combination of cooperation and competition. For instance, the countries of the region can improve the functioning of SAFTA. This alone can lead to a rise in intra-regional trade. Only one country’s consent is required to make this happen. Similarly, energy cooperation can also improve in a relatively short time if sufficient political will is mustered. In the mixed scenarios, cooperation will increase gradually and will have a beneficial impact on the security and developmental situation in the region.

**The conflict scenario:** In the worst case scenario, the counties in the region are unable to hold on to their modest gains and are overwhelmed by negative trends particularly on the security front. As a result, growth rates drop, instability increases, external powers get even more entrenched, the situation on the energy, food and water fronts exacerbates. Anti-India sentiment rises even further as the gap between India and the rest of South Asia increases. Tensions mount. Conflicts become a distinct possibility.

**Wild cards:** Scenario building should take into account the possibilities of wild cards also. For instance, there could be a military confrontation in the region or a state collapse or a WMD attack by non-state actors. If these incidents occur, it will have a major impact on South Asia.

The main idea of this paper was not to predict the future for that is an impossible exercise. The aim was to sketch out a few seemingly plausible scenarios that might materialise depending upon the choices that are made today. The key conclusion is that for mixed or cooperative future to materialise, regional cooperation is the only way. Regional cooperation requires sufficient political will. In the absence of regional cooperation the region will suffer collectively.
The last 20 years have witnessed a huge economic shift. The breakdown of the planned economies in the Soviet Union and Central and Eastern Europe, the economic reforms in China and India, and the export-driven growth strategies of East Asia all contributed to a world market economy that vaulted from about 1 billion to 4 or 5 billion people. This shift offers enormous opportunities. But it has also shaken an international economic system.

As a result of the global crisis, WB estimates that 90 million more people will be living in extreme poverty by the end of the next year, up to 59 million more people will lose their jobs this year, and an additional 30,000 to 50,000 babies may die in Sub-Saharan Africa.

India’s gross enrolment rate (GER) at the secondary level of 40 percent is far inferior to the GERs of its global competitors in East Asia (average 70 percent) and Latin America (average 82 percent). Even countries such as Vietnam and Bangladesh, which have lower per capita incomes than India, have higher gross enrolment rates. This suggests India has to accelerate the process of universal education and reach out to the marginal section of the society by establishing schools and other educational infrastructure.

Projections made in a WB report suggests an increase in absolute demand for secondary education between 2007-08 and 2017-18 of around 17 million students, with a total enrolment growing from 40 to 57 million students. However, an increasing share of these students will come from rural and lower income quintile groups, who will be less able to afford private unaided secondary education.

Together, China and India account for 8.5 percent of world output. They and other developing countries are growing substantially more rapidly than developed countries.

South Asia still has the highest number of people (423 millions) living on less than one dollar a day. The region has the highest concentration of undernourished (299 million) and poor people with about 40 per cent of the world’s hungry. Despite an annual 1.7 per cent reduction in the prevalence of under nourishment in the region in the past decade, the failure to reduce the absolute number of the undernourished remains a major cause for concern. Estimates by the Food and Agricultural
Organization (FAO) indicate that by 2010, Asia will still account for about one-half of the world’s undernourished population, of which two-thirds will be from South Asia. Though SAARC countries have established a food bank to meet the needs of food security in the region, it has not been operational even during times of crisis. This is despite the felt need of member nations to evolve mechanisms to make the SAARC Food Security Reserve operational. (ICRIER Working paper No. 240).

- India accounts for about 79 per cent of the region’s GDP and the remaining 21 per cent is contributed by other economies of the region.
- South Asian region is also one of least integrated regions of the world; the intra-regional trade is very low in comparison with other regions. For example, data presented by P.B. Rana (‘Towards Win-Win Regionalism in Asia’, ADB, 2006), suggests that in 2005 while intra-regional trade as a proportion of a grouping’s world trade for ASEAN, ASEAN+3, ASEAN+3+Hong Kong+Taipei, EU, and NAFTA was respectively 24 per cent, 38.2 per cent, 54.5 per cent, 66.2 per cent and 45 per cent, for South Asia this ratio was only a meager 5.5 per cent.
Modern South Asia has evolved into one of the most challenging and complex regional security systems over the past six decades. The partition of India and the emergence of Pakistan and later Bangladesh as new states, the civil wars in Afghanistan that drew in the former Soviet Union and now the United States, the US Cold War alliance with Pakistan, China’s expansion into Tibet and its geopolitical contest with India, the emergence of India and Pakistan as nuclear weapon powers, the civil war in Sri Lanka and the rise of Maoists in Nepal, the rise of militant Islamic movements and terrorism, the large demographic size of the region, and amidst all this the steady emergence of India as a major economy and power – all have contributed to the region’s geopolitical significance and its complexities.

Given the complexity it is not easy to generalise about the regional security environment. Nonetheless, there are three prominent features that deserve attention and make the security situation problematic. One, it is India-centric. India is not only the largest state, constituting three-fourths of the region but geographically the region resembles a ring of smaller states around a central state – India. Thus, all the states share land boundaries with India, but barring Afghanistan and Pakistan none of them have a common boundary with the others. Historically, geographically, economically, ethnically, civilisationally and politically the peripheral states have been intertwined with the states and sub-regions that today constitute India. The security dynamic of these peripheral states is significantly dependent on their ties with South Asia’s central state and its fate. A significant portion of the security problematic is therefore
located in the inter-relationship between India and the states around it. Two of the states – Nepal and Bhutan – have formal security treaties with India. The region, hence, aptly described as the Indian sub-continent. Two, the regional states are new and weak – almost all of them are post-colonial and at various stages of difficult and in places acutely conflictual state building processes. Most of them have struggled or are still under intense pressure to stabilise their modern form and resolve internal conflicts over power, resource sharing, and national identity construction. Political turbulence, state repression and rise of extremist and militant political movements have been common. Many of the security problems of the region’s states flow from internal political and social dynamics. The recent histories of Afghanistan, Pakistan, Nepal, Sri Lanka, and some parts of India underline this reality. Finally, the region has been a focus of great power contests that have significantly influenced and contributed to intra and inter-state conflicts. The United States, the former Soviet Union, and China have all been involved in balance of power politics, wars and interventions with tragic consequences for the political development and security of the states and the people of this increasingly vital region of Asia. Prolonged periods of military rule in Pakistan and rise of militant Islamic extremism in Afghanistan and Pakistan is a principal legacy of such great power interventions and power struggles.

The region’s security architecture is thus shaped by the interplay of political forces, interests and policies that emerge from these three dominant features. Historically these have not been in unison. As a result the regional order is not yet stable or settled. For the foreseeable future the US war on terror being conducted in Afghanistan and Pakistan, the rise of China and its growing role in the region, the emergence of India and its regional and international role, and the ability of the states to build stable effective democratic states, and cope with modernisation in the context of globalisation would be the key factors determining the evolving security architecture. For much of the past six decades of post independence history, South Asia despite being geographically contained within a discernible area with extensive shared interests, having common civilisational (cultural, linguistic, religious, aesthetic sensibilities, etc.) bonds, and cross-border ethnic and security overlaps, has failed to address many of the security challenges through common regional efforts or constructive bilateral engagement. Given the manifold linkages that shape security, the region clearly constitutes what Barry Buzan calls a ‘regional security complex’ (RSC). Power struggles characterise this ‘complex’ at present to the detriment, in particular, of the smaller states. To become a pacific security community, as envisaged by Karl Deutsch in the European context, the region would need to evolve in terms of interdependence, democratic
values and institutions, and security cooperation. This would require India and the peripheral states to work together. The smaller states would need to engage India – the central state – meaningfully if they are to overcome divisive domestic and bilateral issues that have become the fundamental obstacles to growth, state building, and security. A rethink of security policies based on realpolitik perspectives that place a premium on competitive security vis-à-vis India and pursuit of balance of power by engaging the major powers is necessary given the high risks and costs. India would be required to play a constructive leadership role in helping build elite consensus on the normative, institutional and security arrangements for a stable, cooperative and peaceful regional order.

Despite the complex challenges outlined above, there have been several positive changes in the region in the past two decades since the end of the Cold War. India’s rapid growth as a major world economy and democracy, its increasing technological, military and diplomatic capacities, its growing engagement with the rest of Asia and the world indicate that it is possible for the region to overcome its political, economic and security deficits. India’s rising wealth and comprehensive power have the potential to drive regional growth and create an interdependent economic structure with positive developmental and security gains for all the states. There have been positive political changes in Bangladesh and the end of the Sri Lankan civil war provides an opportunity to resolve the Tamil-Sinhala conflict over power sharing and identity through a consensus. Bhutan is making steady political and economic progress. The emerging modern elites and middle classes of South Asia have repeatedly shown that they are against the authoritarian route to development. Most desire well-governed democracies and see in India’s success their own road to modernity, stability and security. The regional security architecture needs to reflect such a widespread desire if order is to emerge from the anarchy currently pervading parts of the region.

Historically, relations among neighbouring states are among the most difficult and complex and give rise to conflicts because of overlapping geopolitical, ethnic and territorial interests. Such conflicts become intractable if states pursue realpolitik foreign policy ideologies that create enemy images and rivalry. The most prominent of these is the rivalry that has come to characterise India-Pakistan relations. A benign South Asian security architecture therefore hinges on positive bilateral relations between India and its peripheral states. External powers such as the United States and China strongly influence the nature of the wheel and spokes of regional relationships. The past interplay of these factors has not been quite positive both because of the policies adopted by the regional states and those by the extra-regional major powers.
In effect, the emerging South Asian regional security environment is likely to remain complex and conflictual till the three dominant drivers work in a more mutual-help mode. Given the potential security and peace dividends, cooperative foreign policies and more effective democratic state systems would serve the interests of all the principal actors. This however involves a re-imagining of the security architecture by the region’s elites.

**India and Regional Security Trends**

Conflict is not new to the sprawling and vast plains of the Indian subcontinent that saw the rise of states over 3,000 years ago. The region has witnessed the rise and fall of many states and empires in this long historical period. Interstate conflict in pre-modern times was common, periodically broken by the rise of strong centralised imperial powers such as the Mauryas, the Guptas, the Cholas, or the Mughals who established security and peace in a unified state in which political order, culture, commerce and communications could flourish. An increasingly vibrant, democratic, secular, stable and modern India could play – and needs to play – such an integrating and stabilising role, not by creating a modern empire, but by providing the institutional and normative glue that knits together a peaceful and vibrant regional order. The security needs of an advancing and growing India as argued earlier require it to embrace such a strategic vision. This would not be possible however till the peripheral states – at least some of them – actively cooperate with India to achieve such a goal in their own interest.

Many of the region’s current security problems and disputes are of course rooted in the past. Colonialism, widespread poverty, entrenched socio-economic inequities, religious discord, and the limited number of modern institutions that the British rule left behind as legacy have had their impact on state formation and security. The partition of British India in 1947 has resulted in the existence of India, Pakistan and later Bangladesh as three separate states. India and Pakistan have not been able to overcome the political legacy of partition and resolve differences on the Kashmir question. The British played a dubious role in both. But the newly independent states had an opportunity to pool resources and grow together in cooperation that would have lowered security risks and military expenses. Pakistan’s armed invasion to seize Kashmir by force in the early months after Independence leading to the first Indo-Pak war and thereafter its refusal to accept Kashmir’s legal accession to India laid the basis for protracted conflict that has spawned separatism, religious extremism and terrorism. Pakistan, as former military ruler Pervez Musharraf has recently underlined, is yet to forget India’s role in...
the creation of Bangladesh. This rivalry with a much larger India is debilitating for the Pakistani state, but driven by identity, territorial claims and resultant insecurity the ruling elites have been unable to rethink of an alternative strategy for peaceful engagement. Both became nuclear weapon states in 1998 and have a significant non-attack on nuclear sites agreement in place. This can add to stability and security if political ties improve. Resolving the differences and disputes that plague India-Pakistan relations is among the most important challenges to building security and long-term peace in the region.

India’s relations with Bangladesh, Nepal, Bhutan and Sri Lanka ought to have moved ahead and strong political, economic, and security ties should have emerged in the decades after Independence. But the process has not been smooth because of domestic elite conflicts and the rise of extremist forces opposed to strong ties with India. The monarchy and the Maoists in Nepal; the extremist groups such as the Jaish-e-Mohammad, Lashkar-e-Taiba or the Pakistani Taliban and the army in Pakistan; the Bangladesh fundamentalist-extremist entities such as the Harkat ul Jihadi Islami and Ahle Haddith Andolan Bangladesh having extensive links with religious political parties, powerful elements within the Bangladesh National Party and segments of the security forces in Bangladesh have persisted with an ideological distrust of India that has marred cooperative regional ties. India’s ties with Bhutan and Sri Lanka alone have steadily improved, despite the heavy toll taken by the Tamil-Sinhala conflict in Sri Lanka.

The attention and concern needed from India towards the region has been uneven and at times missing, partly because of a series of setbacks – the violent coup d’etat against the Sheikh Mujibur Rahman led Awami League government in Bangladesh in 1975, the failure of the Sri Lankan peace efforts and subsequent assassination of Rajiv Gandhi between 1987-91, the ongoing conflicts with Pakistan, and the controversies the Maoists have raised about the Indo-Nepal Peace and Friendship Treaty. The rise of the Taliban and the Al Qaeda in Pakistan and Afghanistan and the resultant extensive malignant impact on the regional security environment have only contributed to India’s disenchantment. Simultaneously, India has been absorbed in its own domestic developments and in engaging those states and regions that are keen on its involvement such as East India. Its neighbourhood policy has in general been reactive rather than proactive.

Self-help, security rivalry and power balancing aimed at India – the power that binds the region geographically and gives it a meaning – and the lack of a robust Indian strategic engagement in crafting a neighbourhood policy have
ensured that the spirit of regionalism has not been very robust notwithstanding
the regional institutional initiatives such as the SAARC in 1985 and South
Asian Free Trade Area (SAFTA) in 2006. The region needs to become a
security community but this is difficult given the current realities. India as a
result has been more engaged in the regional processes in the more dynamic
and modernised East Asia, where its participation has been valued, to the
detriment of regionalism in the immediate neighbourhood.

However, a more powerful India – intent on re-crafting its economic,
political and security ties with its periphery; using its strategic partnership
with the United States and constructive engagement with China to good effect
for regional peace building; and influencing positive changes in the statecraft
and security policies of the peripheral states towards India, especially Pakistan,
so that they garner security and welfare gains from the peace dividend and
region-wide economic and democratic advancement – could potentially turn
the situation around. While such an outcome does not seem likely at present
given the expansive nature of China’s Asian strategy and the content and
direction of its alliance with Pakistan, it is for India, a worthy goal.
Alternatively, the region could fragment, pulled in different directions as China
crafts its own regional strategy through a string of military and economic
alliances. The smaller states of South Asia will live dangerously in such a
security environment and would dissipate their energies in seeking precarious
gains from an India-China contest for influence.

India’s development role in Afghanistan and its growing cooperative
engagements with Bhutan, Bangladesh and Sri Lanka; the reopening of talks
with Pakistan, despite the difficult challenges are important steps towards a
more proactive Indian regional role. It calls for even greater investment of
diplomatic, economic and security capital for building a South Asian security
community.

Weak States and Security

Many of conflicts in the region as argued earlier can be traced to the historical
processes and domestic systems of the states. Domestic factors shape political
perceptions and interests and influence foreign policies in many of the states.
Political ideologies and internal power struggles significantly influence inter-
state relations, causing tensions and distrust. Many of the states are still
struggling to evolve a national identity and political form. Weak states
dominated by powerful interest groups but deeply divided elites have often
been the norm. Internal conflicts are widespread, constitutional structures
weak, and the polity is fractured, making consensus on vital issues difficult.¹
Domestic politics shape foreign policies that breed regime insecurity and
militates against regional cooperation. In such circumstances cooperation, trust and a shared vision among the elites in the region, essential for constructing a regional order, are difficult to attain.

Poor governance that causes disaffection, inefficient use of resources and poor productivity has been the norm in much of the region. Democracy has been achieved formally in most of the countries at great cost but does not function optimally, constrained by elite avarice and poor governance. Even India, the beacon of democracy for the vast numbers in the developing world, is yet to achieve high standards of governance and best practices in many of its public institutions. Wide ranging reforms are necessary and the region’s intellectuals need to find ways to make democracy work much better in the service of the people rather than the elites.

Given the extreme experience of Afghanistan and Pakistan, the region cannot afford to have failing states that cannot govern themselves or are in perpetual conflict with themselves and their neighbours. Afghanistan and Pakistan have today become international problems inviting military intervention that has complicated the conflicts. Insurgency and terrorism flourish in such political environment. Nepal’s future similarly remains uncertain as the Maoists seek to foist their conflictual and undemocratic agenda on the rest of the country. The open border with India means that the conflict’s costs are transferred across the border and thousands migrate from the chaos and the instability. India and the other regional states need to draw up their own response to the Af-Pak crisis but this is difficult so long as Pakistan continues to seek strategic depth and influence over Afghanistan, and does not cooperate with Afghanistan and India.

Authoritarianism is one of the consequences of weak political institutions and constitutionalism. Coup d’états and long years of authoritarian rule have been a major source of conflict in Pakistan, Bangladesh, Afghanistan and even Nepal. Military rule and political parties that are tied to the military and extremist forces have distorted democratic institutions and political processes – a common feature in Pakistan and Bangladesh. These states as a result have witnessed violent political surges that have deeply affected democratisation, development and a regional cooperation.

Identity conflicts have been another source of conflict and insecurity. The political identity appropriate for the new states has been contested and is yet to fully stabilise. Ethnic and identity conflicts afflict the states and have devastated Sri Lanka, Pakistan and Afghanistan. India, Bangladesh and Nepal, which have had greater success, too have been affected, as seen in the continuing problems in Jammu and Kashmir, the Chakmas and the Hills-Madheshi discords respectively. Given the pluralist nature of all the regional
states in terms of religion and language, four normative principles, applied judiciously, could hold the key for common security and prosperity: a more intensive form of democracy, secularism, federalism and a welfare state. Entrenched powerful social forces and extremist groups have prevented adoption of these norms in some of the states. Yet their adoption would significantly contribute to the growth of modernity, stability and security in the region. India clearly has been a major achiever in first three of these areas, but lags behind in the area of welfare and social security for all people.

There is strong mass support for democracy in all the South Asian states and in recent there has been democratic progress across the region. Secularism as a principle would at present face opposition in Pakistan and Afghanistan. But Bangladesh under the Awami League government is adopting measures that would help build a tolerant polity. Similarly, federalism is being opposed in Sri Lanka as it is seen as a challenge to the unity of the state. But a scheme of power sharing as a method for ending the ethnic and national divide is essential. The proposed three-language plan for all Sri Lankans could begin the process of conflict resolution. In Nepal, republicanism and secularism have triumphed, and some form of federalism could emerge in the coming years for dealing with the ethnic and regional questions. In brief, given the context of politicisation of ethnic identities and the security interdependence of the region the above principles – applied judiciously and in a relevant manner – remain the hope for stability, conflict resolution and peace.

Role of Major Powers

The great powers became involved in South Asia in 1947 itself – the year of independence from colonial rule. Pakistan’s attempt to seize Kashmir by force drew the United Nations into the dispute. That single act has vitiated India-Pakistan relations and necessitated Islamabad’s alliance building first with the US and then with China so as to conduct its rivalry with India. It had to pay a heavy price for this strategy – long years of military rule and being an active pawn in the Cold War. This has distorted and ravaged its social and political fabric and with it that of Afghanistan. Jammu and Kashmir too has been deeply affected. Pakistan continues to pursue the same policy at a socio-political cost that gets is expressed in increased radicalisation that has led to violent sectarian killings, suicide bombings across the country and fragmentation of social order and assertion of violent ethnic identities. Meanwhile, its backing for the Taliban and other militant religio-extremist and terrorist groups has torn asunder the political fabric of Afghanistan, paralysed development and thwarted democratic change. Pakistan, itself, today struggles – with lavish American help – to somehow survive the onslaught
of the extremists that the state itself has long nurtured in order to pursue its realist strategic goals. Internal war is spreading across the Pak-Afghan geographical area.

The role of both the US and China in strengthening militarism and extremism in the region is by now well documented. Having aided the jehadi groups against the Soviet Union, the US is today struggling to overcome them in Pakistan and Afghanistan. The US is deeply tied to the fate of the region as a result. So is China, as its interests in trade, strategic roads, and consolidation of its influence in Tibet and Xinjiang drives it towards involvement in the region.

How to deal with the US and Chinese strategic interests as India seeks to rebuild its regional strategy would be among its principal foreign policy challenges in the coming years. China’s shadow is expected to grow with extensive consequences for the regional order.

**Order through Regionalism**

Regions, regionalism and regional orders have in recent years become important themes in international politics. One prominent theorist argues that in conjunction with the American ‘imperium’, regions are now fundamental to the structure of world politics and they may provide solutions to several global challenges. Regional institutions with a focus on facilitating both interdependence and conflict resolution have emerged in all regions, with the European Union being the most advanced model. In Asia too serious efforts to construct regional orders have grown over the past two decades following the Cold War and rapid globalisation. The ASEAN, SAARC, BIMSTEC, SCO, GCC are already in existence, other initiatives are underway.

In the words of Inis Claude the rapid increase in international and regional institutions since World War II indicates a “growing sense of interdependence and an acknowledgement that the pursuit of milieu goals has become a matter of central importance; the state of the world bears heavily upon the state of the state.” It also underlines that there is growing recognition that “sovereignty is not enough” – the interests of states demand that they give their combined attention to the quest for world order, even if this requires them to surrender their assertion of rights by accepting restraints and responsibilities.”

Yet Asian efforts in this direction have so far been mostly modest. The desire to safeguard newly gained sovereignty and insecurity about the dilution of identity in regional integration processes, and most crucially the existence of insecure regimes have proved to be obstacles to regionalism. Institutions have often become forums for rhetoric, avoidance of discordan t issues, and
backroom power politics. This is largely due to three reasons: One, the presence of several major powers – India, Japan, China, Russia and the United States – have led to conflicting interests and divergent perspectives on regionalism and regional order. Two, the smaller states often suffer from insecurity – both because of the perceived asymmetry of power with the regional power/s and because they are still struggling with identity construction, political form, and the consequent persistent and extensive domestic turbulence that enhances regime insecurity. Three, both interdependence and balance of power remain in operation in relations among the principal regional powers and the small state-regional power relationships undermining confidence that underpins successful regionalism.

The experience in South Asia therefore has been quite unfortunate in this regard. Regionalism in the shape of the SAARC was set in motion over two decades ago but the progress toward regional cooperation, economic integration, and creation of a security community in South Asia has been mostly paralysed or very slow. The SAARC charter adopted in 1985 mentions that the member states are 'desirous of peace, stability, amity and progress in the region through strict adherence to the principles of the United Nations charter and non-alignment, particularly respect for the principles of sovereign equality, territorial integrity, national independence, non-use of force and non-interference in the internal affairs of other states and peaceful settlement of all disputes'. It was signed by heads of states of Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka in Dhaka. SAARC does not deal with regional security issues since they are contentious and has limited itself to trade, environmental, food security and social issues. Even in these areas progress has been limited since the larger politico-security tensions have prevailed over cooperation. Moreover, the principle that all decisions have to be made unanimously and no bilateral and contentious issue can be on the SAARC agenda has been an obstacle enabling one or two states prevent progressive change.

Some important agreements however have been signed for promoting regionalism. But, key agreements on countering terrorism and establishing the South Asia Free Trade Area (SAFTA) have remained unimplemented and there has been little movement towards opening up trade and transport corridors, flood control and river water management. However, the decision to sign the South Asian Regional Convention on suppression of terrorism in 1987 and additional protocol on terrorism in 2002 has not resulted in cooperation on intelligence sharing. The countries continue to debate the definition of terrorism and some follow it as an instrument of their foreign policy thereby undermining the convention and making it defunct. Pakistan
has often played the role of a spoiler unable to decide whether the agreements it has signed will help its rivalry with India or be detrimental to it. The dynamics of internal politics in Bangladesh and Nepal have not always been helpful either.

While SAARC was constructed to deal with non-political and non-security issues in the hope that divergences would be kept out while economic and other ties would be expanded facilitating resolution of the basic differences. This model has not worked because security and political disputes have been so intractable, that without simultaneously addressing them progress on the trade and communications front have not been possible. A different model of ‘walking on two legs’ is therefore necessary – meaningful negotiations on differences and expansion of areas of common interests in the economic, communications, terrorism, migration, energy and water sharing, environmental and disaster management sectors.

Since much of the anarchy in South Asian inter-state relations is rooted in the domestic realm, in elite propagated ideologies that shape perceptions and interests it is necessary to ask how can regionalism come about and can it help change such deeply held beliefs and orientations? South Asia, as mentioned above, constitutes a security complex in which the security of each actor is intertwined with the security of the others. There is intense security interdependence within such a complex. Because the impact of domestic political ideologies and conflicts is felt through the region and is widely destabilising, regional efforts to deal with the causes are both valid and necessary notwithstanding the sovereignty principle. That collective efforts to construct a regional order can significantly influence domestic stabilisation, pacification, economic growth and security for all the states is clearly indicated by the European experience. In view of the rapid deterioration in the political conditions in Pakistan and Afghanistan, the spreading conflagration fuelled by armed religious extremism, the perilous search for ethnic peace in Sri Lanka and the tenuous situation in Nepal that daily impacts on India and states well beyond the region, such a task is urgent. Collective regional opposition to extremism and militarism, political support for secular democratic forces, and diplomatic activism could make a significant contribution. In many cases such efforts would prevent wider internationalisation and interventions that further complicate conflict resolution.

Regionalism in South Asia however has faced three prominent challenges. One, despite the creation of the South Asian Association for Regional Cooperation (SAARC) in 1985 regionalism does not have the complete support of the elites in some of the states. Rallying the region’s elites to back regionalism is therefore the first political challenge that needs to be addressed.
This is not easy given the fear – real or imagined – of some of the smaller states of the political, economic and security consequences of asymmetry in power and size between India and the other states. One way to overcome this challenge is to bind the region in a strong normative order – a modified version of the Lisbon Treaty – that would govern the behaviour of all states and political actors in the regional context, and would derive its strength from the resolve of the states and recalcitrant actors would face boycott and sanctions. Thus, even if the first challenge of clinching regionalism as a valued goal is attained a second challenge remains – without a set of common democratic and collective security norms which all the states fully embrace a successful regional order cannot be created. This too is indicated by the success of the European model. Finally, if the states – large and small – of the subcontinent are to overcome the anarchic inter-state order they need to mitigate their internal anarchy and build effective well-governed states – the two are intertwined.\(^{11}\) A domestic order based on the norms of democracy, secularism, federalism and the welfare state is essential given the social, political, religious and historical realities of the region. Such an order is needed not only for constructing stable and secure states, but also the creation of a regional order that can gradually evolve into a security community.\(^{12}\) Overcoming these challenges is an urgent task if the geographic region is to become a regional order in which the people and the states can thrive and be secure.

What then would be an appropriate feasible strategy for building a ‘regional order’ and a ‘security community’ in the South Asian context? The realistic efforts can focus on four areas:

- A common normative order that addresses both domestic and regional security challenges. The norms need to be in tune with the security and development needs and aspirations of the people and be common given the regional security interdependence. A new South Asian Charter inspired by the progressive norms and the democratic and secular political values of the region has become necessary.
- Agreement on principles of dispute resolution in the region;
- A cooperative security system with regular meetings and consultations among official security organs on ways to enhance confidence building, undertake counter-terrorism and anti-maritime piracy exercises, forge defensive military doctrines, agree on abjuring of force, covert terrorist or military operations, money laundering, or providing refuge for terrorists and criminals. If progress is made on the above a security community will gradually evolve.
- A Council of Security Cooperation (CSC) comprising eminent
statesmen from within the region, secular democratic political parties, leading entrepreneurs, intellectuals, and former military leaders which would work both as a watchdog and a provider of ideas to the governments.

As in the European process a core group of states could initiate and sign the charter with an invitation to Pakistan – which is internally the most divided on the merits of regionalism and the source of many of the region’s conflicts – to also join. However, states unwilling to sign can stay out and join later once they have worked out a policy consensus on the normative order. Every attempt should be made to involve such countries by engaging the secular, democratic and moderate forces within.

Successful regionalism needs the bedrock of a normative order and collective security as the European experience underlines. The region’s principal political parties and the militaries need to imbibe these and fundamentally reorient their politics if the norms are to be translated into sustained government policies and practice. For this to happen a regional stake needs to be defined and each country’s stake has to be factored into it. It is evident that the internal and external policy dimensions in the region are deeply intertwined. However, Article 10 provision 2 of the SAARC Charter stipulates that bilateral and contentious issues are to be excluded from the deliberations. A revised charter therefore is now overdue if the region has to escape from anarchy and start constructing a progressive and stable regional order.

India as the regional power would have to take the lead in formulating the vision of a regional order that can attract and rally secular democratic forces, including the mainstream political parties, intellectuals, militaries, entrepreneurs, and the media throughout the region. It needs to invest significant political, economic, military and intellectual capital towards this goal. But it cannot do it alone. It needs the support of democratic forces and states that abjure balance of power strategies aimed at constraining India and support regional economic, political and security cooperation as the way forward from the existing anarchy. It would be therefore politically and diplomatically useful if the vision is put forward by a group of eminent statesmen, intellectuals and business leaders. The positive changes in Bangladesh and Sri Lanka, the constructive approach of Bhutan and the Maldives, and the desire of Afghanistan, despite its ongoing crisis, to be part of progressive change are reasons for optimism and for forward movement on region building.

The states in the region face numerous challenges that they are not in a position to overcome on their own, and certainly not by pursuing a policy
of hostility towards India that only aggravates the political, security and economic problems. They need cooperation of other major economies – US, Japan, China, Europe, Southeast Asia and the oil producing states. But it should be kept in mind that their political, security, economic, environmental, ethnic and cultural realities tie them to India. Efforts to construct a balance of power with the US or China with an eye to India – a standard option of the regional regimes for many years – is full of hazards as Pakistan has repeatedly found in its conflicts with India, and one of diminishing returns as India’s ties with both countries grow. Given the specifics of South Asian geopolitics, anti-Indianism and balance of power diplomacy multiplies the very security problems that the regimes seek to overcome through such arrangements. India too needs the cooperation of its neighbours and the rapid development of the region as a whole. India cannot be peaceful, secure and prosperous if its immediate neighbours are in disarray and in conflict mode.

Achieving South Asian unity of ideas on regional cooperation and security policy would mean a fundamental break with an unfortunate past. The task is arduous, daunting and likely to be time-consuming. But if the region succeeds in overcoming its internal divisions to do so, it will almost certainly become a more thriving area, a zone of peace rather than violent conflict, and more influential on the global stage. A more united and integrated South Asia will, in turn, affect changes in the world’s geopolitical landscape in ways that are still unknown but certainly positive for the people of the region and the world community.

Conclusion

Fragmented and isolated the small states of South Asia suffer from many frailties. They need to focus on growth and all-round development as the highest priority. For this to happen they need stability at home and a cooperative security system in the region. Since much of the anarchy in South Asian inter-state relations is rooted in the domestic realm, in elite ideologies that shape perceptions and interests, winning the normative battle has become the major task for the success of regionalism and state survival. The shared geography and environment and the security interdependence that characterises the South Asian regional security complex means collective action of the states is urgent to ensure a closure of the region’s conflictual past and a new move towards SAARC-II.

The anarchic conditions are unlikely to change in the coming years unless the regional states agree on overcoming the three challenges that have sustained anarchy and prevented construction of a regional order: a consensus that regional order is essential since it would benefit all; a set of common norms
for political conduct, security relationships, and institution building both at home and across the region; and building a domestic order based on a more intensive form of democracy, secularism, federalism and the welfare state. The next stage of region building has to focus on intra-state reforms and conflicts that today are principal sources of instability and disaffection. Inter-state ties are significantly dependent on progress on the domestic front and creating a broad political consensus on regional political, economic and security issues. This will not be easy, given the current realities and mental blocks; but there are no other visible alternatives that promise a new framework to the states of the region.

NOTES

1. South Asia as a region covers: India, Afghanistan, Bangladesh, Bhutan, Maldives, Nepal, Pakistan and Sri Lanka – the members of the South Asian Association Regional Cooperation (SAARC). Tibet and Myanmar, which have been historically and geo-politically part of the region, are not included, as the former has been incorporated into China and the latter is not part of the regional association.

2. See Barry Buzan and Ole Weaver, Regions and Powers: The Structure of International Security, Cambridge University Press, Cambridge, 2003. The concept of regional security complexes explains how security is clustered in geographically distinct regions. According to Buzan and Weaver, security concerns do not travel well over distances and threats are, therefore, most likely to emerge from within the region. The security of each actor in a region interacts with the security of the other actors. There is often intense security interdependence within a region, but not between regions, which is what defines a region and what makes regional security an important area of study.

3. See Pervez Musharraf’s interview to Der Spiegel, October 4, 2010. Justifying Pakistan’s invasion of Jammu and Kashmir at the Kargil sector in 1999 that nearly caused another general war and the backing to armed militants groups and separatists against India because “India was not prepared to discuss Kashmir”, he said: “The West blames Pakistan for everything, ... Nobody was bothered that Pakistan got split in 1971 because of India’s military backing for Bangladesh.” Musharraf like much of the Pakistani elite continues to turn a blind eye to the reasons why Bangladesh separated from a Pakistan, including the unwillingness of West Pakistan’s political elite to share power with the more populated east.


7. Ibid.
9. Two agreements have been signed and ratified – the SAARC Regional Convention on Suppression of Terrorism (1987) and the Additional Protocol on Suppression of Terrorism (2006).
10. At the January 2004 summit meeting, the foreign ministers signed the South Asian Free Trade Area (SAFTA) agreement to promote economic integration. It entered into force in January 2006. The objectives of SAFTA are elimination of all sorts of barriers in trade and facilitation of free and fair movement of products; promoting fair competition and free trade environment in respect of the existing economic conditions which will ensure the maximum benefit and; and establish an institutional frame to promote and expansion of regional cooperation.
Dealing with Terrorism: Can there be a Regional Approach?

Shahedul Anam Khan

“The South Asian sub-continent has become a dangerous place in which to live not because of those who do evil, but because of those who look on and do nothing”

Introduction

Over a two-week period in October 2009, nearly 200 people, most of them innocent civilians lost their lives to terrorist bombings in several places in Pakistan. The so-called jihadis who have misappropriated religion to perpetrate the worst form of violence on innocent people carried out the bombings. The scenes from the terror attack on Taj Mumbai in November 2008 are still vivid in our minds, and it has been confirmed by the captured terrorist that the attack was conceived, planned and carried out from across the border.

South Asian countries have had to deal with, and are still engaged in countering terrorism and in the process are having to pay very high political, economic and human costs. If anything, it proves that no country is invulnerable to terrorism, and underlines the need for a common response to it is all the more imperative given the global and regional dimensions that the issue has acquired.

The subject ‘Dealing with Terrorism: Can there be a Regional Approach?’ requires one to indulge, to some extent, in crystal ball gazing, primarily on two counts. Firstly, how does one predict what the character of terrorism will
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be in the next decade? Considering the manner in which the phenomenon has transmogrified in the last one decade, even a reasonably accurate prediction of its shape and substance is likely to be proved wrong. That being the case, can one formulate a substantive plan to deal with the phenomenon?

The second reason why the proposition appears to be misplaced is the ‘regionality’ of our attempt to deal with the issue. Given the natural disinclination of the countries of South Asia to come together on even the most innocuous of issues, the lack of any agreement on a volatile and sensitive matter like terrorism between the two larger nations in particular, is not surprising. It is regrettable but the inescapable reality is that, in a region where there is pervasive mistrust, where multilateralism is avoided on most issues, not to speak of security, a regional approach appears to be as futile an exercise as difficult as trying to straighten a dog’s tail.

If that were not the case why is it that a region, which had foreseen the likely deleterious consequences of terrorism well before 9/11, has not been able to coalesce to curb, if not defeat, a plague that has afflicted, and continues to afflict the region in varying degrees. Even after more than two decades of the formulation of appropriate instruments at the regional level under SAARC for tackling terrorism, we are yet to see those implemented in any meaningful manner in spite of the compelling reasons that demand the contrary.

Very few will disagree that the US global war on terror is a very good example of how dubious motives derail a genuine enterprise because of the deceit, falsehood and trickery resorted to, to fool one’s own countrymen as well as the world. That venture cannot be cited as an example of a well coordinated regional or international effort. However successful examples, of such efforts are also aplenty.

The EU for example, in spite of questions of sovereignty, has “Since the 2001 attacks, sought to speed up its efforts to harmonise national laws and bring down barriers among member states’ law enforcement authorities so that information can be meaningfully shared and suspects apprehended expeditiously. Among other steps, the EU has established a common definition of terrorism and a list of terrorist groups.” Lessons can also be drawn from the ASEAN and APEC, on how these two regional bodies have come together within themselves to face the threat.

It is not as if the leaders of South Asia are not aware of the dangers posed by terrorism. Pakistan, which has been accused of fomenting cross border terrorism, had felt the need for cooperative approach in dealing with the issue as far back as 2003. And in recent times there has been a reaffirmation of the position that the main threat to regional peace is terrorism, and a reiteration of, “the necessity to strengthen regional legal mechanisms and
intensify intelligence sharing to secure the region's collective prosperity, peace and stability, in combating terrorism.”

In spite of expressions of good intentions, the SAARC countries have failed to utilise the existing mechanisms. And this begs the question asked above.

This chapter attempts to evaluate how terrorism might evolve in the next decade and examines the possibilities of a cooperative approach in dealing with it. To examine these two questions it is necessary to: (i) consider South Asia’s uniqueness, (ii) examine the compulsions to cooperate with reference to the region’s peculiar political cultural and security configuration; (iii) study the various manifestations of terrorism in the region; (iv) review the impediments to a common approach; and finally highlight the available regional and sub-regional mechanisms that can be strengthened or replicated; and suggest measures for a common approach.

South Asia – Special Features

While scholars talk effusively about cooperation and collaboration in South Asia they seem to overlook the conditions that shape the mind frame of the people and the establishments of the countries in the region. Pious expectations are articulated without realising the realities on ground that determine the actions of individual countries, realities that are predicated on history, on perceptions of security and the core values of countries, among other things.

The uniqueness of the region is decreed by the fact that three of the seven countries in the region were, not very long ago, part of the same political map. The baggage of history has remained unfortunately a constant companion of the three and this, regrettably, shapes their attitude both at the bilateral or multilateral context. J.N. Dixit gave a very succinct picture of the region when he said:

The osmosis of history made India central to the processes of South Asia’s political, strategic, economic and demographic developments because of its territorial size, population, diversities, economic strength, technological capacities and military power […] India shares ethnicities, languages, religions and cultural traditions with all the other states of the South Asian region.”

The Indo-centric aspect of the region may be a vexing feature but it can neither be wished away by other countries nor would any sensible student of geopolitics like to wish it away.

India remains at the core, sharing borders with all eight member states save one, and none of the other countries share a border with a second country
Dealing with Terrorism

except one. This is both a plus and a negative. The countries of the region have to deal with one very big neighbour whose pre-eminence no one should grudge but surely any attempt by it to dominate the region is likely to be resented. But sometimes dealing with a single neighbour can be beneficial if there is a convergence of thought and harmonisation of views. This seem to be a bit difficult to achieve in the South Asia region.

A matter of concern for the smaller states is the deep-rooted sense of distrust among some members of the region, particularly the two major powers, India and Pakistan. Although they have exalted their status by joining the club of the nuclear Brahmins they are the only two nuclear powers that share common borders, which is not the case with any of the other five declared nuclear states.

What the South Asian leadership must not lose sight of is the fact that the global war on terror is focussed on South Asia – that is Afghanistan. Needless to say the South Asian countries should be prepared to absorb the consequences of GWOT that is being fought on our doorsteps. But that would need a synchronised effort on the part of the countries of the region if it is to be done well and done successfully.

The Compulsions to Cooperate

No region in recent times has been so badly affected by terrorism than South Asia. Energy and resources have had to be diverted from soft sectors to the detriment of the countries' development. The very recent incidents of terrorist attacks in Pakistan and India and of course Afghanistan amply bear out the fact that South Asia is caught in the vortex of a phenomenon which no country can combat successfully, nor emerge unscathed from the process, all by itself.

The region's experience with radicalism, fundamentalism and terrorism long predates 9/11. However, with the so-called war on terror, the phenomenon has acquired an even greater significance since it has affected the region's stability and progress in an even more debilitating way.

The so-called war on terror has brought the lone world super power to the doorstep of the region (now that Afghanistan has joined the folds of SAARC the region has enhanced its geographical definition). What it means is that the countries of the region that are directly allied with the US in the fight against terror will not only have to deal with indigenous terror at home, the region will have to also deal with the inevitable fallout of the US global war on terror like it had to deal with the fallout of the anti-Soviet jihad in Afghanistan.
The recent attacks in Pakistan, including on the most highly secured places like the GHQ, the bombing of the Marriott in Islamabad, the blasts in Peshawar in 2008 and 2009, and the experience of Bangladesh in August 2004 and 2005, the terrorist attack in Mumbai in 2008, should leave no one in doubt that terrorism not only has established its footprint globally, it has also acquired a regional dimension. And there are compelling reasons for adopting a regional approach to tackle the matter.

There is growing networking of terrorists, of all hues in South Asia. Recent arrests of Indian insurgents in Bangladesh revealed that these elements have their links to both Bangladeshi and Pakistani terrorists. Their activities straddle international borders. Terrorists belonging to the United Liberation Front of Assam (ULFA) recently captured in Dhaka also admitted to having links with some religious extremist groups in Bangladesh.

These groups help each other for survival and subsist on the illegal trade of arms and drugs. There is very little that the countries can do by way of interdiction if it is not carried out in a coordinated manner. But perhaps an equally significant link that we cannot afford to overlook, established almost a decade ago is that between Maoists in India led by the Maoist Communist Centre and leftists groups in India, Bangladesh, Nepal and Sri Lanka.

Given this combination of political fragility, development challenges, and violent religious extremism, the threat of terrorism in South Asia is not likely to subside in the immediate future, making the implementation of a long-term, balanced strategy a matter of paramount importance. These are indeed very pressing reasons for a common regional stance against threats that have global dimensions and the potential of destabilising the region.

**Terrorism – An Overview**

The current discourse on terrorism gives one the impression that as a phenomenon it emerged only after Sep 11, 2001. There are ample examples, historical evidences and precedents of the use of terrorism as a tool of political control and a means of political repression, predating the formation of nation states.

The world has lived with terrorism since the beginning of history when its potential to change thoughts and actions by coercive measures was realised and it was used as a handy tool, not only by the strong and powerful, but also by the weak. That propensity continues even to this day. The phenomenon has existed over millennia; and has been sustained by various ideologies in the last century.

However, to term terrorism as a tool of the weak to correct an asymmetric
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relational status is not only an erroneous characterisation, but also a misreading, of the matter. We have been also made aware of the fact that the state no longer has a monopoly over the instruments of coercion; they are faced with stiffer challenges from the non-state actors some of whom are equally well, if not better, equipped and have superior wherewithal to perpetrate violence on the state for political ends. As we try to figure out the shape that terrorism is likely to take by the end of next decade there is need to analyse the character of the phenomenon we are facing now.

Terrorism has acquired a more violent character in the last several decades. Statistics suggest that although the number of terrorist acts are fewer in this century as compared to the last three decade of the 20th century the number of casualties has increased.\textsuperscript{11} This is primarily because of the high level of technical sophistication acquired by the terrorists. In fact

... what seems to have rattled global powers about terrorism is the realisation of the ability of non-state actors to use modern technology and sophisticated mechanisms to challenge the primacy of the state. Interestingly, the non-state actors are using the tools of globalisation, cutting through artificial barriers like boundaries to form coalitions that would challenge existing power structures.”\textsuperscript{12}

Of note is the fact that the distinction between global and domestic terrorism is getting blurred everyday. Terrorist experts are loth to see a distinction between the two “at the time of global communications and networked terrorism”.\textsuperscript{13} There has been a networking of terrorists, and in particular Islam has been distorted to exploit the gullible and the uneducated. But more importantly it has been made a common factor in establishing links and networks between ideologically motivated groups who may not share an organic relationship but certainly draw ideological inspiration from international Muslim terrorist groups. However, the nexus has gone beyond the realm of the terrorists and now includes drug and weapon traffickers, smugglers and insurgent groups.

In South Asia there is no one form of terrorism. This is a weapon that is being used as a tactical expedient by some and as a strategic option by others. The insurgent groups in the Indian Northeast, for example, resort to terrorism as a part of their insurgent movement but for the Taliban or the L-e-T in Kashmir it is through terrorism that they seek to attain their political objectives.

The choice of targets has also changed, particularly in Pakistan. Whereas in the past terrorist targets and objects were different, recent attacks on official establishments and hard targets like the headquarters of law enforcing agencies
the police training academy, the FIA, the ISI and above all the heavily protected army HQ in Rawalpindi, and the Mumbai Taj attacks, indicate the growing boldness of the terrorists and their ability to pull off audacious assaults on such highly protected targets.

While in Pakistan religious ideology is the predominant motivating factor for the terrorists, it is the same, to some extent, in Bangladesh as well. In India the threat is increasingly coming from the Leftists and Maoists. In fact it is now being acknowledged that it is the Maoists that have overtaken the Islamic militants as the primary threat to India. This is clear from the Indian Prime Minister Manmohan Singh’s remarks that the Naxals are the greatest challenge to India’s security as well as the West Bengal Chief Minister’s requests for more security forces to deal with the menace. In spite of this, the Indian prime minister said that there was no credible information regarding Naxals having any terror links and that there was no proposal for declaring Naxals as terrorists, adding that they were banned and covered by Unlawful Activities (Prevention) Act.

We also cannot overlook the ominous portend that in addition to jihadist manifestations of terrorism, there are other signs of right-wing religious extremism in South Asia, as with the Rashtriya Swayamsevak Sangh (RSS) in India. Though billed as a nationalist movement, it promotes an exclusive Hindu identity and state and has been charged, along with its associates, such as the Vishwa Hindu Parishad (VHP) and its youth wing, the Bajrang Dal, with inciting much communal and religious violence over the past few decades. In a region where ethnic and social groups frequently spill over political borders, such violence feeds into the rhetoric of fear and social fragmentation propagated by militant religious groups and fuels a vicious circle of communal violence in the subcontinent. These groups are believed to have links with other international extremist Hindu organisations.

We can conveniently situate the India and Bangladesh scenarios into what Cunningham describes as:

… four predominant models of how terrorism is conceived that frame counter-terrorist responses; i.e. a law and order problem, a security problem dealt militarily, a liberation struggle a violent reaction to a complex set of socio-economic, political, cultural and possibly religious variables with a multifaceted intervention to eliminate underlying causes and cycles of violence.

As for Pakistan it appears that the situation there is graduating from a state of terrorism to open hostility where the Taliban seem to be ready and even willing to pitch themselves in classical battles against the army.
Preconditions for a Good Strategy

Admittedly, the regional approach must be dovetailed to the respective country-strategies of individual countries. Terrorism is a product of local conditions. However, the impact of regional conditions establishes the causal link between the two and justifies coordination of efforts at regional or bilateral levels. It should be noted that:

While determining our response to terrorism we should avoid the trap of a 'single dimensional approach' in other words following the realist approach, predominated by military power, in arresting the phenomenon. Needless to say, there are objective conditions that fan the flames of terrorism and these are not universal in nature but germane to a particular country. Each is predicated by particular sets of circumstances and each has its own reasons for gestation. In order to prevent its germination one would have to delve into the reasons for its growth.18

It is imperative that a regional counter terror strategy keeps these imperatives in mind.

The Available Counter Terror Mechanisms

SAARC

The farsightedness of SAARC’s founding fathers was demonstrated in the adoption of the 1987 convention. But it was not followed up with the political commitment required to put that into effect.

The 1987 Regional Convention on the Suppression of Terrorism includes a definition of ‘terrorist acts’. It calls for greater regional cooperation on legal issues, including evidence sharing, extradition, and information and expertise exchange. This was updated through the 2006 Additional Protocol, which incorporates into the original convention the obligations of states under UN Security Council Resolution 1373, adopted in the aftermath of 9/11. In fact, the Additional Protocol was adopted to comply with 1373 in the post 9/11 scenario.

SAARC created the Terrorist Offences Monitoring Desk (STOMD) in Colombo, Sri Lanka, which is made up of experts from throughout the region working to “collate, analyse and disseminate information about the terrorist [incidents], tactics, strategies and methods.” Complementing the work of the STOMD are the Drug Offences Monitoring Desk (SDOMD) and an expert group on Networking among Police Authorities.

The most recent initiative in this regard has been taken at the 31st session of the SAARC Council of Ministers in February 2009 which, “iterates and
re-emphasises the common and collective resolve of all SAARC member states to work together to eliminate the scourge of terrorism from our region. The member countries emphasised the need to consider the development of an integrated border management mechanism. This is the first occasion on which the need for such agreement has been voiced by member states.\textsuperscript{20}

**BIMSTEC**

Following the 2004 summit, the BIMSTEC established a Counter-Terrorism and Transnational Crime Sector (CTTCS) responsible for coordinating the sub-region-wide response.

**UN Counter Terror Mechanism**

While the regional arrangements, at least on paper, show a reliance on ‘hard’ power, it is evident from the nearly ten years of war on terror that military power cannot by itself tackle a phenomenon that has an uncanny self-actualisation mechanism, which lends it the ability to perpetuate.

If military action is not the only answer, then what are the other options available to confront terrorism, if not rid the world completely of it? It is important to determine the degree of sustenance or support, moral or otherwise, that is given to terror outfits operating in various countries by international terrorist organisations.

This is what makes the Global Counter-Terrorism Strategy adopted in September 2006 by the United Nations General Assembly (UNGA) so relevant. One of its aims is to unite the world against global terror, which it is not at the moment. The global counter-terrorism strategy will enable the world to fight terrorism as a phenomenon per se, without ascribing any particular shade to it.

While one accepts the reality that the adoption of the UN resolution is symbolic, in as much, as it is non-binding, the fact that all the 192 member states have adopted it, indicates an acceptance on their part to address the matter in a holistic manner.

The three most significant aspects of the UN strategy are: one, the parties have been persuaded to keep fractious issues aside and instead pool resources at the global level; two, the responsibility has devolved on the UN and not on any particular country, to lead the global fight against terror, which is as it should be, but which is not the case at the moment; last, but not the least, it has been emphasised that there is to be no abridgement of human rights in tackling terrorism.\textsuperscript{21}
Cooperation Problematic

Perception

No substantive progress can be made unless efforts are made to formulate a common approach and unless the impediments that accentuate the divisions, which include the psychological as well as the actual, are mitigated. The first obstacle that stands in the way of regional cooperation is the very perception of states that the ‘other’ is the part of the problem and therefore can hardly be expected to partake in the solution. And this stems primarily from how the issue is perceived by various states.

Alleged Complicity of the ‘other’

That terrorism in Kashmir has been fomented and sustained by Pakistan is a charge made by India against Pakistan which sees the Kashmiri struggle as a fight for self-determination. In fact Pakistan has been accused of having a hand in all the terrorist blasts in India in recent times. India alleges too, that the bombing of its embassy in Kabul in 2008 and in October 2009 was the work of ISI in collaboration with Taliban.

Bangladesh too has been accused of having a hand in terrorist activities in India without any real substantiation of the accusations. What is irksome for Bangladesh is the allegation of a Pak-Bangla nexus to destabilise Northeast India in order to carve out a greater Bangladesh by changing the demographic balance of the region through infiltration.22

In similar vein India has been accused of fomenting trouble in Baluchistan. The most recent instance being the bombings on October 16, 2009, in Peshawar, Swat and Kohat.23

Lack of a common definition24

The SAARC Additional Protocol on terrorism has described terrorist acts but has not defined terrorism. Experts are of the opinion that given the complexity of the threat, the geopolitical animosities on the subcontinent, and the inability of leaders to agree on a common definition of terrorism, it is not surprising that governments have been unable to devise a coherent regional response. Instead, threat analysis has focused on the state and its law-enforcement, intelligence, and military capabilities, rather than on adopting a regional approach that includes both ‘hard’ and ‘soft’ and ‘short- and long-term measures’.25

While it is true that the propensity of South Asian states is to rely mainly on the stick, the argument, that lack of an agreed definition inhibits formulation of a common approach, lacks conviction. Terrorism has been used as a proxy war as were insurgency movements. And proxy wars are seemingly
cheaper than any other form of warfare, till they come back to haunt the very countries that resort to it.

A plethora of definitions exist, but there is no single one that captures the full character or nature of terrorism. There are as many definitions as there are those involved in terrorism or dealing with it. Definitions, most often, stem from individual and parochial perceptions of the phenomenon. Most experts agree that even if there were an objective, value-judgment-free definition of terrorism encompassing all its important aspects and features, it would still be rejected by some for ideological reasons.

The fact that there are, by one count, 160 definitions of terrorism should neither detract nor prevent us from seeing terrorism for what it is – the use of violence for attaining political objectives by inducing fear. There is a general consensus that the lack of a universally accepted definition should not be allowed to inhibit our efforts to confront terrorist groups.20

Even if one were to accept the argument that by defining terrorism one can also zero in on the means of countering it, and that deciding on a definition of terrorism is also essential if only to distinguish it from other forms of violence: Should lack of a commonly accepted definition stand in the way of formulating a cohesive plan at regional level?

Cooperative Approach

The US has discovered, much to its embarrassment, that no war, much less against a complex phenomenon like terrorism can be fought unilaterally and in isolation. Although the declaration of war can be made unilaterally it needs the joint effort of the stakeholders to carry it through, and even then there is no guarantee of success. The South Asian countries would do well to recognise this reality.

The concept of cooperative/collective security, despite many reservations and discords, has been part of the global security discourse, particularly after September 11, 2001. However, no concrete suggestions have yet emerged.

The two regional and sub regional bodies (SAARC, BIMSTEC) have their inherent shortcomings because, “Meaningful progress within SAARC has been held hostage to the tensions between South Asia’s two largest rivals, and BIMSTEC faces limitations, both in terms of its capacity as an organisation and its utility in promoting region-wide counterterrorism cooperation because Pakistan is not a member.”27

In the same vein terrorism has occupied a dominant space in our security discourse; it has become one of the most serious threats to human security. Yet the approach seems to suggest a single track mind, overlooking the need for not only a holistic but also a coordinated approach.
Kofi Annan’s five D strategy sets out the principle policy criteria that should govern counter terror strategy, but it also calls for country based strategies ‘to recalibrate their efforts to combat terrorism in South Asia’.  
There are international instruments (UN, British, EU, and APEC) available to fight terrorism, and South Asia can formulate a common response based on those.

A Common Strategic Architecture

Given the state of security and the potential for regional instability, it may be worth considering ways to utilise current arrangements to prevent future crises in the region. SAARC may be worth a look.

Many scholars aver that South Asian regional stability has been troubled by the absence of an institutionalised security mechanism and our hopes of South Asia becoming a peaceful and stable region where each nation is at peace with itself and its neighbours through peaceful means and dialogue have overlooked the lack of a regional body.

Needless to say, a common strategic architecture would require a common perception of threat. On this count there is very little accord in the region. A common strategic stance also requires the elimination of threats, perceived or real, that stem from the internal dynamics of the region itself. Each must thus cease to be a ‘threat’ to its neighbours before the member states can even contemplate looking at external threats.

A common stance also requires that a predominant position vested by the virtue of natural resources, size of the economy and the powerful technology base must not be used to dominate the neighbourhood. This is where the idealist attitude of India’s founding fathers must not only be resuscitated; it must be put into practise with even greater vigour.

If India’s founding fathers arrogated to India a leadership role, perhaps rightly so, given its historical and cultural influence in the region and indeed in the continent of Asia, they were also mindful of the fact that it was not necessarily through the exercise of ‘raw power’ that influence could be extended over the region. And to quote J.N. Dixit again:

A commitment to freedom based on commitment to democracy, predicated on safeguarding diversity and individual freedoms in civil societies [...] encouraging cooperative relationships and impulses of democracy were the terms of reference for international relations… and strengthening political multilateralism through the UN, were the basic principles of the Indian vision which was translated into India’s regional foreign policy, particularly during the first decade after independence till early ’60s.
Obviously, the vision of enlightened ‘multilateralism’ has been replaced, at least in so far as the region is concerned, by India’s emphasis on bilateralism. Thus, if the founding fathers of SAARC perceived it to be an instrument for reducing tension in the region, strategic threats and security cannot but feature in the agenda of SAARC countries. While ideological orientations may differ and strategic visions are motivated by the need to maximise the national interests of individual countries, these can indeed be harmonised at least in so far as the common threats are concerned.

Therefore, while security cannot be seen in the abstract or in isolation. The helplessness of India and Pakistan in the face of natural calamity, exposed the powerlessness of the two nations, armed to the teeth yet failing to provide basic succour to their needy, was only too obvious. And when the tsunami victims of Sri Lanka were waiting for much needed relief, the whole process got bogged down in extraneous considerations and the the distress of the people was submerged by so-called security considerations that attended the ongoing counter terrorism operation against the LTTE. One cannot but rue the absence of a regional arrangement that would have effectively addressed situations such as these.

Just as cooperation to address pre and post calamity situations is a must, so is action against the common threat that they must identify and address in unison. Cross-border terrorism, proliferation of illicit small arms and light weapons, drugs and narcotics, religious extremism and terrorism, and migration due to demographic pressures are some issues that may be worth addressing, to start with.

In devising a common regional stance against threats which have the potential to destabilise the region, the member states must discard their traditional ways of dealing with security issues. As an eminent South Asian scholar suggests, they must “move away from norms of confrontation and application of coercive force, a more creative system of managing both national and regional security could be forged.” This may be highly idealistic, but what has happened in Europe was unimaginable even a century ago; SAARC has been in existence only for twenty-five years.

While the foregoing delves into theory there are practical steps that can be adopted immediately in this regard.

The first thing that comes to mind is setting up a South Asian task force on Terrorism as proposed by Bangladesh Prime Minister Sheikh Hasina very soon after she assumed office.

Task forces like this already exist in other parts of the globe. This is not a standing force; it is a mechanism for exchanging opinions and information, where a country can enhance its capabilities to deal with terrorism. One can
have a country task force as well as a regional task force. There are instances where task forces have been formed to address the problem of terrorism. The Asia-Pacific Economic Cooperation has its own counter terrorism task force called APECCTT. Another task force is coordinated by the UN Secretary General’s (UNSG) office and is called the Counter-Terrorism Implementation task force.

But how the proposed South Asian task force will be formed remains unclear. It can coordinate the implementation of the anti-terror strategy enunciated by its leaders, assist economies to identify and assess counter-terrorism needs, coordinate capacity building and technical assistance programmes, cooperate with international organisations to implement the strategy, and facilitate cooperation between South Asian countries on counter-terrorism issues. It is up to the governments to thrash out the details.

At the micro level the states can come together to operationalise the protocols on terrorism. There is a huge need for sharing intelligence, and a common data base. Actionable intelligence can be shared without necessarily compromising national security.

We need also to look into the role of the media and the use of the media given that the terrorists have become adept in exploiting the media – and the media must be made aware of the possibility of it being exploited. It should also be made to realise the need for conflict sensitive journalism, more so when accusations and recriminations, unfounded most of the time, can compound problems.

Conclusion

Let us put the matter in perspective. While nearly 200 innocent civilians were being killed in Mumbai in India in Nov 2008, at least 97 persons were killed in separate incidents in the NWFP during that period, and approximately 45 persons were killed in militancy-related incidents in the FATA, of Pakistan, while in Sri Lanka at least 164 LTTE militants, 105 soldiers and 10 civilians were killed in separate incidents between November 24 and November 30.

These militants may be of different cultural and religious persuasions, but they are the enemies of peace. The reality is that we are all facing a common foe, and we must all stand up to it together. It does not really matter what nationality or religion the terrorists belong to, what matters is that their warped ideology and the path of violence they have chosen, are anathema to civilised norms, certainly to teachings of every religion. The most important lesson from the Mumbai mayhem and all the rest of the attacks since and before is – cooperate regionally or suffer.
Notes

1. The Islamic University bombing on October 20, 2009 (the latest at the time of writing this chapter) was the seventh major militant attack in a fortnight.
16. Eric Rosand, Naureen Chowdhury Fink and Jason Ipe, “Countering Terrorism In South Asia” Strengthening Multilateral Engagement” International Peace Institute, 2009.
17. Shahedul A. Khan, n.11.
18. Ibid.
19. Eric Rosand, n.16.
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23. See n.15.

24. Shahedul A. Khan, n.11.

25. Eric Rosand et al, n.16.

26. A study, carried out by Alex Schimd and Albert Jongman, involving analyses of 109 academic and official definitions, bring out very interesting facts which are: that the element of violence was included in 83 per cent of the definitions, political goals in 65 per cent and 51 per cent emphasised the element of inflicting fear and terror. Only 21 per cent of the definitions mentioned arbitrariness and indiscrimination in targeting and only 17.5 per cent included the victimisation of civilian non-combatants, neutrals or outsiders. The study also reveals that official definitions of terrorism are fairly similar while those that are offered by the academicians are more diverse, albeit containing the essential elements of the official definitions. But the consensus reflects very much the Western perception, which is at variance with those of the Third World countries and which is not shared by the majority of people on earth. See Ariel Merari, “Terrorism as a Strategy of Insurgency”, in Terrorism and Political Violence, 5(4), Winter 1993, p. 214.

27. Shahedul A. Khan, n.11.

28. In a speech, the then UNSG Kofi Annan outlined the task force’s approach to deal with terrorism: he emphasised five Ds – Disuading people from resorting or supporting terrorist acts; denying terrorists the means to carry out attacks; deterring states from supporting terrorism; developing state capacity to defeat terrorism, and defending human rights.


31. J.N. Dixit, n.5.

32. Ibid.
Introduction
South Asia in general and India-Pakistan relations, in particular, are defined more by conflict than by cooperation. However, the changing pattern of security threats that the world at large, including South Asia, is facing has rendered it imperative for India-Pakistan relations to shift from antagonism to accommodation. The term ‘accommodation’ is significant; since cooperation cannot be merely wished for, cannot be achieved in a vacuum, and cannot be attained through the acquiescence of one party to the interests of the other.

This chapter is premised on two central arguments. The first deals with the problem within the polity of Pakistan, which impacts negatively on the process of cooperation in the region. There are two Pakistans: Establishment Pakistan and Democratic Pakistan. The former is jingoistic in its approach, internally as well externally. The latter, seeking peace within and without, has been locked in a struggle with the former for decades. The second deals with India’s approach to Pakistan that is defined by an absence of accommodation; determined, perhaps, by a failure to understand the undercurrents in Pakistan’s polity.

This chapter suggests that the Indian defence and foreign policy establishment and civil society need to realise that the India should have a
vested interest in a stable Pakistan. The forces that are threatening Pakistan today are a threat to India as well. India has failed to nuance its policy towards Pakistan and has, as a result, consistently and implicitly undermined Democratic Pakistan in its struggle against Establishment Pakistan.

The political paradigm has changed. India and Pakistan have for more than half a century been wary of the threats from each other. Today, however, a greater threat to both the countries emanates not from each other but from non-state actors to whom enlightenment is anathema. The real divide between the two countries is no longer geography, but intellect and ideology. The real border is not at Attari or Wagah or Khokrapar or Munabao, but between the values, world view and way of life. India and Pakistan have come to a point where it is possible for them to cooperate to defeat bigotry and extremism in all of South Asia.

Implications of State-Civil Society Disconnect

Every country has two constituents: the state and civil society. There are countries where there is a broad overlap between the two. The overlap provides the space for democracy, i.e., public participation in the conduct of state affairs, and, consequently, for the peaceful conduct of state affairs towards the economic development of the society.

There are countries where the overlap is narrow. Democratic participation is limited. The state's decisions are not adequately informed by public sentiments or opinion. Consequently, the conduct of state affairs is not necessarily geared towards the peaceful pursuit of the goal of economic and social development.

State decisions are determined by the weighing costs and benefits of any policy action. Usually, however, there exist a disconnect between those who benefit from a decision and those who bear the costs of that decision. In a democracy, these two have sufficient voice to protect their respective interests. Where democracy is absent or weak, the decision will depend on who controls the levers of power: potential gainers or potential losers. The potential gainer tries to usurp all power to the detriment of the other.

A decision to go to war or engage in war-like actions is made likewise. When the Pakistani state decided to go to war in 1965, a military dictator was in power. Irrespective of whether the war was won or not, the military establishment gained. The direct impact of this was that the defence budget was raised, the number of generals doubled from about 30 pre-1965 to 60 post-1965, and so on – and remained at the highest level even after the war was over. The indirect result was that the war allowed the military to encroach
further on the civilian domain of political management; for example, military intelligence agencies acquired greater influence over police intelligence agencies which consequently was used to pressurise the politicians one way or the other.

The people at large, bereft of much say in the affairs of the state, bore the full brunt of the war. Pakistan had launched the third Five Year Development Plan in July 1965. The war came ten weeks into the plan. The 17 day war consumed resources nearly equivalent to the total size of the plan. Consequently the plan had to be shelved in favour of a three-year rolling plan, which depended on year-to-year available resources. The power stations, the factories, the irrigation canals, roads, the schools and the dispensaries that were not built and the jobs that were not created was the price the people paid for a decision in which they had no part. The fourth Five Year Plan summarised the situation thus:

During the Third Plan the economy had to operate within a tremendous squeeze on resources. The combined impact of reduced aid flows and increased defence expenditures introduced a scarcity of development funds … Investment and savings rate declined significantly and intermediate industrial imports were cut sharply … The scarcity of development funds hurt social sector programmes most. These sectors bore the brunt of the squeeze …

War or no war, such is the price the people pay every day for disconnect between the state and the civil society.

Years of military and quasi-military rule has created two Pakistans: Establishment Pakistan and Democratic Pakistan. Democratic Pakistan has been in a long standing struggle against Establishment Pakistan – and has been paying the price for its convictions. There have been murders, judicial murders, encounter murders, arrest on frivolous charges (like, stealing a buffalo), imprisonment, torture, and more subtle forms of repression, like, disconnection of irrigation water supply, dismissal from government service on frivolous charges (like hijacking a train!) and even induced dismissal from private employment. In foreign policy, particularly towards Afghanistan and India, the chauvinistic policy paradigm is a product of the disconnect between Establishment Pakistan and Democratic Pakistan.

The fact that Establishment Pakistan does not command public support and legitimacy requires it to depend on the support from fringe elements, particularly some of the most conservative and retrogressive elements in society. The Zia regime (1977-88) is a case in point. Bereft of constitutional and legal sanction and public support, the military regime propped itself up with support from, among others, religious and spiritual leaders. As a quid
pro quo, these elements were enabled to extend and deepen their influence in society, at the expense of liberal and enlightened forces. The turn of events in Afghanistan added a dangerous dimension, leading to what has come to be known as the ‘military-mullah alliance’. The seeds of the doctrine of using non-state actors as tools of foreign policy were sown. These elements, indoctrinated in the ideology of bigotry and armed with the tools of terror, have emerged as highly potent threats to civil society in all of South Asia and the world at large.

**India’s Role and Responsibility**

India is a big country. It is bigger than any other South Asian nation in terms of area, population, size of economy, technological advancement and sociopolitical development. In terms of population alone, it is 57 times larger than Sri Lanka, 38 times larger than Nepal, 8 times larger than Bangladesh and 7 times larger than Pakistan. Large and politically and economically stable countries have correspondingly larger responsibilities. This is because they can afford to be more accommodating without triggering much domestic opposition, as accommodation reflects generosity and strength, rather than weakness. Of course, where the political landscape is defined by a greater degree of heterogeneity of (at times, polarised) positions and coalition governments are the order of the day, accommodation towards external powers may be constrained by domestic compulsions. To some extent, India does face such a situation and its constraints need to be acknowledged. The post-Sharm-el-Shaikh uproar in India, which forced the prime minister to backtrack, is a case in point. Nevertheless, Pakistan as well as other smaller South Asian countries do perceive India as having failed to come up to their expectations as a ‘big power’ in keeping with the responsibility that its size and strength bestows on it. In fact, the said backtracking has only served to reinforce such perceptions. It is considered even more unfortunate because it is not in conformity with the vision of its founding fathers. Pandit Jawaharlal Nehru, India’s first prime minister, identified:

> social and economic development as the cornerstone of India’s strategic policy. Defence, as a political and strategic issue, was mainly used to advance these objectives. Non-alignment was an overall guide to the ways and means of avoiding conflict rather than a strategy for the enhancement of national power and security.\(^3\)

*The Nehru Doctrine*

Pandit Nehru’s early political thought was influenced by Fabianism, which he imbibed during his student days in London, and by Soviet economic
planning, which impressed him when he visited Russia in 1928. He developed what is called an 'economic interpretation of history' or 'historic materialism', with a multidimensional view of how poverty, unemployment, economic regeneration and even national defence needed an all encompassing approach.  

That Nehru saw India’s foreign policy from the prism of socioeconomic development can be postulated from the fact that, in his 1945 book *Discovery of India*, he devoted around thirty pages to discussing planning and industrialisation issues while seven pages are dedicated to foreign policy. Nehru refers to the 1920 Congress resolution on foreign policy, “in which our desire to cooperate with other nations and especially to develop friendly relations with all our neighbouring countries was emphasised.” He acknowledged that “in a contest between nationalism and internationalism, nationalism was bound to win,” but qualified his statement thus: “Gandhi was as an intense nationalist … his nationalism… was entirely free from any aggressive intent.” Nehru envisioned the major goal of diplomacy to be to persuade states of the world to cease their practice of mutual condemnation and recrimination. In his view, any state that based its foreign policy on the traditional concept of power politics was destined to work against its true ‘national interests’. National interest, in Nehru’s view of historic materialism, was defined in terms of the objective of removal of poverty and unemployment. Nehru did not think foreign policy should be about power *per se*, rather the power objective should serve higher values.  

Nehru rubbished Walter Lippmann’s geopolitical concept of alliances as “supremely foolish, for it is based on the old policy of expansion and empire and the balance of power which according to him would inevitably lead to conflict and war.” The tradition of states practicing power politics by encircling their rivals did not seem like a realistic practice to Nehru either. This was perceived by Nehru to be a ‘continuation of old tradition’ in the style of European power politics.  

Using the British empire as a point of reference, Nehru tried to draw lessons from British India’s forward policy and tried to incorporate this factor into India’s strategic doctrine. To quote Nehru:  

The frontier of India and the lands beyond are regarded by the government as a probable theatre of war, and all their policy is directed to strengthening themselves for war purposes … The military mind, ignoring political and psychological factors, thinks only in terms of extending the bounds of an empire and thus making it safer from attack. As a matter of fact, this process often ends in weakening a country or empire … This forward policy becomes an intense preparation for war … and creates trouble between India and its neighbours."
Post-Nehru Policies

After India’s defeat in the 1962 Sino-Indian border war, a breed of what Subrata K. Mitra calls ‘Militant Nehruvians’ entered the scene and endorsed the use of force as a policy tool. The defeat of Pakistan and the emergence of Bangladesh in 1971 and the nuclear test of 1974 altered the balance of power in South Asia significantly; giving birth to the ‘Indira Doctrine’, which visualised India as the hegemonic power of South Asia. Sub-continental dominance became the goal of foreign policy.12

Today, there appear to be two major lobbies in India’s strategic policy community: those who advocate a ‘firm India’ and those who believe in a ‘conciliatory India’. The former hold that India should project itself as a firm, powerful state and be able to use force freely, rather like USA and Israel. The latter question the strategies of defence-led economic development and of a boastful military profile and prefer to deal with Pakistan and China by territorial compromise and negotiations, displaying military power only to supplement diplomacy.”13

Unfortunately, the former is the dominant lobby. It is unfortunate because respect for India as a big power in the region will not come because it can browbeat its neighbours into submission, but by instilling a sense of security and confidence in them. As Mitra writes, “guns and ships are mere appurtenances of power and not much more.” The US has learnt its lessons.14 The US is a mighty power economically and militarily. It has the capacity to beat countries black and blue. And it has done so on many occasions. That, however, has earned it neither respect nor fear.

Post-9/11, Americans began to ask the question: why do they hate us? And they found the answer in Barrack Obama, whose language of respect for all the nations and peoples of the world has earned him praise from a radical US foe such as Hugo Chavez – and the Nobel Peace Prize. When the leader of the world super power Barrack Obama and the leader of erstwhile global imperial power Prime Minister Gordon Brown sat beside Pakistan’s President Asif Zardari in a press conference, they were signaling a new world order where the mightiest of power will treat the smallest of nations with equal respect. Perhaps, India needs to be more accommodative towards Pakistan. It is the democratic Pakistan that is in the interest of India.

Relationship with Pakistan

India’s policy of accommodating its neighbours does not evoke the kind of fierce opposition, from within and outside the Indian establishment, as even a hint of accommodating Pakistan. The Indian attitude in the past appeared to be
‘give absolutely no quarter to Pakistan’. This raises a pertinent question. Is the Indian mainstream hostage to the ideology of the extremist Hindu fundamentalist RSS and the Shiv Sena when it comes to Pakistan? However, things may change; the recent peace overtures to Pakistan, for example, demonstrates that India can walk the extra mile in spite of opposition from the major political parties, especially the Bharatiya Janata Party. The Congress government led by Prime Minister Manmohan Singh has reiterated the decision to go ahead with the policy of dialogue which was suspended after the Mumbai attacks.

In 1991, Prime Minister Rajiv Gandhi told the Foreign Correspondents Association in New Delhi: “We don’t want to sell out, we want to be friendly ... we almost signed a treaty on Siachen with Zia. The only reason it wasn’t signed was that he died … At no time were we soft with Pakistan, but we got our work done.”

Three points are noteworthy. One is the use of the term ‘sell-out’ and not being ‘soft’. Both are indicative of the ‘no quarter to Pakistan’ mindset. And two, agreements are signed between states, not between individuals. Did India take advantage of General Zia-ul-Haq’s death to wriggle out of the agreed treaty which Rajiv Gandhi has referred to? And three, granted the failure to implement the 1988 understanding hammered out with General Zia, Rajiv offered no explanation for the failure to conclude an agreement with Prime Minister Benazir Bhutto in June 1989.

During the 1997 SAARC summit in Male, the Indian Prime Minister I.K. Gujral and the Pakistani Prime Minister Nawaz Sharif agreed to form a Joint Working Group on Kashmir. There was no follow up and the initiative faded away. India launched another peace initiative in April 2003 and in a speech in Berlin in May 2003, Atal Bihari Vajpayee the then Indian prime minister said: ‘The kind of destruction that humans are capable of inflicting shows that humanity has power but not reason’ but declared that ‘the search for peace with Pakistan would continue’. However, as Mitra writes, “the trail goes cold from this point onwards, for the demarche is not followed by any bold gambit, or gesture or a token sacrifice to show that India was indeed turning the corner … India, once again, was back to its old ways of pious rhetoric, firmly anchored to the political and military status quo ante.”

On the other hand, one is also confronted with a graveyard of missed opportunities with respect to peace between India and Pakistan. Admittedly, the responsibility for the failure of Prime Minister Vajpayee’s ‘bus diplomacy’ initiative in February 1999 lies with Pakistan. Kargil represents a classic case of Establishment Pakistan sabotaging Democratic Pakistan’s attempt to seek regional peace.
Changing Pattern of Security Threats

However, India’s stance in the recent past, couched in rather theatrically inflammatory rhetoric – *a la* ‘there can be no negotiations as long as there is a gun pointed to its head’ – is seriously problematic and tends to undermine Democratic Pakistan. The elected government in Pakistan genuinely desires peace with its neighbours and peace within. It fully realizes that the state-based forces that sponsored terrorist cells during the 1980s, and which have been a threat to neighbouring countries, have emerged as more of a threat to Democratic Pakistan than to anyone else.

That the perpetrators of the Mumbai massacre were Pakistanis is now an accepted fact, even in Pakistan. The fact remains that there are enough Pakistanis with the necessary ideological mentoring to be available for ‘jehadist’ operations. And these ‘jehadis’ do not emerge as individual products. Clearly, there is an infrastructure with organisational, financial and operational resources to recruit, indoctrinate and train the ‘jehadis’. Clearly, such an infrastructure cannot exist and operate without an element of tolerance or support from powerful elements aligned to state agencies.

Otherwise, how is it possible that sophisticated arms can be stockpiled in the centre of the capital city, Islamabad, enabling the ‘students’ of Lal Masjid and Jamia Hafsa to fight the Pakistan army for days? How is it possible that a petty mullah was operating an illegal radio station in Swat for as long as a decade without being intercepted and caught? How is it possible that hundreds of firearms are brought out and liberally used in clashes in Karachi and intelligence agencies cannot identify the source and supply channels of such arms? Apart from the bloody mayhem these outfits may or may not be causing in neighbouring countries, they have certainly torn Pakistani society apart. The assassination of Benazir Bhutto in December 2008 underlines the fact that Democratic Pakistan is paying the price in blood. The same forces within Establishment Pakistan continue to pose a threat to the democratic order even today.

From Pakistan’s perspective, even when India does come to the discussion table, it fails to come in a negotiating mode. Rather, as the June 2010 secretary level parleys and the July 2010 foreign minister level talks show, India’s purpose appears to be to restate its suspicions and lay down conditions. Similarly, the hardline taken by the Pakistani Foreign Minister in the press conference taking potshot at the India’s Foreign Minister did not help the matter either. This approach serves the purposes of elements within Establishment Pakistan to keep India-Pakistan relations on the boil and arms them with the wherewithal to keep the democratic order within the country on tenterhooks. The resulting outcomes cannot be of advantage to India’s strategic interests.
The Kashmir Issue

The first, second and third bone of contention between India and Pakistan is Kashmir. India’s stand on Kashmir is to sit in its corner, as it is in possession of the main valley and the cries of ‘Azadi’ on the streets of Srinagar are manageable – thanks to the deployment of the half a million strong Indian army therein.

However, “with much of the world clamouring for mediation in Kashmir and India holding out obstinately, claiming that Kashmir is an internal problem, the Indian position needs to be looked at seriously afresh. This holds out both a challenge and an opportunity … a proper deal can expedite India’s case for a seat on the Security Council.”

From the perspective of Democratic Pakistan, the Indian position on Kashmir is akin to standing on a beach, with every wave sweeping the region into the sand. The lack of a solution and continuation of the problem that is perceived as just is a major moral justification for the mobilisation of jehadi elements in Pakistan, with certain state elements being part of this mobilisation.

India’s insistence on a bilateral resolution of India-Pakistan disputes and refusal to entertain any third-party mediation is contrary to the practice followed by India itself nor does it appear to be yielding any results. India has accepted third party mediation on more than one occasion, whenever there was an impasse. During the Indo-China war of 1962, India’s Prime Minister Nehru sent a fax message to US President Kennedy, requesting ‘facilitation’ in the dispute between the two countries. The US facilitation mission then also engaged itself, with India’s consent, in ‘facilitation’ on the Kashmir issue; although to no avail.

In April 1965, a war broke out between India and Pakistan over the Rann of Kutch. Both countries accepted the British offer of mediation, resulting in the settlement of the boundary dispute. Following the September 1965 war, India accepted Soviet mediation, participating at the summit level. The intercession concluded successfully with the signing of what is known as the Tashkent Declaration. The Shimla Agreement of 1972 also accepts the possibility of third party mediation: “That the two countries are resolved to settle their differences by peaceful means through bilateral negotiations or by any other peaceful means mutually agreed upon between them.” More recently, India accepted US mediation during the conflict in Kargil in 1999 which resulted in the withdrawal of Pakistani forces.

The ‘no third party’ approach does not appear to be logical either. India and Pakistan have, over the last decade from 2001 till date, held nine summit level meetings, twelve foreign minister level meetings, and fifty-five foreign
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secretary level meetings. Of these, nine meetings were specific to the issue of Sir Creek, five to Siachin and just three to the core dispute, Kashmir. Failure to resolve any of the issues is writ large. Pakistan’s resort to mediation on the Baglihar issue exemplifies the failure of bilateralism.

Impact of Indian Approach

Impact of Indian Approach

India has suffered from terrorist acts sponsored by elements in Pakistan. Democratic Pakistan genuinely sympathises with the people of India and condemns these acts unequivocally. However, when India treats Pakistan as one entity and decides to ‘punish’, its ‘punishment’ modes do not distinguish between Establishment Pakistan and Democratic Pakistan. In the event, it compromises and weakens Democratic Pakistan.

Admittedly, the current political government suffers from weaknesses, stemming largely from the fact that Pakistan is passing through a transition phase from years of dictatorship to democracy. Every day that it survives is a victory for Democratic Pakistan. Under the circumstances, statements from the Indian leadership, threatening to retaliate in the event of a terrorist attack from Pakistan, are not helpful. The abject lack of nuance is visible here. After all, Democratic Pakistan is fighting the very forces that are likely to attack India – and paying the price in the process too.

Instances of Indian actions that have compromised Democratic Pakistan are aplenty. December 2001 saw the attack on the Indian Parliament. While responsibility is as yet unproven, India responded with the massive mobilisation of armed forces on Pakistan’s borders and along the Line of Control in Kashmir, the attempted blockade of Karachi port, and the ban on over-flights by Pakistani commercial aircraft. Weather conditions forced the Indian navy to pull back within weeks, followed by the withdrawal of ground forces in October 2002 and the end of the air embargo in June 2002. The only gain India could have obtained from the show of force was perhaps the perverse pleasure of having inflicted pain.

Establishment Pakistan gained politically at the expense of Democratic Pakistan. In 1998, the pro and anti nuclear lobbies were sharply polarised. Although outnumbered, the latter commanded a strong voice. Post-1998, Establishment Pakistan claimed that nuclearisation had helped Pakistan bridge its relative lack of strategic depth and conventional arms deficit. Post-2002, it claimed that the only reason India refrained from attacking Pakistan, despite such massive mobilisation, was the country’s nuclear deterrent. The anti-nuclear lobby, an important component of Democratic Pakistan, had no credible response and has since been forced into silence.
The Water Issue

Another instance is of the issue of sharing and management of water. Water is a strategic issue for Pakistan. The Indus river system is Pakistan’s lifeline. In Sindh province, in particular, the Indus defines the difference between existence and extinction. India is perceived to have adopted a ham-fisted approach in acquiring a greater share of water in the 12-year run up to the 1960 Indus Waters Treaty; taking advantage of its position as the upper riparian state. However, India’s perceived insensitivity on the water issue continues to rub salt on unhealed wounds.21

The construction of the Baglihar hydropower project on the River Chenab is viewed with deep suspicion in Pakistan. Its apprehensions were confirmed when, during the course of commissioning of the dam, India violated the 1960 accord. The Indus treaty allocated the entire River Chenab to Pakistan and ensured a minimum flow of 55,000 cubic feet per second (cusecs) of water across the de facto boundary line in Kashmir. In August-September 2008, India began to fill the Baglihar reservoir. As a result, river flows recorded at the Marala Rim Station showed a decline to 48,000 cusecs on August 25 and to 25,000 cusecs on September 4. Pakistan lost about 2 MAF of water during the critical *rabi* (winter) wheat crop sowing period.22

Table 2: Chenab River Flow at Marala Rim Station
(August 19-September 4, 2008)

<table>
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<th>Date</th>
<th>Hour</th>
<th>Cusecs</th>
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<tr>
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<td>28,000</td>
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<tr>
<td>September 04</td>
<td>0700</td>
<td>25,000</td>
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Source: Government of Pakistan, Ministry of Water and Power.
India refused to even discuss the issue, let alone accept Pakistani demands for compensation. The political cost has been high too. The small, but vocal peace lobby in central Punjab – Establishment Pakistan's heartland – was accused of being Indian agents and has since been silenced. India's sensitivity and empathy on water relations with Pakistan will serve to strengthen Democratic Pakistan and serve India's strategic interests as well.

**Need for a Nuanced Approach**

If India is serious about its role as a regional power and for ensuring peace, it has to have a more nuanced policy with respect to Pakistan: one that will induce Establishment Pakistan to play by the normal rules of engagement – as opposed to using non-state actors as foreign policy tools – and at the same time strengthen Democratic Pakistan.

There are many in India who do not empathise with the problems that Pakistan is facing. Of course, there are similar elements in Pakistan who feel happy when India has a problem and are encouraged by the Establishment. However, India is a stable polity and can take such 'spoilers' in Pakistan in its stride. Pakistan's case is different and, for its own sake, India should have a vested interest in a stable Pakistan.

Let it be clear that, unlike 1971 when Pakistan broke up into two states and India’s relative power increased in the region, Pakistan’s collapse now will not result in a neat x number of units. A more likely scenario is that of Somalia, with no central government and a shifting kaleidoscope of territory controlled by warlords. Many of these warlords will be Taliban/Al-Qaeda oriented. India will not know who to negotiate with or who to hold accountable if an attack is carried out on Indian soil or on Indian interests elsewhere or if an agreement is not honoured. The consequences can be unimaginable.

India’s Muslim population is almost equal to that of Pakistan. If one per cent of the Indian Muslim population is infected by the 'Taliban/Al-Qaeda' virus and if one per cent of that one per cent is radicalised enough to take up arms, India will have a home grown 'Taliban' militant army of over 15,000.

In response, Hindu radicals also are also likely to take up arms and the direction of the threat is clear. Evidence has emerged that Hindu terror cells may have carried out a series of deadly bombings in India – acts which have been generally blamed on Muslim extremists. These include the 2007 bombing of the Samjhota Express en route to Lahore; which killed 68 people, mostly Pakistanis. Ironically, the carnage is alleged to have been carried out by a terrorist cell that included a serving army officer and a Hindu monk.
The September 29 bomb blasts in Malegaon in Maharashtra and in Modasa in Gujarat are also reported to have been carried out by the Hindu Jagran Manch, a Hindu extremist group based in Indore, Madhya Pradesh, and known to have links to the Bharatiya Janata Party’s (BJP) student wing, Akhil Bharatiya Vidhyarthi Parishad (ABVP). Four men, killed in 2006 while putting together a bomb, are also suspected to be members of a right-wing Hindu group.  

These developments would have been seriously worrisome even if they were isolated events, carried out by fringe groups. Unfortunately, passive sympathy or active support for these groups can be found in mainstream right-wing political parties. The Bharatiya Janata Party has not only refused to call for a clampdown on Hindu groups, its President Mr. Advani has even criticised the police over the questioning of one of the alleged terror cell members, a woman called Sadhvi Pragya Singh Thakur.  

Other more militant right wing leaders have made no secret of their wish that Hindus should form suicide squads to protect themselves against Muslim extremists. Shiv Sena leader, Bal Thackeray, has written in Samna, his party’s magazine: “the threat of Islamic terror in India is rising. It is time to counter the same with Hindu terror. Hindu suicide squads should be readied to ensure the existence of Hindu society and to protect the nation.”  

Civil society as well as the political and strategic policy establishment in India and Pakistan need to realise that the political paradigm has changed. The internal threat to both societies now transcends the threat that the two countries perceive from each other. The real divide between the two countries is no longer geography, but intellect and ideology – in terms of values, worldview and way of life. The real divide is defined by issues of tolerance and respect for religious, ethnic, and political pluralism and rule of law and peace. If there are vigilante gangs of Islamic youth organisations in Pakistan who raid hotels and clubs on Christmas and New Year eve to prevent people from celebrating, there are Hindutva youth gangs in India who forcibly prevent young people from celebrating Valentine’s Day.  

For six decades plus, India and Pakistan have confronted each other across the geographical border. However, the relatively incipient – but potent – Hindutva threat in India and the much more active Taliban threat in Pakistan now pose serious challenges to Democratic India’s and Democratic Pakistan’s ideal of a free, liberal, secular and enlightened society, tolerant of diverse ways of life. The real border now is between mindsets and values.  

India and Pakistan have seen the day when all of India prayed for Pakistan’s victory in cricket during the 2009 ICC champions trophy. Let such prayers for mutual success become the order of the day. Let India and Pakistan come
Changing Pattern of Security Threats

Notes

6. Ibid., p. 462.
7. Ibid., p. 463.
10. Jivana Schottli, n. 4, pp. 143-144.
11. Ibid. p. 145.
13. Ibid., p. 413.
18. Ibid. p. 411.
21. The Indus Waters Treaty faces new challenges from the overall shortage of water.
in the Indus river system. There are cogent reasons to reshape the Treaty from the division mode to a sharing mode and to take into account the grievances of the people of Kashmir and Sindh with respect to the present Treaty. However, this is a different issue altogether. The point of this paper is the spirit with which the present Treaty is being adhered to and its impact on India-Pakistan relations.


24. Ibid.

25. Ibid.

26. During the 2009 ICC Champions Trophy, India and Australia had clocked three points each. In the subsequent Pakistan-Australia tie, Pakistan’s victory would have enabled India to remain in the game. All of India prayed for Pakistan’s success. However, Pakistan lost enabling Australia to gain five points and India with three points was edged out.
Introduction

A region of enormous diversity and complex problems, South Asia at this time is headed towards higher growth than most of the rest of the world. Indian markets it is hoped may lead global economic recovery in a region that is home to 39.2 per cent of the world’s population. What is often missed in the currently popular narrative of ‘Asia Rising’ is that South Asia is second only to sub-Saharan Africa in the global poverty index. About 540 million people or 45 per cent of the population live below the poverty line, with daily incomes of less than one dollar. The sub-continent also boasts of two nuclear powers and some of the world’s most violent, internationally and regionally networked armed conflicts; from Afghanistan and Pakistan, not to mention troubled peace and post/conflict reconstruction processes in Nepal in the north and Sri Lanka in the south, as well as, violence within India.

The solution to the apparent poverty and conflict trap in the region may lie in re-thinking the current state-centric regional security approach in terms of a more comprehensive human security framework that entails poverty reduction, inclusive development and peace in troubled zones. Otherwise, there is a risk that the economic gains made by the region in a time of global economic re-orientation and restructuring may be frittered away by militarisation and violence.
This paper proceeds from the premise that how transnational networks – criminal, military intelligence, diasporas, developmental and humanitarian – that structure the forms and cycles of conflict and peace making in the global south may help us rethink the causes and the solutions to inter-linked modern identity and resource conflicts. The paper also explores how apparently exogenous global flows may over time become endogenous to the production of violence in the region, thus complicating, transforming and in some instances prolonging the duration of low-intensity wars, that originated as political disputes stemming from the processes of post/colonial state formation, unsettled borders, and irredentism. Drawing on ethnographic fieldwork the paper traces how trans-national aid networks, discourses and practices may become endogenous in local or internal conflicts and peace dynamics over time. Finally, it is clear that inclusive and comprehensive peace building, as well as, moving beyond the currently dominant state-centric security paradigm and providing space to the actors that have the ability to transform conflict (state and non-state), may be the key for South Asian regional security.

Violence and its Local-Global Dynamics in South Asia

In 2001 the Taliban blew up the ancient giant sandstone Bamyan Buddhas that lay along the Silk Route that once linked the markets of China to India, Central Asia, the Middle East, and Europe, which UNESCO had declared a world heritage site. It was feared that there would be a backlash from Buddhist and Hindu communities in the region but there was little violence in the aftermath of an act that even a majority of Muslim clergy had publicly deplored. This act of destruction was widely interpreted as a message to the powerful members of the international community (IC) who had refused to recognise the Taliban government and imposed sanctions on Afghanistan. In the context it bears repeating that decoding violence and its links to contemporary identity and resources conflicts in South Asia, requires an understanding of the interplay of local and transnational discourses, as well as, the local histories of ethno-religious co-existence across multiple borders, old and new.

The interpretation of the forms and processes of political violence in South Asia is complicated by the fact that the region has the dubious distinction of harbouring the quintessential post-modern ‘international terrorist’. In regional popular youth subculture well beyond Afghanistan, Osama Bin Laden has acquired a certain iconic status. T-shirts that salute Osama are not uncommon in the slums of Bangladesh or Pakistan, where the man is respected for taking on the ‘West’, global capitalism, neocolonialism, institutionalised inequality,
defending the East, Islam etc. Shades of a clash of civilizations! This arguably South Asian youth subculture, more outspoken and rebellious than the older generation, leads political analysts and theorists to surmise that terrorism and violence, as strategy and tactic may have reason and argument, against militarised developmental states controlled by majoritarian cultural groups and/or economic elites, supported and sometime opposed, by a range of international and regional actors.

Yet since the WoT development assistance to ‘fragile states’ has been linked to the security interests of donor countries. Simultaneously, the notion of ‘human security’ that underlay development interventions prior to the WoT has been trumped by militaristic, state-centric notions of security, and military assistance has tended to overshadow aid for poverty alleviation, thus often eliding some of the root causes of ‘terrorism’. As Imtiaz Ahmed has noted:

‘Insurgency’, ‘civil war’, even ‘freedom struggles’ are now defined as ‘terrorism’ making the latter in many of the cases what it is not and therefore limiting resolution of issues responsible for the actual birth and growth of contemporary terrorism.

The emergent scenario of ‘violent peace’ – a concept that this paper develops – in large parts of Afghanistan and Pakistan and to a lesser extent, in swathes of Nepal, north east Sri Lanka, and India’s Northeast, evident in the past decade or so is only partly a consequence of the Cold War. It may also be seen as a consequence of international aid, conflict transformation and peace building policies and interventions that arise from the misdiagnosis and obfuscation of the local-global articulations of political violence in the region by influential knowledge brokers in the international development, security, peace and reconstruction industry-a subject to which we will return.

In the countries, cities, border zones, spaces and places where violence remains in suspended animation, normal functions and institutions of society are diminished but not terminated. Rather, a highly militarised, violent peace, punctuated by even more violent events (assassinations, suicide bombings, massacres in remote villages, forced population displacement), may prevail, alongside cycles of reconstruction and destruction, development, de-development and institutional decay that escalate aid dependency, democratic dysfunction, and ethno-religious-sectarian conflicts that are otherwise part of everyday identity negotiations in highly multicultural and multi-faith polities and societies. This process has been termed the ‘poverty and conflict trap’ in the literature on civil wars, conflict and development. Moreover, in parts of Afghanistan, Pakistan and Sri Lanka suicide bombings and recruitment of children to war primarily from urban slums, poverty stricken border
communities, and camps for the displaced has increasingly become another – some call it ‘terrorist’ subculture.

The parties in these conflicts and peace processes: states and their military intelligence apparatus, warlords and their liberation fighters, political activists, civil society and the international development and humanitarian industry (estimated to be worth $80 billion) sometimes intentionally and often inadvertently instrumentalise identity politics and exacerbate violence. Thus after providing billions of dollars for reconstruction effort, Afghanistan continues a subterranean existence between war and peace, old and new conflicts. Pakistan, particularly the North West Frontier Province has become the battleground for what many citizens see as ‘someone else’s war’, or the US WoT. Sri Lanka abrogated an internationally brokered ceasefire agreement on February 16, 2008, after being the poster-boy of the international peace industry with a $4.5 billion international aid package for 6 years, not because its citizens abhor peace but because of perceived lack of local ownership of the peace processes and rejection of neo-liberal economic policies (e.g. privatisation of the national wealth, destructuring of the welfare state), promoted alongside it. Nepal with a significant international aid presence, struggles to sustain a more locally owned peace process.

An older tradition of scholarship in South Asia has long argued that contemporary ethno-religious conflicts among communities that have previously co-existed in the region are better understood as outcomes of the post-colonial nation-state building process, and related struggles of social groups for control and access to strategic resources and public goods. In turn, these conflicts are configured in global macro-processes and policies of uneven development and democratisation, including invention of majorities and minorities within the modern nation state, and cannot be sustainably addressed within the WoT framework.

In the various violent conflicts in South Asia there are at this time three principal actors: the two main parties to internal conflicts (however fragmented), usually the state and a group opposed to it, as well as, the international community (IC) (none of them being homogenous). In order to understand the structures that enable violence to gain its own self-sustaining momentum usually against the will of a majority of the population it is necessary to understand the international political economy of war and peace building and the global-local networks and practices of aid, trade, development and violence that structure and constitute the ‘war and peace machine’. Increasingly, this three way relationship, complex and contradictory in most cases, is at the core of the self-sustaining nature of the apparently intractable long term low intensity conflicts that are neither terrorist nor liberation
struggles but a combination of both, that characterise the new – old wars in South Asia.

Conflict transformation requires transformation of the all three sets of actors. The Sri Lanka case may better serve as a model or heuristic devise to understand wider patterns of local-global articulations in violence, peace building and identity politics in an era of globalisation and more recently the WoT.

The Peace, Development and Conflict Literature in South Asia

International assistance in low-intensity armed conflicts and peace processes may either ameliorate or become part of a renewed cycle of violence as a number of scholars working on aid and conflict in African contexts have noted. However, there have been relatively few analyses of international development and peace building assistance and their impact on violent conflicts in South Asia. Most analyses and evaluations of international aid are commissioned, led and or co-authored by donors and associated northern-based consultants with the appropriate disclaimers. The role of international aid in war economies and peace economics in South Asia has been largely ignored in studies of long-term, low-intensity conflicts defined as ‘internal’ or ‘ethno-national’. By and large, the studies of the external dynamics of internal conflicts in South Asia have tended to focus on ‘real politics’, which is to say, big power or neighbouring state inputs into (irredentist) conflicts, or narrowly on internal ethno-religious dynamics, rather than the more porous and hard to measure transnational networks and flows of aid, trade, people, goods and influence and how they articulate with local identity politics. By and large, there has been a tendency to assume that trade liberalisation would contribute to peace in conflict affected areas, without an adequate analysis of how liberalisation enables rent seeking in the absence of institutional and legal safeguards.

The study of violence and peace building in South Asia has also tended to be artificially partitioned; with political violence and conflict studies being more locally owned and driven, while studies on ‘terrorism’ and its antidote, ‘peace building’, have been largely internationally owned and driven. This partitioning is contoured by global-local power and knowledge hierarchies endemic in the production of development knowledge and analyses of ‘violence’ in the global south. Such an analysis would therefore be incomplete without understanding the political economy of knowledge production, particularly, local-global power/knowledge hierarchies that underwrite international development and peace building policies and projects. As John
Sidel has noted, regarding the interpretation of contemporary violence in Indonesia and the South East Asian region:

A sizable body of writing has been produced by think tanks and other policy-oriented research outfits based in various southeast Asian capitals and in power centres such as Brussels, Canberra, London, Washington DC to address Islamist terrorism... The study of religious violence in Indonesia, as elsewhere, has become intimately bound up with various forms of the exercise of power.8

A significant body of literature on violence in South Asia has drawn from the paradigm of a ‘clash of civilisations’ while focusing on religious violence, without an adequate grasp of ethno-religious modes of co-existence in the region. There has also been a tendency in international development and humanitarian and peace building literature to explain armed conflicts in the region in terms of, economic rationality; ‘greed’ given ‘lootable’ primary commodities, such as drugs, oil, or rents, rather than ‘grievance’ (poverty, inequality, under-development). This analysis has been advanced and disseminated in a well-resourced and influential World Bank project on ‘Violence in Civil Wars’, headed by Oxford economist Paul Collier and imitated by many peace research institutes.9 The culturalist and economic rationality of violence arguments favoured by many terrorism experts elides the fact that a historically particular and increasingly challenged international development, peace, and reconstruction, neo-liberal aid paradigm and process, which has led to the significant rise in regional and income inequalities in South Asian countries in the last two decades may itself be part and parcel of the root or core causes of ‘new wars’ also characterised by violent peace, rather than the solution to violent conflicts that variously combine economics of ethno-religious marginalisation, in many parts of the global south.

This lacuna resonates in a range of debates on the recurrence of violent conflicts after international mediation. An early study at the US Institute for Peace noted that of 38 internationally mediated peace efforts in the decade between 1989-99, 31 returned to conflict in the first three years.10 Collier et al. have produced and revised various figures of the recurrence of wars.11 What much of the debate on the numbers of recurrent conflicts elides is a prior question: do countries where a violent peace sustains, such as in Afghanistan and Sri Lanka (until 2008), or Pakistan at this time represent cases of successful or failed conflict transformation and peace building? How are such scenarios to be classified in order to be counted? Perhaps it would be appropriate to have an intermediate category of on going or impending peace, between ‘successful’ or failed peace processes? To a large extent such debates
raise questions about the relevance of the categories and framework of analysis including what is left out of it? They also suggest the need for less focus on the numbers of (un)succesful peace processes and more on the qualitative dimension of substantive peace building and conflict transformation.

This chapter attempts to develop a theoretical framework for a structural analysis of the role of external influences on the ongoing internal conflicts in South Asia. The argument traces networks, structures and aid practices, including global-local power and knowledge hierarchies that enable violence to achieve a steady state of suspended animation, despite and because of disproportionately large flows of international aid and experts in border zones in large swaths of the South Asian sub-continent, particularly in areas where state authority is weak and post-war economies flourish. One dimension of the analysis pertains to the 'politics of representation' of international aid, as well as, conflict affected countries (usually as tabula rasa) for 'knowledge' production of and for the international aid industry. As such, the attempt here is to undertake a structural analysis of the role of the international community in conflict and peace building based on an analysis of the political economy of the international aid industry and bureaucracy. It is in this context that Deleuze and Guattari's metaphor of the 'rizhomatic' nature of the war machine that splits and blurs the root causes and outcomes of violence is relevant here as a mode of analysis.12

It is increasingly apparent that transnational networks of development and humanitarian aid, trade, and crime have enabled countries to structurally adjust to a steady state of violent peace, growth with war, even if these countries merely consume (rather than produce) weapons. In the spaces and places where violence achieves suspended animation and normal functions and institutions of a society are diminished civilians tend to sit still or migrate as refugees or IDPs in the face of spiralling and apparently uncontrollably fragmentated conflict. The concomitant vacuum of 'local capacity' and 'social capital' invoked by international development and humanitarian industry that often quotes the World Bank a.k.a. the knowledge bank, is increasingly filled by the international 'war and peace industry', that has merged the hitherto distinct 'security' and 'development' sectors. Simultaneously peace and reconstruction has emerged as a growth sector in the international development industry, with security and development increasingly privatised in an age of humanitarian disaster capitalism. In short, South Asia's old and new wars are simultaneously terrorist and liberation struggles, and neither, because sustained and structured by an international war and peace industry.

One of the striking characteristics of post Cold War 'new' or 'post/modern wars' is wherein violence has forced the migration of civilians by militaries,
paramilitaries, and armed actors both men and women; some of whom have in turn been rendered perpetrators and victims of violence and displacement seemingly in equal measure. This targeting and destruction of multi-religious ethnic communities has been done in equal measure by liberators a.k.a. terrorist groups, as well as, in the course of state military counter-terrorist operations, often making the region more rather than less secure in a world where supra-national religious and cultural identities are more viable and articulated given the flow of cultural forms, people and goods across national borders, in an increasingly regionally integrated world. There is increasing evidence that anthropologists hired to teach cultural sensitivity to occupying forces may also aid ethnic cleansing as part of counter terrorism interventions giving rise to a debate within the discipline about the ethics and role of anthropologists in the WoT.

Violent Peace: (Counter) Terrorism and its Limits

Unlike a previous generation of conventional inter-state wars, the post Cold War wars in the global south tend to be fought not by conventional armies in battlefields distant from civilian life. The post/colonial new wars in Asia and Africa tend to be increasingly waged in multicultural urban spaces and neighbourhoods. They pit those who once were neighbours of different ethno-religious or linguistic communities against one another, and often reconstitute hybrid and multicultural families, communities and politics. As such, the new wars where civilians are deliberately targeted and displaced by militaries and paramilitaries often result in ethnic cleansing and the making of enclaves and ghettoes. In short, the new wars tend to bring about radical transformations in the cultural geographies of historically multicultural societies as well as in gender roles.

A Legal Bureaucratic Peace: The Sri Lankan Experience

Sri Lanka’s six year long Norwegian backed peace process (2002-08), for most of its lifetime was termed ‘a no war, no peace’ process by the intelligentsia and commentators. The formalistic and ‘legal-bureaucratic’ approach of international peace building and reconstruction largely accounted for this phenomenon. Consider for instance, the resources, energy and expertise expended on legal drafts and re-drafts for an Interim Governing Authority for the North and East (ISGA), the World Bank’s North East Reconstruction Fund, (NERF), Post-Tsunami Operational Mechanism (P-TOMS), three international donor pledging conferences, Multilateral Needs Assessments, the hundreds of MoUs for large infrastructure reconstruction projects over the
past few for Sri Lanka. This resulted in so much time being spent on international development agendas, conferences, and donor time-frames, that it was often at odds with the needs and priorities of those affected by the conflict.

This approach effectively eschewed seeing track-one peace building as a social process. It stemmed from, among other things, the large numbers of international players and peace and reconstruction bureaucracy in the island, and the attendant coordination burden. Of course, all three actors in the conflict and peace dynamics in Sri Lanka – the LTTE, (seduced by the legal fiction of ‘equality or parity of the parties’), government of Sri Lanka, and the international community bent on implementing a ‘neo-liberal’ peace contributed to the legal bureaucratic approach to peace building. Arguably, the time spent on legalese could have been better spent in the creative implementation of actually existing possibilities for power and resource sharing, enshrined in the constitution under the 13th Amendment, and proper targeting of aid to improving the livelihoods of communities from where fighters were recruited. There was a tendency to overburden an already over-determined peace process, by linking everything, including, tsunami aid to power sharing in the past. De-linking these issues would have led to a more balanced approach to peace and development.

The peace building approach of having dialogues in various international capitals rather than an analysis of substantive issues and implementation at ground level derived from Euro-American analytic frameworks that privilege state-centric theories of conflict resolution, that stemmed from Cold War mindsets of inter-state conflict mediation strategy. The main conflicting states or parties are brought to a table to dialogue. However, intrastate conflicts where resource and ethno-religious identity conflicts tend to be intertwined and are often the outcome of post/colonial state building, require different approaches. They require engagement with social realities within the country, and attention to internal complexities at the local and sub-national levels. Where the challenge of reconciliation is within countries and communities, and between asymmetric parties (e.g. state actors and non-state actors), peace building necessitates a less legal-bureaucratic approach. Emphasis on legal mechanisms and processes in Sri Lanka obscured another picture closer to the ground – the reality of the emergence and existence of aid dependency and a dirty war in northeast Sri Lanka. The morphing of the peace process into war becomes evident when we move away from formalistic frames.
The Economics of Peace: Local Global Disconnect

Though fishery is arguably Sri Lanka’s greatest natural resource, given the unpolluted ocean and rich breeding grounds that surround the country, international development assistance over decades has not focused on need to target and up-scale the fisheries sector for poverty alleviation and conflict de-escalation in the north or the south. Throughout the peace process, the north and east coast fishery communities remained at the level of subsistence economies. Ironically Sri Lanka’s two main donors, Japan and Norway have highly industrialised fisheries sectors. Most of the combatants in the LTTE hailed from impoverished coastal fisheries and rural agricultural communities in the northeast. In fact, the LTTE sank a Chinese fishing trawler perceived to be poaching on local fishing grounds in 2003. It is crucial to develop the fisheries sector and industry to enable viable livelihoods for poor communities from which fighters were recruited in the past to transform the conflict. The impoverished north and east fisheries communities and socially marginalised caste groups on the coast were the most radicalised in the years of conflict, and provided the foot soldiers.

Tsunami Reconstruction and the Aid Process

For the first time since the conflict in 1983, coordinated grenade attacks were carried out on three international aid agencies in Sri Lanka in 2006. At the root of the critique of the aid industry was the perception of gross inequality between those who came to help and the receivers of assistance, as well as the erosion of basic humanitarian ethics and values evident in operational style of INGOs. What people saw were extravagant lifestyles, lack of transparency, increased aid dependency with a concomitant failure of the donors to deliver on projects. The fact remains that the majority of large international aid agencies are inefficient in aid delivery compared to the more efficient local philanthropists and the business community, which did much of the work in the immediate aftermath of the Tsunami and have a far better delivery rate.

The attacks on aid agencies must be contextualised in the broader setting. Militants who lack access to information, technical critiques and evaluations respond to real and perceived corruption in the aid industry with violence. Such attacks are a matter of great concern to those who believe that international assistance is necessary for conflict de-escalation and reconstruction. Critics however fail to acknowledge and address the general disenchantment with international aid and INGOs that has become widespread in the country since the Tsunami.
It has become increasingly apparent that privatisation of post-disaster reconstruction, given the information asymmetries and endemic market imperfections in the sector, was a mistake. As long as such a large, and costly international aid bureaucracy remained in the island, substantive and sustainable peace building and development was elusive. Clearly there is a need for reforming the international aid architecture and practices in the context of what writer Naomi Klein has termed as ‘disaster capitalism’, to enable accountability to beneficiaries and affected communities.\textsuperscript{13}

The Political Economy of Aid and Conflict

Even as the government and the LTTE were the principal actors in the conflict, it would be naïve to downplay the role of the international community in conflict and peace building in Sri Lanka. The extent of international investment in Sri Lanka’s ‘peace and reconstruction’ rendered official acknowledgement of the return to war difficult even though peace had ceased to be long before the formal abrogation of the six year old peace process in February 2008. The peace process, at the best of times, enabled merely a repressive tolerance. The international peace builders colluded with the main actors in deferring the core social, political and economic issues that structured the dynamics of the conflict in order to promote a neo-liberal economic reconstruction agenda,

In hindsight, this approach undermined the Norwegian-brokered CFA. The promise of US$4.5 billion for reconstruction came with a policy requirement of structural adjustments (SAPs), and liberalisation favoured by the World Bank. Mis-targeted aid translated into an economic bubble, a dramatic rise in the cost of living, increased inequality and poverty in the communities from which soldiers were recruited, and led to the further erosion of the welfare state. In a very short time, the government that signed the peace agreement with the LTTE was voted out of power – and the rest is history.

If the Bretton Woods institutions represent a flawed development paradigm, the UN agencies represent a development process that is equally problematic. As a recent study of Aid in Sri Lanka, notes:

The UN contributes only a small amount of total aid (2 per cent) in Sri Lanka. Of the 13 active UN bodies in Sri Lanka only 6 play an active role. The UN was singled out as a major source of losses through bureaucratic wastage. Large amounts of money are spent on expensive consultants and in the immediate aftermath of the tsunami the UN office was awash with a new fleet of vehicles. There was little familiarity with the ‘delivering as one’ reform proposal. The key change required is to rationalise the UN role in Sri Lanka and to concentrate its resources in that particular area – humanitarian assistance.\textsuperscript{14}
Given the international aid bureaucracy’s increasing embeddedness in the political economy of peace and conflict in Sri Lanka it could not be seen as neutral during the peace process. This fact has particular relevance for much of the technical assistance and development ‘knowledge’ produced and sub-contracted by development agencies. There is ample evidence that the macro-policies of the Washington Consensus exacerbate intra-group and inter-group inequality and poverty that fuels (identity) conflicts in fragile states in the global south. There is a fundamental problem with a peace and reconstruction policy approach that claims to link ‘conflict-sensitivity to development’ without assessing the dominant neo-liberal development paradigm and policy that tends to generate inequality and conflict within and between countries. The Sri Lanka Strategic Conflict Assessment did precisely this, though it hinted at the need for such a critique. Power/knowledge hierarchies in the international aid industry and bureaucracy are increasingly visible as a significant impediment to the production of knowledge frames that may lead to more sustainable peace building in the conflict affected parts of the global south.

How aid and aid dependency contributes to return of conflict

1. Phantom aid and lack of transparency: means that the two domestic parties in the conflict may accuse each other of misappropriating aid that was primarily consumed by the international aid industry itself.
2. Aid paradigm neo-liberal economic policies and structural adjustments (privatisation of public goods, services and industries), exacerbate regional, social and economic inequalities in an already distorted war-economy
3. Accountability of governments is upwards and outwards towards donors, therefore eroding the social compacts and already weak democracy and democratic institutions in fragile states.
4. Dutch disease and erosion of local capacities and civil institutions due to competition from international aid agencies and INGOs given the market model.
5. Transaction costs of aid given the current trend to an unregulated free market aid delivery model with a proliferation of northern development consultancy companies: local governments and institutions in developing countries spend more time attending to the needs of aid agencies rather than their affected citizens and publics. The logic of the system promotes more competition, turf battles and flag flying than co-ordination among aid agencies and explains the irrelevance of the Paris Declaration on Aid Effectiveness on the ground in disaster affected countries.
Countries and Regions between War and Peace

The structures that give rise to the ‘violent peace’ may best be understood through an analysis of the political economy of the international aid industry and bureaucracy, whose relevance is increasingly challenged by the emergence of large regional donors – China and India – who tend to be less intrusive and prescriptive in the domestic policy space of conflict-torn countries. Asian donors tend to follow the principle of respect of sovereignty and a concomitant blind eye to Human Rights issues that seems to be much more the tenor of inter-state relations in Asia. Indeed, it is arguable that the role and influence of OECD DAC donors in peace building while disproportionate to the actual amounts of aid given in financial terms is inversely related to ‘knowledge production’ and the control sought over the policy space in countries affected by conflicts in South Asia at this time.

The OEDC DAC funds for the international humanitarian aid bureaucracy, are increasingly being supported by public philanthropy in an era of ‘internet giving’ and celebrity disaster fund raising for victims of disasters by INGOs. Diasporas have also contributed to post disaster reconstruction, as well as war economies. The past decades have also seen the phenomenon of ‘phantom aid’, as well as the phenomenon of the privatisation of reconstruction and development assistance to contractors and companies based in donor countries – a subject to which we will return. The role of the international community in conflict transformation may shift over time in protracted conflicts in South Asia and gain a logic of its own and morph into the conflict dynamic. Over time certain actors in the IC though a set of apparently external observers tend to become intrinsically embedded and intertwined in the conflict processes given their investment and the political economy of the international aid industry.

Simultaneously, aid dependency in fragile states tends to be exacerbated in a context of the de-development of institutions and a related brain drain out of conflict affected regions. The latter form of donor dependency, i.e. acquired knowledge and policy dependency – is arguably the more debilitating and finally counterproductive for fragile states. In fragile states international donors may attempt to exert disproportionate policy influence, also via multilateral agencies such as the World Bank and limit or dominate domestic policy space in the context of a tendency of the development industry to advertise and project post disaster situations as tabular rasa. This is turn inevitably results in eroding a state’s accountability to citizens, and lack of domestic policy ownership and perceived erosion of sovereignty, also often eliciting counter attacks on foreign aid workers.15
Sustainable conflict transformation and peace-building require local ownership and addressing of intra-group economic and social inequality that structures inter-group, ethno-religious or identity conflict. Conversely, conflict transformation, peace building and reconstruction cannot be sub-contracted, privatised, or sold off to private ‘aid’ contractors, international consultants and ‘experts’, INGOs and the expanding international disaster preparedness and humanitarian industry, that increasingly displays many of the characteristics of to ‘rent-seeking’ behaviour that Afghan and Pakistani ‘warlords’ are castigated for if peace is to be sustainable. At the same time, the international aid industry given to international pledging conference extravaganzas and the circulation of ‘phantom aid’ has suffered from poor accountability to the beneficiaries of its aid and peace building efforts as well as, absence of serious monitoring and evaluation.

In Afghanistan, Pakistan, and to a lesser extent Nepal given the extent of the international aid bureaucracy, the prevalence of violent peace and/or the return of war despite extensive international funds and expertise engaged, raises fundamental questions about the relevance and impact of international aid on conflict transformation. The analysis in this paper suggests that both the international aid paradigm and delivery process in several South Asian contexts requires fundamental reform for sustainable peace building.

Since the WoT there has also been a tendency to adopt a military approach to political violence in many South Asian countries that have had long-term low intensity conflicts and peace processes. The IC’s linking of ‘development’ and ‘security’ assistance to fragile states in particular ways has often legitimised and contributed to greater militarisation of these societies where small arms and insecurity have proliferated. Finally, it is clear that inclusive and comprehensive peace building, as well as, the space for transformation of conflicting groups is the key to successful peace building. Highly internationalised peace processes that focus only on dialogue between the armed protagonists, tend to lose legitimacy in the eyes of local populations because they often fail to address substantive issues on the ground.

Just as the domestic parties to a conflict require reform and transformation for sustainable peace building, so too does the international peace and reconstruction aid architecture require reform and transformation. There needs to be recognition that there is no one size fits all approach to peace building, and that there needs to be policy space for substantive (rather than formalistic) local civil society ownership of peace building policy.

A new peace approach needs to grasp the connection between resource and identity conflicts, as well as the intra-group dynamics of the identity conflict in the South Asia region. This requires deeper social analysis. Peace
mediators and international development actors will need to be attentive to the discourse on inequality, poverty and link track one discussions to deeper social conflicts and intra-group inequalities. Finally, it is to be hoped that lessons learned from ongoing and abrogated peace process in the South Asia region may serve as a turning point for a 'structural adjustment' of the international peace and development industry in order to ensure accountability to communities and countries affected by conflicts, militarisation and violent peace. This requires getting beyond the international toolkit approach to post-conflict reconstruction with its predictably damaging macro-economic policies, knowledge hierarchies and aid delivery practices that often tend to undo the work of track one peace negotiators and mediators.

**Conclusion: Towards Human Security**

The global financial meltdown and billion-dollar bailouts have raised questions about the ethics and economics of some large actors in the international financial system and related governance institutions. Yet poor women in South Asia have a 93 per cent payback rate on loans they take and are creditworthy, according to Nobel Laureate, Muhammad Yunus. The founder of Bangladesh’s foremost micro-credit bank also observed that large commercial and state banks avoid lending to poor women because they lack collateral. Economies of scale comparison notwithstanding, Yunus suggested an alternative, sustainable and ethical development programme for South Asia in a period of global crisis-talk and expert advice that often reproduces tried models and paradigms of and for growth and world development.

The need to move beyond state-centric security discourses and address the root causes of conflicts in South Asia from a post-WoT’ paradigm is clear. Since 9/11, instead of measured and targeted responses to terrorist acts, militarisation and advocacy for military solutions have exacerbated and aggravated the root causes of conflicts in South Asia. This has discouraged the tackling of complex socio-economic and political conflicts at the local and national levels. Social sector and welfare state spending has been reduced on the grounds that development cannot occur without defence, even though the poverty and conflict trap is a consequence of the transfer of resources that accompanies ballooning defence expenditure.

On the other hand, policies arising the failure to adequately grasp and address the ‘poverty and conflict trap’ by influential knowledge brokers in the international development, security, peace and reconstruction industry may have contributed to a number of troubled peace building exercises – from Afghanistan to Pakistan to Sri Lanka. Indeed, non-inclusive peace processes
have become blueprints for renewed violence due to the state-centric and militarised approach to security that is endemic in the regional cooperation approach and architecture. Women and civil society actors have rarely been involved in track one peace negotiations or their monitoring. Increasingly, it is obvious that inclusive development and peace building is necessary for regional security in South Asia, and you can’t have one without the other.

NOTES
2. A new report by the Centre for Strategic and International Studies’ Task Force on Non-Traditional Security Assistance asks: Is the US military’s growing involvement in activities formerly reserved for civilian-led agencies such as the state department and USAID good for the US? How about for developing countries? CGD Research Fellow Stewart Patrick investigated these and other questions as the lead co-author of *Integrating 21st Century Security and Development Assistance*. Patrick notes the causes for concern – but also the encouraging signs of an emerging consensus on a fresh whole-of-government approach to U.S. foreign policy that integrates all of the so-called three Ds: defence, diplomacy and development. www.cgd.
4. A recent Oxfam report on the country noted that of the $3 billion dollars of annual international aid for the country only 10 per cent reached Afghans, noting that the aid structures constitute a parallel state in the country. Seventy per cent of the aid for Afghanistan was concentrated in ten per cent of the country exacerbating regional inequality with most of the aid mis-spent and mis-targetted.
6. The econometric quest for evidence on aid effectiveness continues. Practitioners in the $80 billion-a-year aid enterprise care about their work and hanker for objective evidence that they are helping. In a recent Centre for Global Development research paper, David Roodman, argues that there is a clear aid-growth relationship, but instead of being positive and running causally from aid to growth, it is negative and runs from growth to aid – aid, that is, as it is usually measured: as a fraction of GDP. See David Roodman, *History Says Financial Crisis Will Supress Aid*, 2008, at globaldevelopment/2008/10/history-says-financial-crisis.php, Mary B. Anderson, *The White Man’s Burden: Why the West’s Effort to Aid the Rest Have Done so Much ill and so Little Good*, Penguin Books, London, 2007, Mary B. Anderson, *Do no Harm: How Aid can Support Peace or War*, Lynne Reiner, Boulder, Colorado, 1999.
7. The Strategic Conflict Assessment (SCA) for Sri Lanka commissioned by WB,
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DFID, Asia Foundation and various other donors is a good example. The document in no way provided an adequate or transparent analysis of real aid, phantom aid, or and the political economy of the aid industry and bureaucracy in the country.


15. Ibid.


17. The world’s richest nations greatly exaggerate the amount they spend on aid to poor countries, says a study released by Action Aid International. The report says that between 60-90% of aid funds are ‘phantom’ rather than ‘real’ with a significant proportion being lost to waste, internal recycling within donor countries, misdirected spending and high fees for consultants. The Action Aid report calls for going beyond the hype and reforming the official aid system to decrease the proportion of “phantom aid”.

Introduction

The hydrology of South Asia will play a critical part in the conflict-cooperation dynamics in the region. Premised on this it is important to raise and examine fundamental questions on the driving forces behind water demand; on the political barriers that stand in the way of cooperation on common rivers and the behaviour of riparian states in the subcontinent. While the rivers link countries together they also bitterly divide them. Riparian issues are ultimately a political issue. Politics is about power, influence, resource allocation and policy implementation. Politics is also about managing relationships and trade-offs between states. In many ways, water management will be crucial to conflict management in the region. Water being indispensable is an emotional issue that can become a cornerstone for confidence building and a potential entry point for peace. However, an appropriate discourse that shifts away from ‘water war’ to ‘water peace’ needs to be developed.

South Asia has large river systems. Prominent are the Indus river in the west and the Ganga-Brahmaputra-Meghna (GBM) in the east. Rivers have many uses. Some are consumptive in nature and some non-consumptive. The non-consumptive uses such as navigation and hydroelectricity generation are less controversial than the consumptive uses such as drinking water and water for irrigation. With mounting population pressures and the need to achieve developmental goals, disputes and grievances arise over the use of and control over the rivers. Structures like dams and barrages create upper-lower riparian
tensions that have the potential to lead to conflict. The numerous bilateral treaties are often hostage to the prevailing political animosity. Given the pressures of water demand, resource nationalism will increasingly dominate the hydrological contours of South Asia. Many of the existing riparian treaties will come under stress and strain over the sharing and harnessing of river waters. India’s riparian relation with its neighbours will become progressively testing with Pakistan, Bangladesh and Nepal continuously raising concerns over the regulation and sharing of river waters. Tibet will be a critical factor in the overall riparian dynamics given that the prominent rivers of the Indus and GBM basins (Indus, Sutlej, Yarlung-Tsangpo/Brahmaputra) originate in the plateau. This also includes many of the key tributaries of the Ganges like the Karnali, Gandaki and Kosi.

The crux of the problem over transboundary rivers, is that such a resource is neither seen exclusively as a public good (defined as non-rival and non-excludable) or a private good (defined as rival and excludable). Moreover, international laws on allocating waters within a river-basin are difficult to implement and often contradictory. The UN Convention on the Non-Navigational Uses of International Watercourses approved in 1997 but not yet ratified requires watercourse nations to participate in the use, development, and protection of an international watercourse in an equitable and reasonable manner. In spite of the UN Convention, riparian nations pitch their respective claims and counterclaims based on their interest and interpretation. This raises questions on whether formal arrangements on long lasting peaceful sharing of river waters can be achieved particularly in regions where the political climate is hostile to cooperative endeavours.

The Hydrology of South Asia

Water in South Asia, will assume greater salience and as it does the drivers impacting water resources, whether from climate variability and security issues or power-generation and migration, will need to be factored in and solutions searched for. A considerable amount of technical and scientific knowledge has developed in the recent years pointing towards the potential of water scarcity becoming a key driver of tension and conflict within societies and states. There are two important hydrological basins in South Asia:

The Indus Basin is an important geophysical feature of the Indian subcontinent. The Indus together with the Chenab, Ravi, Sutlej, Jhelum, Beas and the extinct Saraswati forms the ‘Sapta Sindhu’ delta in the Sindh province of Pakistan. The Indus originates in the Tibetan plateau in the vicinity of Lake Mansarovar, runs through Ladakh, Jammu and Kashmir, Gilgit-Baltistan and Pakistan before it merges into the Arabian Sea. The total length of the
river is 3,200 km. The river’s estimated annual flow is approximately 207 billion m$^3$.

### Table 1: Indus Basin

<table>
<thead>
<tr>
<th>Country</th>
<th>Basin Area (Km$^2$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pakistan</td>
<td>632,954</td>
</tr>
<tr>
<td>India</td>
<td>374,887</td>
</tr>
<tr>
<td>China</td>
<td>86,432</td>
</tr>
<tr>
<td>Afghanistan</td>
<td>76,542</td>
</tr>
</tbody>
</table>


The Ganga-Brahmaputra-Megna Basin (GBM) flows through the northern, eastern and northeastern parts of India. The river system is as much a blessing as a curse because of its water potential and destructive reality. The basin covers an area of about 1.75 million km$^2$ with an estimated population of approximately 535 million (75.8 per cent in India; 20 per cent in Bangladesh; 3.5 per cent in Nepal; 0.2 per cent in Bhutan; and 0.5 per cent in China). The basin has huge development opportunities but is home to the largest concentration of poor in the world. The majority of the population (approximately 10 per cent of the global population) subsists on agriculture.

### Table 2: Ganga-Brahmaputra-Meghna Basin

<table>
<thead>
<tr>
<th>Country</th>
<th>Basin Area (Km$^2$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>1,105,000 (62.9 per cent)</td>
</tr>
<tr>
<td>China</td>
<td>326,000 (19.1 per cent)</td>
</tr>
<tr>
<td>Nepal</td>
<td>140,000 (8.0 per cent)</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>129,000 (7.4 per cent)</td>
</tr>
<tr>
<td>Bhutan</td>
<td>45,000 (2.6 per cent)</td>
</tr>
</tbody>
</table>

Climate Change and the Value of Water in South Asia

Water also forms an important link with food and energy. Some reports anticipate a ‘perfect storm’ of food, energy and water shortages by 2030.\(^2\) Alarming as most projections are, one cannot dismiss the fact that climate change threatens to reintroduce resource issues as major sources of regional insecurity, particularly as explained by the interlocking challenges of food-energy-water (FEW).\(^3\) These critical drivers will present combined challenges and will reinforce each other as never before. First, as population grows, competition for food, energy and water will correspondingly increase. Second, climate change will subject FEW to various stresses and strains. Climate change is no longer just an environment issue; it is now widely interpreted as ‘an-all-encompassing’ threat to peace and security. In South Asia it will be far more apparent ranging from cycles of glacial melts and unpredictable patterns of the monsoon. These will have a cumulative impact on the flow of water.

The impact of climate change, in particular, on water resources and food production will be severe. It is estimated that every 1 degree centigrade rise in temperature would reduce wheat production by 4 to 5 million tons. Water and agriculture are closely tied to livelihood and economic activities. This is the core vulnerability. The dependence of agriculture on energy will equally increase. It is calculated that one in four people is fed on fossil fuel as gas is fundamental to the production of fertilisers. Scarcities of renewable resources rarely cause wars among states but the impact of climate change on rivers in particular can change the historical assessment of transboundary sharing and reframe riparian relations. Another important set of social impacts resulting from climate change in South Asia will be the potential displacement of a vast number of people as a consequence of flooding. Together this will lead to two equally dreadful scenarios: ‘fight or flee’. The former implies securing an increasing share of the diminishing resource, by force if necessary and the latter, with worsening climate conditions, may drive large number of people to move to different locations, potentially leading to ‘us and them’ tensions.

The time factor is critical to responses on the impact of climate change. While the actual impact of climate change has not been witnessed except in small measures, the dire consequences will be visible over a timeframe of 50 to 100 years. It is in the uncertainty of climate change both with regard to the time frame and evidence that the threat emerges. Climate change is not a trigger event. It is a gradual phenomenon which potentially can change the conditions of conflict and which may either be a ‘threat multiplier’ or even a ‘threat reducer’. Yet and in spite of the above argument, one needs to consider
the impact of the ‘down-side risks’. For example, the melting of the Himalayan glaciers will have catastrophic consequences. In case of the ‘up-side risks’, if climate change does not turn out to be calamitous given the fact of its uncertainty, then policies and actions on climate change can easily be readjusted and reversed. It is thus crucial to give due consideration to the ‘down-side risks’.

Tibet Factor in South Asia’s Hydrology

The Tibetan plateau is important from the point of a hydrological analysis of South Asia. The hydrological profile of the Indus and Ganga-Brahmaputra-Meghna basins has to factor in the vast water resources of Tibet. The Tibetan plateau is a storehouse of bountiful freshwater stored in its landscape of massive glaciers, huge lakes and mighty waterfalls. It serves as the headwaters of many of Asia’s largest rivers including the Yellow, Yangtze, Mekong, Brahmaputra, Salween and Sutlej. There are 365 rivers in Tibet. It is estimated that the net hydrological flows in Tibet total 627 cubic km per year. This is roughly 6 per cent of Asia’s annual run-off and 34 per cent of India’s total river water resources. Nearly 2 billion people live in the watersheds of the rivers whose sources lies on the Tibetan plateau.

China’s aggressive south-to-north water diversion projects on the rivers that originate from the Tibet region, particularly on the Yarlung-Tsangpo, are opening up a new front of uncertainty not only for Sino-Indian relations but for the entire South Asia. In the classic book, Communist China and Tibet by Gingsburg and Mathos, the authors note: “He who holds Tibet dominates the Himalayan piedmont; he who dominates the Himalayan piedmont, threatens the Indian subcontinent; and he who threatens the Indian subcontinent may well have all of South-East Asia within his reach, and all of Asia.”

Water here is seen as a strategic asset for China and it is sensitive to the strategic consequences of the plateau’s freshwater supplies. But figuring out how to sustainably manage the water and ensure that its natural hydrological flow is not disturbed by artificial diversion plans, it is necessary to raise the Tibet water sources issue as being crucial to humanity. A redefinition of ‘commons’ would be significant for preserving and sharing the waters of Tibet. Pakistan, Bangladesh, Nepal should be involved to counter China’s water diversion plans. A need for broader riparian coalition based on the awareness of the human need for water from Tibet is crucial. One approach to river water issues should be to unite the lower riparian countries against any chinese attempt to divert water. Such a coalition, once it gathers momentum, would also need to sensitise the international community, the local Tibetans as well
as the environmental lobbies within China to the rampant ecological destruction of Tibet brought about by dams and artificial diversion plans.

For India, given its upper, middle and lower riparian position, China’s diversion plans inject a certain awkwardness into its relations with its neighbours. India often finds itself at the wrong end over the management of lower riparian fears vis-à-vis Pakistan and Bangladesh, while China in effect controls the headwaters. China’s rise, whether peaceful or not, has an unmistakable orientation to it – military capability, economic pace and now, more significantly, water diversions. It must be understood that in realpolitik, the preciousness of water often translates into possessiveness and at times resource aggressiveness. This is obvious, more so for China as it is expected to face 25 per cent supply gap for estimated water demand by 2030. Its increasing ‘hydroegoism’ intended to secure its massive water requirements in the north and west also come attached with a strategic edge that cannot be overlooked. Resource control gives it enormous strategic clout for dealing with neighbouring countries; and when one of the neighbours is a competitor, as India is, it becomes an effective bargaining tool and an instrument of great power rivalry.

China’s claims, for example over Tibet and Arunachal, are crucially structured on its water needs. Mao Zedong way back in 1952 had observed, “The south has a lot of water, the north little. … If possible, it is ok to lend a little water.” What seemed to be an innocent remark has become a reality for China. Its hardening position on Arunachal is not mere rhetoric. In laying claims to Arunachal it is claiming almost 200 million cusecs of water resources in the state. Its frequent forays into the Chunar sector in Ladakh are specifically designed to acquire an area so as to extend its further control of the Indus.

Possession and control of water resources demonstrates an assertive and at times an aggressive nationalism. It is a different matter whether or not the south-north diversions schemes on the Yarlong-Tsangpo, which on entering Arunachal becomes the Siang and is joined by the Luhit, Dibang and Noa Dihang near Sadiya to form the Brahmaputra, are technically feasible. China, will continue to maintain a strategic silence on its diversion plans and keep the rest guessing on its intentions. This ambiguity is a clever ploy and with no legally-binding international treaty on water sharing, it serves to increase the water dependency as well as magnifies the threat perception. There is a need to generate a broader debate on ‘basin resource management’ as it is becoming increasingly clear that rivers are not merely meant for water provisions but have ecological functions as well.

China’s ‘hydroegoism’ in Tibet needs to be countered by lower riparian
‘hydrosolidarity’ that includes the multi-purpose beneficial utilisation of the resource and working through the more accepted legal norms of ‘equitable utilisation’, ‘no-harm rule’ and ‘restricted sovereignty’ over Tibet. A collective political and diplomatic pressure over a sustained period of time would be required to draw China into regional arrangements on ‘reasonable share of water’ and frame treaties accordingly.

Riparian Dynamics in South Asia

In spite of the complexities and potential deadlock in river water sharing; riparian treaties remain a common feature. They underline an important element of river discourse that while there are factors that hinder formalised river cooperation; there are equally countervailing factors that enable peaceful sharing. Countries in the region will have to live with transboundary river arrangements and address the scarcity problems on a basis of strategic rationality, hydrological effectiveness and economic viability in order to reshape the existing treaties. India, given its upper, lower and middle riparian status will be the epicentre of the new riparian politics and diplomacy over transboundary rivers. With Pakistan and China water issues will be far more political and strategic. Though politics cannot be discounted from water relations with Nepal and Bangladesh, there is still scope to overcome and break political deadlocks through sensible water sharing arrangements and resource development. Water here can be regarded as an entry point to cooperation. With Bhutan the relationship is unique, a win-win one. The following section will evaluate the riparian dynamics in South Asia.

India-Pakistan

Water issues between India and Pakistan are governed by the Indus Water Treaty signed in 1960 and now in its 50th year. For much of IW T’s history, the system quietly worked within itself through the inbuilt mechanisms and disputes were mutually resolved by the Permanent Indus Commission (PIC). In recent years, however, water has gained political ascendancy and doubts have arisen regarding the durability of the water sharing arrangement. Public comments in Pakistan on the treaty have been strident. Ironically, 50-years of the treaty, the ‘fairness’ argument continues. In India there is a lively debate as to whether or not the IW T was ‘fair’ to India and whether it should be revised or even abrogated.

The Pakistan government has given a non-paper to the Indian side in February 2010 detailing its concerns over the water issues between the two sides. Thus, the water issue has been raised at the governmental level outside the PIC. The non-paper gives the impression that Pakistan is taking positive
Transboundary Rivers in South Asia

steps to energise the IWT. In actuality it is pointing an accusing finger at India for manipulating the treaty’s provisions. The concerns raised – primarily relating to delays in information on projects from the Indian side – are actually charges to which India would have to frustratingly respond. The logic is simply to delay and stall the upcoming projects on the Indian side. Clearly, water issues are being politically constructed in Pakistan and its water scarcity is increasingly couched in the language of security vis-à-vis India, the upper riparian state. The bitter dispute over the Baglihar dam, before it was resolved through third party arbitration, was a turning point in the history of the treaty. All future requirements are now likely to see the technical understanding of the treaty being overshadowed by political considerations. The fundamental challenge, therefore, is to keep the differences within the framework of the treaty and evolve a mechanism for finding solutions to the immediate and many unforeseen water-related issues.

While the IWT settled the water-sharing, its combination of permissive and restrictive provisions relating to Indian projects on the western rivers has led to an adversarial situation in which India tries to use the permissive provisions to the extent possible and Pakistan applies the restrictive provisions to the utmost. It is clear that while the treaty may have served a purpose at the time it was signed, but given the new set of pressures in the changed circumstances there is an urgent need to look at it afresh. The treaty does not have an exit clause, so it cannot be abrogated. However, it does permit the possibility of re-negotiation. Article XII of the treaty says that it ‘may from time to time be modified by a duly ratified treaty concluded for that purpose between the two governments’. Any ‘modification’ that India might seek to make in order to remove some of its stringent provisions should also at a parallel level evolve a joint mechanism to study the actual flow of the water and make an assessment of the impact of climate change on the scarcity. This determination will be crucial for removing the growing misperception in Pakistan that India ‘blocks’ and ‘steals’ the Indus waters.

The Kashmiri perspective is critical to the robustness of the IWT. The population of J&K at the time of treaty was 3.5 million which now has grown three times. A growing population also reflects a new set of aspirations and requirements. The agricultural sector the mainstay of the J&K economy requires sufficient water to keep pace with the demographic challenge. In spite of the vast hydro potential, the state remains industrially backward. There is a strong perception in J&K that India’s generosity towards Pakistan cost the Kashmiris dear. The restrictions placed on the use of water resources by the IWT have come in the way of the realisation of this potential. The IWT gives a virtual veto to Pakistan to scuttle proposals for harnessing of hydel potential
on the western rivers. Even the run-of-the-river hydel power projects like Uri, Sallal, Baglihar, Kishenganga as also Tulbul Navigation Project have been subjected to the objections and restrictions by Pakistan. Critics say that because of the treaty only 40 per cent of the cultivable land in the state can be irrigated and 10 per cent of the hydel power potential can be harnessed.\textsuperscript{10}

\textit{India-Bangladesh}

India and Bangladesh after years of protracted negotiations signed an agreement on the sharing of the Ganges waters in 1996. The Ganges Treaty is valid for 30-years with a provision for five yearly reviews. The treaty has been essentially based on the principle of utilisation of water resources on an equitable basis for the larger benefit of the people of the two countries. A sharing arrangement of flows of water during the lean season has been mutually worked out on a ratio of 50:50 if the flow is less than 70,000 cusecs. The treaty also guarantees a basic minimum of 35,000 cusecs to each side being released in alternate 10-day cycle. Just as in the case of the Indus Water Treaty, the Ganges Treaty has worked well.\textsuperscript{11} But how effective it has been can be disputed. Many in Bangladesh believe that any agreement was better than no agreement. Such cynicism comes easily for a lower riparian. There is a great deal of insecurity on water issues vis-à-vis India. The unpredictable frequency of low flows during the lean season (below 50,000 cusecs) in the Ganges because of fluctuating precipitation over which India has no control, and the fact that there cannot be an agreed formula because of the unpredictability of the flows – which means that consultation remains the only option (article 3 iii) – deeply worries Bangladesh. Much is hence left to the goodwill and trust of India. The frequency of low flows there is equally a concern over extreme variation in water levels during the alternate ten-day cycle. Such variations create lower riparian fears and angst over India manipulating the waters and the release of water at Farakka becomes critical to such perception. It must also be noted that West Bengal also feels that the water distribution has been unfair as it is leading to the death of the Kolkata port.

Riparian treaties in the region, whether, the IWT or the Ganges Treaty, have been primarily negotiated through the technicalities of sharing the waters with the involvement of hydrologists and engineers. Politics has intentionally been kept out. Political leaders have shown remarkable statesmanship in working towards a cooperative arrangement. However, the web of emotions has often sapped the effectiveness of such treaties. Lower riparian suspicions of India cannot be discounted from water issues and this further complicates bilateral relations.
Transboundary Rivers in South Asia

There are new waterfronts opening up in relations with Bangladesh. India’s river linking project, though under review and not fully implemented, has caused a new set of worries for Bangladesh. Though India has assured Bangladesh that the proposed linking projects will not include the Ganges or the Brahmaputra, apprehensions persist. The Teesta and the Barak are the other two rivers that have become a major issue between the two countries. The sharing of the existing Teesta flow of 5,000 cusecs forms the core of the negotiations. Bangladesh is dependent on the Teesta for its irrigation projects covering 750,000 hectares of land. The water-food connect is extremely high. Any water shortage on the Teesta is bound to cripple agricultural productivity. Not surprisingly, Dhaka would like to make a deal. It is believed that an accord on the Teesta can have a galvanising effect on broader political relations with positive trade-offs. For example, Bangladesh has allowed India to use the Mongla and Ashuganj ports while India has agreed to sell 250 MW of electricity to Bangladesh after connecting the power grids.\(^{12}\)

The Tipaimukh Project on the Barak in Manipur is another new front that has caused strains in water relations between India and Bangladesh. Dhaka feels that the upstream project will lead to economic and ecological damages. Emotions in Bangladesh are running high and the political opposition in Bangladesh has already started linking the project to Farakka suggesting that Bangladesh would again be denied its share of water. It can be argued that lower riparians use water as a political talking point. In Bangladesh too water as an instrument of propaganda is cleverly calibrated. For example, the Bangladesh National Party (BNP), when not in power, creates political space for itself by raising water issues with India and questioning the treaty. However, when in power, the tone is one of reconciliation. Privately many agree that the treaty serves Bangladesh’s interests. The fact that Bangladesh has not sought a review clearly indicates the robustness of the treaty.

Bangladesh cannot change its lower riparian position but India can with effective diplomacy, consultation and rationality manage the general perception of fear and deprivation that exists in Bangladesh. India’s diplomacy would require a deft balance of being concerned of Bangladesh’s water needs and vulnerability as well as using its upper riparian position to leverage other interests particularly security concerns vis-à-vis Bangladesh.

India-Nepal

Riparian issues between India and Nepal will be central to evolving common interests and a common future. The two along with Bangladesh form the important Ganges basin (Tibet also constitutes a small part of the basin). Of the 453 BCM of annual flow in the Ganges, 60 per cent is contributed by
the Himalayan rivers of which 47 per cent originates from Nepal. The Mahakali, Karnali, Narayani and Saptakosi are the four principal rivers of Nepal joining the Ganges. The other five medium tributaries are Babai, West Rapti, Bagmati, Kamala and Kankai.

The Ganges basin constitutes a huge agricultural-dependent population. The basin area which is almost annually ravaged by floods from June to September also makes for a large disaster-affected population. The vulnerability is high both in terms of human lives and the impact on GDP. In the backdrop of water challenges it is thus crucial to break political deadlocks and adopt sensible riparian policies and ‘healthy’ river schemes. Where does the onus lie?

India is a lower riparian vis-à-vis Nepal but it does not exhibit any lower riparian fears. In fact, the concerns are over Nepal’s incapability as much as its mindset that hinders the optimal utilisation of the water surplus. India’s overbearing approach to Nepal has also led to a dysfunctional relationship on water issues. Nature has endowed Nepal with bountiful water resources. The problem is of mismanagement. Many of the projects with India relating to flood control, irrigation and hydroelectricity have been myopic and mishandled. Nepal has a potential of 40,000 MW of economically viable hydropower but only manages to produce 600 MW. Ironically, the country experiences 14 hour power cuts a week. Moreover, its fluctuating political relations with India have hindered water resources development. Nepal’s mistrust, beside other factors, has been reinforced by what it perceives to be unequal treaties – starting from the Sharada dam construction (1927), the Kosi agreement (1954), the Gandak agreement (1959), the Tanakpur agreement (1991) and the Mahakali Treaty (1996).

India needs Nepal, but is not overly dependent on it, to meet ‘some’ of its growing energy needs. Keeping its mitigation commitment to climate change, India is expanding its energy basket with renewable sources in the form of solar and nuclear energy. Hydro-energy is not as huge a factor for India as much as it is for Nepal. The Indo-Bhutan hydro-cooperation is an instructive format that Nepal should seriously consider. For India, the concern is more about sudden floods and the information and management of these as well as navigational uses. Such concerns are related to the natural variability and uncertainty that characterises the rainfall in the Himalayan region. Cloudbursts in excess of 500 mm in a day are not uncommon. Such high intensity rainfall leads to debris flows in the hills and causes flash flooding in the plains. The hydrologic and seismic uncertainties need to be accounted for in project planning. Also the impact of global warming on the glaciers needs to be factored into water relations. One of the worrying glaciological
findings is the growing number of glacial lakes in Nepal. Glacial lakes form when a glacier retreats, leaving the debris mass at the bottom of the glacier exposed. This exposed mass or moraine acts as a natural dam, trapping the melt water from the glaciers leading to the formation of a lake. These can potentially burst leading to glacial lake outburst flood or GLOF. The ICIMOD has identified about 1466 glacial lakes of which six are considered potentially dangerous.

While it is ironical, the fact is that Nepal as an upper riparian needs India, a lower riparian, in terms of hydrological knowledge, water management strategies and expertise in flood control. It needs to understand India’s capacity, capability and concerns and be proactive in building up effective water relations. The India-Nepal case can be contrasted with the huge benefits derived from cooperation on river water between India and Bhutan. It is a case that suggests strong political relationship can lead to effective water cooperation. Based on confidence, economic viability and shared benefits and the successes of the projects, India and Bhutan in March 2009 agreed to develop ten hydropower projects with a total capacity of 11,576 MW by 2020. This is above the existing 10,000 MW.\(^{15}\)

**Conclusion**

South Asia’s waters will assume enormous significance in the coming years. How the water is shared will greatly determine whether the region and its populace will struggle or thrive in the future. At another level, the hydrological profile of South Asia poses an interesting question: whether the sharing of waters is to be confined to the treaties under bilateral arrangements or should there be a joint basin-level water resource development and management. The Indus and GBM basins are transboundary in nature. The prospects of two or more co-riparian countries working on project-based water development activities in the basins were endorsed at the South Asian Association for Regional Cooperation (SAARC) summits in 1997 and 1998. This concept needs to be carried forward. It is important hence for states to move away from the water wars thesis and implement the basin mechanism of water sharing, including data collection, monitoring networks and establishing tribunals for new dispute settlements. Whether water turns out to be a source of conflict or of cooperation will depend upon the policy choices made by countries in the neighbourhood. The challenge for countries in South Asia will be two-dimensional: to manage domestic water resources better; and simultaneously to manage riparian relations. If the region remains in turmoil, regional cooperation will become difficult.
NOTES


8. Article VIII of the IWT mentions the Permanent Indus Commission.

9. The ‘non-paper’ was handed over by the Foreign Secretary of Pakistan at the Foreign Secretary level talks on February 25, 2010.


11. According to a study in the first two years after the signing of the treaty Bangladesh received more water than its share. See Ainuit Nishat and MFK Pasha, “Globalisation and Water Resource Management: The Changing Value of Water”, August 6-8, 2001 paper presented in AWRA-University of Dundee International Specialty Conference.

12. The Teesta water sharing and other bilateral agreements were discussed during the visit of Bangladesh’s Foreign Minister Dipu Moni, September 8-11, 2009. During the visit Sheikh Hasina on January 11, 2010, both the countries have signed a 35-year deal in July 2010.

SECTION II

DOMESTIC POLITICS AND THE FUTURE OF SOUTH ASIA
Democratic State-Building as an Effective and Enduring Conflict Resolution Strategy for Afghanistan

Davood Moradian

The collapse of the Taliban regime and the ensuing unprecedented engagement of the international community heralded a truly new beginning for Afghanistan and a promising prospect for addressing the country’s multitude of problems and challenges. On the eve of the ninth year of the new era, however, there seems to be less optimistic voices on the ability and competence of the international community and the Afghan government to consolidate and build on their earlier remarkable successes. On the other hand and despite the prevailing pessimism, there is almost a universal consensus on the need for the continuing and sustained engagement of the international community to address the challenges facing Afghanistan and especially the price that will have to be paid for the failures in Afghanistan not only in terms of the country and the region but also for world peace and stability.

This chapter will show how Afghanistan is facing with two end states. The Somalia of Asia or Turkey of the East. The prospect of (re)Talibanisation of the country and their spread into surrounding countries is very real. Taliban’s access to thousands of madrassas in Pakistan and millions of unemployed young men in the region, along with their integration into the Al Qaeda and global jihadist terrorist networks, the presence of like-minded entities in the region, the proceeds of the drug trade, their totalitarian ideology and the flow of Pakistan’s military and intelligence expertise have provided them with the confidence and tools to recapture not only the state of
Afghanistan but even beyond. The Afghan-Pakistani border is now the new hub for Al Qaeda and affiliated groups and according to the US president, the most dangerous region in the world.¹

It is a valid question to ask why after the nine year intensive and intrusive engagement of the international community in Afghanistan, far from being stabilised or reconstructed, Afghanistan is in danger of becoming a narco state, once again a haven for international terrorism and the centre for the Talibanisation of the region. More importantly, what should be done to save Afghanistan from international terrorism, drug mafias, the increasing fragmentation of the country from the south to north and the revival of negative regional interference particularly by Pakistan's military-intelligence establishment?

In order to answer to this set of questions, one must place Afghanistan in the context of modern history and in its regional and international situation. The roots, drivers and causes of many of its present problems can be located in the relationship between the Afghan state and society, the nature and the evolution of Afghan statehood and its engagement and interactions with the international system. The central premise of this chapter is the primacy of the 'nation/state-building' strategy as the only effective and enduring conflict-resolution strategy for Afghanistan. Prior to the deconstruction of the arduous journey and process of state-formation in Afghanistan, it is imperative to highlight two important components of the 'multiple think' paradigm on Afghanistan and the complexity of its challenges as demonstrated by the drug issue. The 'multiple think' has been one of the main reasons for the failure of the international community to capitalise on the unprecedented opportunity that it was presented with to create and sustain a viable, functioning and a democratic Afghan state. Although the window is closing fast, it is still possible to attain this critical and just objective. However as a case study, the illicit drug factor is a proof of Afghanistan's challenges that are multidimensional and complex, requiring a comprehensive strategy, adequate resources, right skills and strategic patience, involving the cooperation at three different levels: of the Afghans, the region and the wider international community.

Multiple-Think Paradigm on Afghanistan

One important reason, if not the most important one for the deteriorating situation in Afghanistan has been the absence of any conceptual consensus on what should be the nature and orientation of the Afghan state since the collapse of the Taliban regime both within the international community and
Democratic State-Building as an Effective and Enduring Conflict

Afghanistan. The former UN Secretary General, Kofi Anan gave the most accurate and appropriate diagnosis of international approach to Afghanistan which continues to be relevant even today. On November 20, 2000, he told the UN Security Council:

[T]he tendency persists to see Afghanistan as a series of compartmentalised problems, be they narcotics, terrorism or refugees, and to seek to solve them in isolation rather than through a comprehensive approach. It is to be hoped that the Security Council resolutions and decisions will be taken in the context of, rather than being a substitute for, a comprehensive strategy to bring about a lasting solution to the Afghan conflict.²

To paraphrase George Orwell’s ‘Double-think’, the post-Taliban era has been shaped by ‘multiple-think’. Orwell describes doublethink as the power of holding two contradictory beliefs in one’s mind simultaneously, and accepting both of them. The absence of a strategic vision for Afghanistan and pursuing contradictory objectives has marked almost every policy and initiative of the international community and their subsequent manifestation within the emerging Afghan state institutions. The following examples demonstrate the extent of diversity of views on Afghanistan within the academic community, policy makers and the ensuing fragmented and compartmentalised policies.

In the aftermath of the overthrow of the Taliban’s regime President Bush clearly defined US objectives by saying: “there will be no help from the United States towards the nation building process in Afghanistan.”³ In 2001, the US Coordinator for the Future of Afghanistan, Richard Haas stated in unambiguous terms the US priorities in Afghanistan thus:

Our aims in Afghanistan are well known to the American people and this committee. We seek to bring about an Afghanistan that is free of terrorists, that no longer is a source of poppy, and that allows its citizens – including an estimated five million refugees and an unknown number of internally displaced persons – to return to their homes and live normal lives in which opportunity comes to replace misery. ... One thing is critical, however, it [an international security force] must do nothing that would in any way inhibit the coalition from carrying out the primary objective of ridding Afghanistan of terrorism ... Afghanistan is not to be a UN or international trusteeship.⁴

In other words, Afghanistan was the first part of America’s ‘Long War’, as was articulated by President Bush in his State of the Union address.⁵ The influential US Congressional Research Service, however, interpreted US engagements in places such as Afghanistan differently by characterising them
President Karzai describes Afghanistan as a fine example of “cooperation among civilisations.” The country’s foreign minister Dr Spanta described Afghanistan as an emerging “bridge between the Islamic world and the family of democracies.” According to Thomas Hammes, Afghanistan belongs to the “fourth generation wars”, which are politically, socially (rather than technically) networked and protracted in duration. For William J. Olson, the Afghan conflict is a type of post-modern war. Béatrice Pouligny describes the engagement of the international community in places such as Afghanistan as a post conflict peace building (PCPC), whereas for Oisin Tansey, it is “democratic regime-building”. Stiefel characterises the challenge of rebuilding after war as essentially a “development challenge” in the special circumstances of a war-torn society.

However, for sceptics such as Oliver Richmond it is an “imposed liberation”. For some other scholars, the Afghanistan of the post-Taliban era has been a case of “conflictual peace building”. Astrid describes the engagement of the international community as the Afghan version of the “great make-over fantasy”. Afghanistan is afflicted by a “nirvana fallacy” declared Coyne. Barret Rubin terms it as a form of “warlord democratisation”. For John Freven, it is a “contested nation-building”. In the word of Tadjbakhsh, “Afghanistan has become an experiment for the international community in installing democracy from outside”. For Andrew Williams, it is a form of “occult Imperialism”. For many, including the British chief of the general staff, General Dannatt, Afghanistan is a “new and deadly Great Game.” Kolhatkar and Ingalls characterise Afghanistan as a convenient testing ground for the Bush administration’s concepts of “imperial democracy” and “nation building elite”. Elsewhere they refer to Afghanistan as “the perfect nation on which the US could wreak vengeance and rebuild its tarnished reputation.” For political cartoonist and writer Ted Rall, “It’s About Oil”.

Anatol Lieven identifies the five goals being pursued by the US-led efforts. These are: victory in the war against the Taliban, a force which now embodies a large part of Pashtun ethno-religious sentiment; the creation of Afghanistan as a more-or-less modern, effective and democratic state; success in destroying or at least containing wider terrorist and extremist forces in the region and the Muslim world as part of the ‘global war on terror’; a radical reduction in...
Afghanistan’s role as the principal source of the heroin making its way to the West; and the preservation of NATO as a meaningful international military organisation, and through this, the preservation of a close transatlantic relationship in general. More importantly, he declared Afghanistan to be “an unsuitable candidate for state building”. Antonella Deledda characterised the intensive engagement of the international community in building the justice sector of the country as the latest attempt to allow the coexistence of Western law principles and Islamic law. According to Isaiah Wilson, US engagement in Afghanistan might be labeled as an “offensive democratisation”. For Touko it is a “military–civilian humanitarianism” defined as the coming together of military forces and civilian agencies to deal with human suffering. In view of Sarwari and Crews, if Latin America was a laboratory for the grand projection of American power on the global stage during the Cold War, post-Taliban Afghanistan serves as a “workshop for a new model of hegemony, one defined, above all, by its extreme minimalism.”

The ‘multiple-think’ on situation in Afghanistan has not been confined to the academic community alone. It has affected almost every aspect of the engagement of the international community with the Afghan government. On the eve of the International Support Conference in Paris in June 2008, the Afghan foreign minister complained about “the poor coordination, duplication and inadequate transparency at four levels: among the various agencies of individual nations, among Afghan government bodies, among the international community and between the Afghan government and its international partners.” In the context of corruption, he raised the under acknowledged fact of the repatriation of the nearly 50 per cent of the donors’ money back to their capitals via different channels. In the words of Mark Sedar, “lack of strategic vision for the SSR [security sector reform] is an example that not only there is no a strategic vision for the country as a whole but also for the sector.”

The US House Armed Services Subcommittee on Oversight and Investigations' critical investigative report on the provincial reconstruction teams (PRT) found, “There is no clear definition of the PRT mission, no concept of operations or doctrine, no standard operating procedures.” As for the US plan for combating terrorism on the border between Afghanistan and Pakistan in the Federally Administered Tribal Areas (FATA), the US Congress’s investigative arm, the Government Accountability Office (GOA) came to the conclusion that, “No comprehensive plan for meeting US national security goals in the FATA has been developed.”

Another example of the utter confusion is the schizophrenic approach to
counter-narcotics by the international community in Afghanistan. Propelled by the UK, who accepted the counter-narcotics pillar leadership, and supported by the US state department (but not department of defence, or the CIA), insisted that the International Security Assistance Force (ISAF) and Operation Enduring Freedom (OEF) be involved in supporting paramilitary operations against opium producers in Afghanistan. Both military organisations resisted this, but state department-funded Afghan forces supported by the ISAF operating under national command conducted counter narcotics operations anyway. 37

Another example of lack of the coordination among national bodies of the donor or troop-contributing nations is provided by a Dutch member of the PRT in her final report:

… there was a lack of integration between the military branches such as civil–military cooperation (CIMIC), psychological operations (psy-ops) and intelligence (intel). Within NL and PRT, each of these branches used its own database. These were not integrated and, because of their personal nature, they were often barely accessible to others. Apart from the duplication of effort, this resulted in CIMIC personnel regularly being unaware of the intel or psy-ops branch information, and unable to use it to direct their activities. Valuable information on insecurity was therefore lost or not considered in NL PRT activities. 38

As of our understanding of the combatants and adversaries in the ‘long war’, there is a long way to go as according to Bruce Hoffman “What remains missing five-and-a-half years since this war began is a thorough, systematic understanding of our enemy: encompassing motivation as well as mindset, decision-making processes as well as command and control relationships; and ideological constructs as well as organizational dynamics”. 39

Above all, is the role of Pakistan. Future historians will most likely term Washington’s and NATO’s acceptance and tolerance of Pakistan’s continuing double game as the most lethal strategic mistake and shortcoming of the West in the Hindu Kush.

Illicit Drugs: An Example of Afghanistan’s Theme Park of Challenges

Afghanistan is a “theme park of challenges”. 40 There are few humanitarian and security-related issues that have not touched Afghanistan: from the failure of generations of Afghan political elite and their foreign sponsors to develop a viable state and an inclusive sense of national identity, various external interferences, to natural and human made disasters, to its geographical location...
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as a landlocked state. It is not only the number of challenges that have overwhelmed Afghanistan; it is their complexity and their penetration into all aspects of the society and polity that have made them hard nuts to crack even by the intensive and intrusive engagement of the international community since the collapse of the Taliban regime. Moreover and despite the sheer complexity and magnitude of the problems in Afghanistan, the problem-solving efforts inflicted by “multiple-think” are often part of the problem. The case of narcotics drugs and the counter-narcotics efforts symbolise the difficulties, interdependence and complexity of challenges that Afghanistan faces.

The cordial relationship between the UK army and some poppy farmers in the southern province of Helmand is rather an unusual phenomenon given the fact that the UK is the designated lead-nation in counter-narcotics efforts since the collapse of the Taliban regime in 2001. Illustrative of this relation was the arrival of a sick poppy worker at the British base for medical assistance as was reported by the Guardian correspondent. The sick worker was duly examined by the medical staff at the base and was referred for further tests to the British headquarters in the provincial capital, Garmisir. The same Guardian dispatch revealed another feature of Afghanistan: the blame game and abdication of responsibility both by Afghans and the international community. To justify their treatment of the sick poppy worker, Sgt. Russell explained, “We’re not much interested in what they are doing with the poppy, We know it’s going on but we are soldiers, not politicians. And we are here to do a good job.” It is, therefore, not surprising as the report stated, that Afghanistan produced 93 per cent of the world’s opiates in 2007. The Helmand province where the UK leads the Provincial Reconstruction Team (PRT) and its stabilisation efforts produced about 50 per cent of the country’s total opium harvest.

In 2005, US Drug Enforcement Agency agents and their Afghan counterparts found nine tons of opium in the office of Sher Muhammad Akhundzada, the then Governor of Helmand, but they were prevented from taking any action against the governor who had close ties with American and British military intelligence and diplomatic officials. Akhundzada was later appointed as member of the Afghan senate and now chairs the senate committee on national defence.

Such reports not only weaken the prospects of an effective counter narcotics strategy but they are also undermining the fragile trust between Afghans and the international community. A growing number of senior Afghan officials and the media publicly implicate Western troops for being
directly involved in narcotics trafficking. Although such public accusations may be treated as without substance by the international community, they represent the growing erosion of trust between ordinary Afghan citizens and the Afghan government and its international partners.

After nine years of intense engagement and allocation of resources by the international community illicit drugs remain the country’s main export, its major source of employment and the main component of its gross domestic product (GDP). In 2007 the total export value of Afghan opium was around $3.1 billion. Opium accounted for half of Afghanistan’s GDP in 2007. According to the Afghan deputy interior minister in charge of counter-narcotics, the livelihood of ten per cent of the population, i.e. three million people, depends on opium production.

In the absence of a functioning civil service in Afghanistan, the government’s counter-narcotics efforts are often led by politicians and factional figures like the minister for counter-narcotics and the deputy interior minister. The minister in charge of counter narcotics, General Khudadad was a prominent general in the Afghan army during the communist era. The deputy interior minister in charge of counter-narcotics, General Dauod, was a prominent guerrilla commander of the Mujahedeen. The two were engaged literally in countless military campaign against each other during the communist era. Now, they are supposedly to be working together to rid country of illicit drugs.

The growing number of drug addicts is another disturbing component of the drug issue in Afghanistan. It is estimated that 90 metric tons of opium and 9.6 metric tons of heroin are consumed domestically, accounting for two per cent of the total production in Afghanistan. Over the past five years the number of drug users has increased from 920,000 to over 1.5 million. At least 200,000 people are regular users of opiates in the form of opium or heroin. There is a significant gender difference among drug users: 87 per cent of all opium users and 93 per cent of all heroin users are men. An estimated 14 per cent of heroin users and a small fraction of opium users are believed to be injecting drug users. Sharing needles and other injection paraphernalia is believed to be widespread, creating the potential for the spread of HIV and hepatitis. The nascent health system of the country is almost incapable of dealing with the growing number of addicts and related health-issues.

Another aspect of the drug issue in Afghanistan is its lucrative nature and its link with the global trade in illicit drugs, which is estimated to be worth billions of dollars a year. The growing number of drug users around the world, currently around 200 million would ensure the profitability of the drug trade
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for the foreseeable future. The Afghan component of the drug mafia also benefits handsomely from the drug proceeds. One well-known Afghan drug lord who is now the governor of the strategically important eastern province of Nangarhar is reported to have made $300 million since 2002.

The proceeds from narcotics trade are also providing financial support to the Taliban. There is growing evidence that the Taliban and their allies are moving beyond taxing trade to protecting opium shipments, running heroin labs, and even organising farm output in areas they control. The Taliban is becoming another FARC, Colombia’s notorious leftist insurgent group that draws much of its funding from the drug trade. And this is only one of the challenges facing Afghanistan, which gives an idea of the complexity and multifaceted nature of the country’s problems.

The Arduous Journey of State-Building in Afghanistan: Obstacles and Opportunities

The failure to develop and sustain a viable state has been the primary cause of Afghanistan’s present plight. As such, a comprehensive state-building strategy is the best and only sustainable and effective approach to address Afghanistan’s challenges. To achieve this objective, particular importance will have to be given not only to the degree of statehood but more importantly to the ‘kind’ of state. Emergence and sustainability of a viable, functioning and democratic state must be the real end.

Afghanistan has a very long history of formation of a modern state in its Webberian definition and component, which include territorial integrity, centralizing political authority and settled population that meets only some criteria of nationhood. Based on almost a national consensus, the process of state formation began in 1747 when Ahmad Shah Abdali founded the first Pashtun-dominated political authority in a territory that later became Afghanistan. On at least one criterion, which is the continuity of Pashtun domination – the state of Afghanistan is more than 250 years old. In this long history, Afghans have experimented with different political systems ranging from absolute monarchy, benign monarchy, constitutional monarchy, to republican, totalitarian, anarchical and democratic regimes. However and despite the length of the process of state-formation, the Afghan state still remains one of the weakest states according to all criteria of statehood, with respect to its capacity to penetrate society, regulate social relationships, extract resources and appropriate or use resources. The following factors have been responsible for the current state of affairs in Afghanistan.
(a) The Colonial Triangle
Three factors have prevented Afghanistan from emerging as a viable state: ethnicisation of the process of state formation or internal colonialism; the ambiguous role of religion (Islam) in relation to the desirability and legitimacy of the institution of nation-state; and regional/international interference. These three factors will have to be addressed if Afghanistan has to emerge as a viable state.

(b) Ethnic Factor
Because of its geographical location, Afghanistan has been at the crossroads of different cultures, languages, religions and traditions. Afghanistan is one of the most colourful nations, in terms of ethnic and cultural diversity. In the absence of official data, it is estimated that the Pashtuns constitute the largest ethnic group, comprising of 30 to 40 per cent of the population, followed by non-Pashtuns. Since 1747, with the exception of brief periods, political authority and as such the process of state formation has been dominated by Pashtun dynasties and elite.

However, the Pashtun political domination did not translate into cultural and linguistic homogeniety. Despite some efforts, the successive political elites failed either to Pashtunise the country or to create inclusive nationalistic agenda, symbol and/or institutions. The contrary examples are Iran and Turkey, where the ruling elites managed to unify their diverse communities under some forms of Persian or Turkic national identity or India which is united by its secular and civic based nationhood. This failure was further compounded by political, religious, linguistic and ethnic authoritarianism and discrimination. However, one must bear in mind that the political domination of Pashtuns did not also benefit ordinary Pashtuns, who remained oppressed and marginalised. As with all oppressive and authoritarian regimes, ethnicity became a legitimising tool for the ruling elite, with an adverse impact for all communities.

(c) Religious Factor
The second fundamental reason was the religious factor, or religious colonization. By religious factor it means the interpretation of religion and religious authority. The role of religion in preventing or slowing the process of state-formation in Afghanistan and for that matter many Islamic nations, can be seen in three distinct but-interrelated areas: the inherent tension between Islam as a trans-territorial and civilisational community with the territorially-oriented concept and institution of the nation-state; the
instrumentalisation of religion by both ruling political elites and anti-state forces and thirdly the prevailing fatalist culture and mindset that were encouraged by religious authority.

One of the permanent features of the Islamic history has been the continuing tension and controversy over the best model of governance and political organisation. Apart from the Prophet Mohammed’s example, there is no intellectual consensus among Muslims on the best model of political organisation. Since the collapse of the Khilafat, disagreements among Muslims over this issue have widened. The rise and later the imposition of the European model of the nation-state on to the Islamic world have further polarised Muslims over the acceptability and compatibility of this model with the Islamic norms and principles.

As with their fellow Muslims, Afghan religious circles continue to have a conflictual relationship with many attributes of the nation-state. The religious forces were one of the principal factors in derailing the process for the emergence of a strong and progressive state twice: once in 1928 when the King Amanullah was toppled and the second time with the Taliban movement. As for the second, obstructionist role of religion, which is the instrumentalisation of religion by ruling elite, suffice it to say that without exception all successive ruling governments in Afghanistan in one way or the other resorted to religion to legitimise their rule and policies, and this includes the Soviet-backed regimes.

The diluting role of a reactionary interpretation of religion in slowing the process of state-formation also manifested itself in popular culture and in shaping and influencing people’s choices and behaviour. There were two religion-oriented normative and cultural forces that colonised the minds of many Afghans: those who advocated withdrawal from the worldly affairs and focusing solely on heavenly affairs and those who called for the destruction of all modern ideas and institutions. In other words, the conservative and traditionalist forces and a politicised and revolutionary discourse were the dominant forces. The manifestations of these anti-world and anti-modern voices can be seen in rural areas where many still consider modern education as un-Islamic.

(d) External Factors

External factors are another reason for the failure of state formation in Afghanistan. Afghanistan’s geo-strategic location, has made it a battleground and a chessboard for competing and conflicting external powers. In late 18th and 19th centuries, Afghanistan was one of the focal points of the ‘great game’,
where the colonial powers of British and Russia were competing for the mastery of the region. During the Cold War, Afghanistan became the most violent fault line between the two superpowers. Later on, Afghanistan got embroiled in the politics and conflicts of the Middle East, which made Afghanistan a dumping ground for the disenfranchised Middle-Eastern youth and adventurists. The latest actors are Iran, Pakistan, India and the new 'great game' includes Saudi Arabia's regional ambitions, the Russia-NATO duel; China-West relations and the pipeline war. The external factors always had a direct role in the type and the degree of statehood in Afghanistan. We often see either an explicit or implicit alignment between two or three angles of this colonial triangle. For example, the British were a key factor in the mobilisation of the Mullahs against the reformist King Amanullah Khan; or the current alignment between Pakistan, the Taliban and Al Qaeda.

Post-Taliban Era Obstacles to State Formation

The 2004 Afghanistan Constitution provides a good picture of the normative and constitutional orientation of post-Taliban Afghanistan. As defined in the Constitution, Afghanistan's political system is democratic and pluralistic. Almost all high public offices are elected ones. The separation of the three organs of the state is also enshrined in the Constitution. The state is committed to respect the international human rights regime, including women's rights. No law in the country can be in the violation of Islamic norms and precepts. Afghanistan's new Constitution is one of the most progressive in the region and in the Islamic world.

Significant progress has been made in implementing many of the provisions of the Constitution. There has been some tension between the president and the parliament over some issues which is part and parcel of any democracy. There are now nearly 1000 independent media outlets, often highly critical of the government, which is unprecedented not only for Afghanistan but also for many other parts of the region. Women are now seen almost in all public spaces, including ministries, the parliament, judiciary and civil society. Afghanistan is among a handful of Islamic nations that recognise the Shariah as an official school of jurisprudence. In the economic field too, there have been unprecedented and positive changes. The country's economy has seen impressive growth since 2002. A vibrant private sector is emerging, particularly in the fields of telecommunication, agriculture, aviation and construction.

Afghanistan's external relations have also seen positive changes. With the exception of Pakistan's military-intelligence establishment, there are no major
conflicts or disputes in Afghanistan’s external affairs. As for the role of religion, the religious communities now have prominent presence and influence in all aspects of society and state. They are running private universities, political parties and TV and radio stations apart from maintaining their traditional position in the judiciary.

However and parallel with this emerging new Afghanistan, the old colonial triangle has not only survived, but it has also found another partner – which is corruption. Unfortunately, there are still powerful forces who refuse to accept the pluralistic and multi-ethnic identity of Afghanistan. There is a danger of further ethnicisation of politics and state institutions. The anti-modern and reactionary forces are penetrating modern and democratic institutions and using them to subvert modernising and democratising trends and institutions. The newly formed state institutions are being progressively penetrated by organised crime, which has the potential to make Afghanistan a criminalised state, should the efforts to contain them fail. The growing socio-economic challenges such as poverty, unemployment, population growth, unplanned urbanization, illiteracy, infrastructure and institutional deficits are competing with terrorism and drugs to become the most lethal cluster of threats.

As for the external factors, there are still competing and conflicting visions for Afghanistan at the regional and wider international community levels. The most dangerous vision is that of Pakistan which still seeks a subservient Afghanistan to ensure a strategic depth for its regional hegemonic objectives and as leverage against the international community. The growing uncertainty in Washington over its long-term engagement in Afghanistan is another matter of grave concern for Afghans. Any US premature disengagement or sub-contracting of Afghanistan to Pakistan and/or reactionary forces will take Afghanistan back to the 90’s when it was a failed state and a haven for international terrorism and drug lords.

The following observation by an Afghan provides the contrasting pictures of the failure or success in the creation of a sustainable secure, stable, prosperous and democratic Afghanistan:

If the world exports us terrorists, we will send them back more committed and ruthless terrorists as well as with dozen kilograms of hashish and opium. But if the world helps us, we will export new generation of Zoroaster, Maulana Jalal Din Balkhi[Rumi], Avicenna, Jamal-din-Afghan, Padshah Khan and juicy Kandahari pomegranates and premium Herati saffron.
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33. Ibid.
41. Declan Walsh, “Hamburger Hill: Frontline Base in a Sea of Poppies British Soldiers Dare not Clear” at http://www.guardian.co.uk/world/2008/apr/29/afghanistan.drugstrade
43. The British are held as the prime suspect. This disproportionate blame is partly due to the historical mistrust between the Afghans and the English. Although involvement of the Western intelligence services in drug trade is a contested issue and often product of conspiracy theories, the role of law enforcement agencies of transient and consuming nations in facilitating the lucrative drug trade cannot be discounted.
47. www.irinnews.org
The Tamil national question may be singled out as the most important variable that has affected the shape of the socio-political landscape in post-colonial Sri Lanka. Although the demographic category of Sri Lankan Tamil population is less than 15 per cent of the island's total population, its political influence has always exceeded its relative demographic weight due to multiple factors, the genesis of some of which goes back to colonial and pre-colonial periods. An added factor has been Sri Lanka's proximity to south India that has more than 60 million Tamils. This geo-demographic reality has led, as some observers note, to the presence of a minority, i.e. Tamils with a majority complex and a majority, i.e. Sinhalas with minority complex. The Tamil national question, that emerged as a political issue, transformed in the late 1970s into a politico-military issue with island-wide ramifications. The Liberation Tigers of Tamil Eelam (LTTE) that emerged in the late 1970s and became a hegemonic Tamil military-politico force in the late 1980s waged a ruthless internal war against the Sri Lankan state contesting the legitimacy of the the state in a pluri-national context. The twenty-six year war surprisingly came to an end in mid-May 2009 when the Sri Lankan security forces were able to defeat the LTTE comprehensively, killing almost its entire leadership including the legendary Vellupillai Piribaharan, its unchallenged leader.

What form will the Sri Lankan Tamil national question – that led in the past to one of the dirtiest internal wars in the world – take in the future? As one of the main contending parties in the armed conflict, the LTTE, suffered a comprehensive defeat at the hands of the security forces of the government.
of Sri Lanka (GoSL). Does the end of the armed conflict signify that the Tamil national question will be put, at least for the time being, on the back burner of the Sri Lankan political debate and practice? How would the GoSL respond to the concerns of the democratic forces in the country, non-LTTE Tamil nationalist political parties and India? How would Tamil nationalism evolve in the new political space created by the end of the LTTE and the armed conflict? These issues together with immediate post-war problems that have emerged as some of the key issues in the Sri Lankan political landscape in the post-LTTE period, are the focus of this chapter.

Keeping this perspective in mind this chapter deals on the following issues. Section one discusses briefly the nature of the Tamil national question in Sri Lanka mainly focusing on its multiple dimensions. The current situation in relation to Tamil nationalism after the military defeat of the LTTE is the focus of section two. The context and drivers that would influence future changes are dealt with in section three. How different political actors would respond and react to the new situation and what kind of scenarios can be envisioned will be the subject of the section four.

Tamil National Question in Sri Lanka

Sri Lanka’s ethno-political conflict is a classic example of an intractable, protracted social conflict based on identity differences.1 Multiple communal identities that existed in the pre-colonial times have been solidified through many processes into modern national identities through, and as a result of, colonial rule. Sri Lanka now is a society comprising four nations; the Sinhalas, the Tamils, the Muslims and the Malayabi Tamils, and at least four main ethnic groups; the Malays, the Burghers (those of Dutch and Portuguese origin), the Colombo Chettis, and the Vaddas. In addition, there are smaller ethnic groups like the Malayabis, the Telungus and the Gypsies with varying degrees of integration with major national groups.2 The construction of these demographic categories was facilitated by the census classifications of the colonial and post-colonial administrations that were imperative for creating colonial and post-colonial ‘subjects’. Nira Wickramasinghe in her book, Sri Lanka the Modern Age: A History of Contested Identities, showed how the census was used to differentiate colonial subjects for the purpose of administration. In the first census of 1871, the population was classified into 78 nationalities and 24 races.3 As Arjuna Parakrama in a presentation entitled ‘What is Nation?’ at the University of Peradeniya (2007) noted, classificatory categories were more flexible, in the early census, which reflected the amorphous and heterogeneous character of the island’s population. However, the
‘subjectification’ of colonial populations required a small number of broad categories. Thus, in the 1911 census, the category of ‘nationalities’ was dropped in favour of ‘race’, while in the census of 1921, the total population was classified into ten racial categories. Hence, as Wickramasinghe and Parakrama have shown, the identities were constructed by the census, and the system of representation to legislative councils in this period was based on ethnic/national identities.\(^4\) Anderson’s distinction\(^5\) between unbound seriality and bound seriality may not be a sound theoretical or heuristic devise for explaining conflictual ethno-national politics in the colonial context, since ‘imagination’ in terms of unbound seriality was facilitated and to a certain degree guided by the colonial construction of bound seriality through the census and the system of representation. Thus, this enumeration methodology adopted in the census did not signify just a reflective understanding of ‘colonial reality’ by the colonial rulers as Wickramasinghe opined, but it was designed to serve the purpose of colonial governance. Therefore, from the very beginning, politics in its modern sense in Sri Lanka was ethnicised.

Many writers agree that the Sri Lankan ethno-political conflict is of recent origin notwithstanding the deployment of various mythical, semi-mythical stories as well as histories for historicising identities and the conflict. Two main strands of histories, with both Tamil and Sinhala variants, may be identified in mapping the ethno-political conflict. The first variant suggests that the Sinhala as a nation was crystallized in the early period of Sri Lankan history. K.N.O. Dharmadasa’s well researched reply\(^6\) to R.A.L.H. Gunawardana’s path-breaking though controversial article,\(^7\) “The People of the Lion” is the best example of a pronomialist interpretation of a nation in the Sri Lankan context. Much evidence was compiled by Tamil writers to establish the existence of a Tamil nation with its own territory in the early period of history. On the other hand, R.A.L.H. Gunawardana and K. Indrapala\(^8\) have shown that different identities have existed throughout history, but that the formation of the ‘nation’ in the modern sense was of recent origin. This debate between historians was the subject of an excellent article by David Scott who observed that the debate had reached an impasse mainly because of the terrain on which it was fought. Therefore, he wanted the turf to be shifted, linking history not to time, ‘but to the community’.\(^9\) Even the historians who are sympathetic and lean towards the pronomialist genre accept the fact that the current state of ethno-political conflict is primarily an outcome of colonial and post-colonial state policies. K.M. De Silva has emphasized that the ethno-political conflict can be directly attributed to the policies of post-colonial governments, especially those of the governments after 1956.\(^10\)
Discrimination against and marginalisation of Tamils may be attributed to the majoritarian nature of Sri Lankan democracy. The post-colonial state in Sri Lanka has gradually evolved into a regime that has been dominated by the Sinhala-Buddhist majority. Whether it was the elites who incited or responded to the Sinhala nationalist feelings, is difficult to determine as there may not be a conclusive answer. Joseph M. Whitmeyer\textsuperscript{11} put forward the thesis that posits that elites do not create popular nationalism, but they can and do shape its expression in a variety of ways, such as by organising it, providing relevant information, or providing the opportunity or incentive for it. Whether it was proactive or passive, the state policies on language, land colonisation, public service provision, education, employment and many other fields were exclusive and discriminatory towards the Tamils. Hence, the basic premise of democracy, i.e. inclusiveness, was violated in favour of majority rule. As Radhika Coomaraswamy noted, the “belief that majoritarianism is always democracy has been one of the major fallacies of Sri Lankan political thinking and one of the major causes of ethnic conflict”.\textsuperscript{12} Hence, the Sri Lankan ethno-political conflict has seriously challenged the so-called definition of democracy as the rule of the majority. Some years ago, Arthur Lewis severed the link between majority and democracy in relation to societies that were characterised by permanent cleavages.\textsuperscript{13} However, it does not mean that Tamil nationalism is totally defensive. Tamils also drew heavily from the concept of modernity the notion of nation. Hence, Sri Lanka experienced in the post-colonial period what Balibar\textsuperscript{14} aptly called ‘nationalisms within nationalism’.\textsuperscript{15} In Sri Lanka, these patriarchal partialities have always taken precedence over an overarching Sri Lankan nationalism partly because of the arrogance and unpreparedness of the Sinhala elites to share power with other communities and their leaders in a meaningful manner.

The Tamil national question has two main dimensions and these two dimensions will not always be consistent and complementary leading to serious contradictions. First, it links with the authenticity, identity and basic human needs of the Tamils as a collective in Sri Lanka. Ethnic collectives with their regional claims to authenticity and patriarchal partialities invariably tend to negotiate with similar but different ethnic or national collectives. These negotiations embody multiple facets and varying methodologies. Tamils in Sri Lanka who identify themselves as a separate nation had begun to claim ethnical authenticity when colonial rulers gradually made way for self-rule in Sri Lanka. How could this regional claim for ethnical authenticity be maintained and how would that project encounter the wider issue of post-colonial nation building remained a challenge. The second dimension of the
Tamil national question has been linked with nationhood in the post-colonial era. Can the elites of a majority national group develop a state and administrative structure that accommodates, reasonably well, regional claims for ethnical authenticities? As Fanon once remarked, nationalism passes “to ultra-nationalism, to chauvinism and finally to racism”. Rabindranath Tagore also warned the people, in the early phases of the anti-colonial struggle, about the potential of this mal-development. While the Sinhala elites ‘representing’ a numerically large national group strove to maintain their hegemony by resorting “to ultra-nationalism, to chauvinism and finally to racism”, the Tamils, a numerically small national group followed suit. Sri Lanka has been a classic example of how, the above mentioned dimensions can lead to serious contradictions. The resultant contradictions have had ripple effects as the Muslims and Malyahai Tamils are boarding their own nationalist bandwagons.

Tamil National Question in the Post-LTTE Phase

Although the fourth Eelam War began somewhere in mid 2006, there had been signs since Piripaharan’s Mahaveer day speech in December 2005 that the LTTE would soon commence military activities. The Sri Lankan security forces were attacked by LTTE front organisations in many places in the north and east and attempts were made to assassinate the army commander, Major General, Sarath Fonseka and the secretary of defence, Gotabhaya Rajapakse via suicide bombers. However, the proximate cause of commencing the war was the decision of the LTTE to close the sluice gate at Mavil Aru in Trincomalee district. This closure is viewed by some observers as a strategic mistake on the part of the LTTE since it provided the pretext for the GoSL to implement its strategy to drive away the LTTE from the Eastern Province. However, one may also argue that the LTTE’s decision to close down the sluice gate was a part of its military strategy. Thus the war began when there was a double coincidence of strategic moves of the two contending parties. While the LTTE wanted to capture Muttur, the security forces of the GoSL wanted to take over Sampur so that the potential LTTE threat to the Trincomalee harbour, naval base and oil tank farm could be minimised. The events following the recapture of Mavil Aru by the security forces of the GoSL led to the capture of all the LTTE controlled areas forcing it to withdraw its cadres from the Eastern Province. What the GoSL did in the aftermath of consolidating its power in the Eastern Province is interesting as many tend to believe that it signified how the political alliance in power would address the broader Tamil national question which was as follows:
• Holding of elections for local government bodies in the Eastern Province;
• Holding of elections for the Eastern Provincial Council and the establishment of the first Eastern Province elected Provincial Council;\textsuperscript{19}
• Bringing in the TMVP (the LTTE’s splinter group in the Eastern Province) into the ruling party alliance making the alliance look more multi-ethnic;\textsuperscript{20}
• Quick resettlement of internally displaced people by military confrontation between the security forces and the LTTE in the areas where they used to live;\textsuperscript{21}
• Gradual reduction of restrictions over people’s movement including restrictions on fishing;
• Commencement of massive infrastructure development programmes and provision of basic facilities under \textit{Negenahira Udanaya} (Eastern Reawakening);
• Limited disarmament of paramilitary forces and other armed groups;
• Integration of former ex-LTTE combatants into the police force.

While the GoSL was consolidating its authority over the Eastern Province, the security forces began the northern military campaign in the Mannar and Vanni districts. In the latter part of 2008, it was clear that the LTTE would be comprehensively defeated in armed confrontation. Except for the Anuradhapura air base attack, the LTTE failed to engage in encountering the forward movement of the security forces or to carry out subversive attacks in the south. The LTTE retreated from Kilinochchi to Mulathivu and from there to a narrow sandy belt in Pudukudirppu. By mid-May, 2009, it was comprehensively defeated and its top leadership was killed. The military defeat of the LTTE would make one wonder why the LTTE with its sophisticated military equipment and battle-tested army and navy did not fight to stop the forward movement of the Sri Lankan security forces. An answer to this question is that the LTTE lacked a strategy to set up a separate \textit{Tamil Eelam} through direct military means.\textsuperscript{22}

The military victory over the LTTE enabled the Sri Lankan state once again almost after three decades to be the only force exercising the monopoly of coercive power within its given territory. So, from the standpoint of the Sri Lankan state it is a great achievement. Nonetheless, the power, authority and stability of the state does not depend only on its coercive power; in the long run what matters is whether the state is looked upon as a legitimate entity by its population. The issue of legitimacy in pluri-national context depends
partly on how numerically small nations and ethnic groups view the state as an agency through which their basic needs, identity, security, recognition of identity and participatory rights in decision-making, can be satisfied. To what extent, the state reflects the pluri-national character of the society is of great importance. In this sense, although the Tamil Eelam project was defeated, the Tamil national question remains intact and unaddressed. In my view, two issues are important here.

The first may be related to the following questions. How would the Tamil national question and demands be posed in the post-LTTE period? Will Tamil nationalism present its demands in a different way in the new context? Will exclusive nationalist demands give way to more accommodative demands? What would be the future of an extreme exclusive version of Tamil nationalism? The second set of questions relate to the actions, reactions and responses of the other communities, especially the Sinhala, to the demands and aspirations of numerically small nations and ethnic groups that share the Sri Lankan territory. How would Sinhala political elites act in a context in which the LTTE no more plays a major role? Will they be accommodative with regard to Tamil national demands? Or will they see that no serious attention should be paid when the state is no longer under serious contestation?

Almost all Tamil political organisations have been in agreement with ‘four cardinal principles’, which are better known as the Thimpu Principles. The Thimpu Principles are:

1. Recognition of the Tamils of Sri Lanka as a distinct nationality;
2. Recognition of an identified Tamil homeland and the guarantee of its territorial integrity;
3. Based on the above, recognition of the inalienable right of self-determination of the Tamil nation; and
4. Recognition of the right to full citizenship and other fundamental democratic rights of all Tamils, who look upon the island as their country.23

This common agreement notwithstanding, the above principles may be interpreted basically in two ways, ‘exclusive nationalist’ and ‘accommodative’. An attempt to interpret them in an accommodative and inter-subjective manner may be seen in the Indo-Sri Lanka Accord and the constitutional amendments and laws passed by the Sri Lanka Parliament in 1987. The main elements of the Indo-Sri Lanka Accord were:

1. It accepts the multi-ethnic, multi-religious, pluralist character of Sri
Lankan society and the distinct cultural identities of different ethnic
groups;
2. It reasserts the unity, sovereignty and territorial integrity of Sri Lanka;
3. It recognises the Northern and the Eastern Provinces of Sri Lanka as
areas of historical habitation of Tamil-speaking people;
4. The GoSL agrees to propose an amendment to the Sri Lankan
Constitution to set up Provincial Council based devolution of power;
5. The two provinces, Northern and Eastern will be merged for an
interim period, and a referendum will be held in the Eastern Province
after one year to decide whether the merger shall be continued;
6. Militant groups agree to surrender their arms.

However, all Sri Lankan governments since 1987 have refused to
implement these pieces of legislation in practice and in spirit and the
continuation of armed conflict, in the form of a confrontation of the two
parties, also provided an excuse for the Sri Lankan regimes to avoid full
implementation. Moreover, the central government has gradually moved into
the subjects that are, according to the Constitution, listed as provincial
subjects. It has also been recognised that there exist contradictions between
the Constitution and the thirteenth amendment so that when the Supreme
Court gives a decision, in many instances, the decision favours the central
government. Hence, proper implementation of the thirteenth amendment
requires some changes in the constitutional structure.

In addition to these institutional and structural issues, new issues have
been added as a result of the way in which the war came to an end. These
issues are basically humanitarian in character and need immediate corrective
measures. Although Sri Lanka has a rich experience of the resettlement of
IDPs, the GoSL appears to be working slowly in finding a solution to this
burning issue as it has for many reasons developed an inflated view regarding
state security in the post-war context.

Context and Drivers

Vacuum in Tamil Nationalist Politics
The comprehensive military defeat of the LTTE and the decimation of its entire
leadership have created an unbridgeable vacuum in Tamil nationalism in Sri
Lanka. Major trends in Tamil nationalism in Sri Lanka revolved round their
attitude towards the LTTE when the latter enjoyed an unchallengeable military
capability. The two options that were available to other Tamil nationalist parties
were either to be a proxy to the LTTE (Tamil National Alliance) or to be an
opponent of it (Eelam Peoples Democratic Party – EPDP, Tamil United Liberation Front – TULF, Tamil Makkal Viduthalai Puligal – TMVP). When the LTTE were decimated, neither of these two were in a position to present a viable and alternative Tamil nationalist political position. There are no signs that this political vacuum will be filled in the immediate future.

The Rise of Exclusive Sinhala Nationalism
The second contextual factor that is a determinant for future scenarios is the presence of Sinhala exclusivist nationalism, the manifestation of which may be traced to the mid-1990s. Since the first years of this century, the Janatha Vimukthi Peramuna (JVP) and Jathika Hela Urumaya have been in intense competition to emerge as the most prominent and vocal Sinhala party. Although electoral strength of the two parties is not that significant, it is interesting to note that both have been able to influence the two main political parties, the United National Party (UNP) and the Sri Lanka Freedom Party (SLFP), to change their stand on the national question.

Over-Securitisation of the State
The prioritisation of state security is a natural outcome of nearly 30 years of armed conflict that totally upset the equilibrium between civil society and military, in favour of the latter. Although the armed conflict between the government security forces and the LTTE came to an end a year ago, the involvement of the military in political decision-making remains undiminished. Hence, it is not only a phenomenon but it is also an attitude. The government seems to look at almost everything from the prism of its own security, which deeply influences its practices and policies in many spheres.

External Relations
Under the Mahinda Rajapaksa regime, there has been a paradigm shift in Sri Lanka’s foreign policy. As Defence Secretary Gotabhaya Rajapaksa recently outlined, the three main elements of Sri Lanka’s new foreign policy are: (1) Sri Lanka is a non-aligned country, so it maintains friendly relations with all the countries in the world; (2) Sri Lanka has shifted the focus of its foreign policy from Western countries (USA and EU) to countries in the region; (3) Sri Lanka maintains special relations with India so that its foreign policy decisions will be consistent with the security concerns of India (limited external self-determination). While these three pillars will remain unchanged, it seems that the government will make a serious attempt to regain the support of the West, as it is imperative especially from the point of view of economics.
How will these conditions and drivers affect the way in which Sri Lanka deals with the national question post-war? In one of author's previous articles, the author had envisioned that Sri Lanka was heading towards an East Asian type of democracy. The post-election scenario appears to have strengthened the movement in this direction. This chapter intends here to discuss the possible changes in the political landscape at the macro level, but analysis would be confined to how these changes will impact deliberations on the national question in Sri Lanka.

Possible Scenarios

In what follows, four possible scenarios are identified and it is assumed that the actual developments may combine the characteristics of all these four. Although the fourth scenario is a very remote possibility, we may not be able to leave it out completely at least in a theoretical exercise as militant organisations have shown high degrees of resilience. How the first three elements will evolve and morph will also depend on the strength of non-Sinhala nationalisms, the democratic forces, the activities of the opposition parties and the pressure from external actors.

First scenario in this context would be Developmental Welfareism. Some sections of the ruling coalition and Sinhala elites appear to think that there is no separate or specific Tamil national problem. The problems the Sri Lankan population faces are, to them, problems of underdevelopment that include poverty, unemployment, regional inequalities and class-based inequalities. These problems are common to the Sinhala population in peripheral regions and to Tamil populations living in the Vanni, Mulathivu or Mannar districts. Tamil youth took up arms just as Sinhala youth took up arms in 1971 and 1987-89 respectively. According to this view, a specific ethnic/national expression was given to it by the Tamil separatists backed by imperialist forces who sought to destabilise the region. Now this terrorist threat has been defeated. So, what is imperative now is to address the general and common issues of underdevelopment. Of course a protracted war has made the Northern and Eastern provinces more underdeveloped because circumstances did not permit the implementation of development projects that took place in other regions. So, special attention to these areas in new development strategies is warranted. This is quite a strong notion within as well as outside the ruling coalition. A large part of the business community also thinks in the same way. Negenahira Udana (Reawakening East) and Uthuru Wasanthaya (Northern Spring) are concrete expressions of this developmental ‘welfarist’ perspective. The strength of this strategy is that it lays emphasis on
the basic material needs of the majority of people that have to be satisfied. However, its main flaw as demonstrated in the last elections lies in the fact that people's basic needs for security, and the recognition of identity are also of equal existential importance. When those non-material needs are neglected, experience shows, that people begin to interpret the lack of physical and material needs in ethnic terms.

Second scenario could be that of an assimilationist strategy. President Mahinda Rajapaksa announced in his speech to the Parliament after the conclusion of war last year that there is no division in the country hereafter between the majority and minority, and the division that actually exists is between the people who love the country and those who do not. He reiterated the same idea in his exclusive interview with the editor of The Hindu newspaper, N Ram. Of course, this statement should not be interpreted to mean that the president wanted all to be integrated into one single community shedding their cultural differences. What he implied was an overarching Sri Lankan identity that subordinated other identities. The assimilationist strategy derives its strength, in my opinion, from two sources. First, it flows from the idea of civic nationalism that has been constantly identified with democracy. While accepting the presence of different cultures, it posits, what Jürgen Habermas called, constitutional patriotism. However, in real politics, civic nationalism except in exceptional cases tends to be defined from the prism of majoritarian cultures neglecting or marginalising the pluri-cultural characteristics of the society. Hence, there is a possibility, in highly divided societies, that non-dominant communities may come forward to resist such an overarching identity. Second, it appears to be fitting into prevailing demographic realities of the island.

Third possible scenario could consist of a power-sharing arrangement. Since 1987, the two major political parties in Sri Lanka, the SLFP and the UNP accepted that some form of power-sharing was needed to satisfy Tamil nationalist demands. Even the Mahinda Chinthanaya proposed constitutional changes in order to accommodate demands of numerically small nations. The president called for an all party conference to come up with proposals and the APC has appointed an All-Party Representative Committee to prepare a document as a basis for the discussion. The democratic forces and numerically small national groups in the country expected that the APRC would come up with innovative proposals to make the Sri Lankan state more accommodative and democratic so that they would be acceptable to Sri Lanka's numerically small nations and ethnic groups. When the president announced that his government would implement the 13th Amendment to the
Constitution fully until new proposals are ready, many believed that this would be the point of departure or benchmark for future constitutional reform. In the parliamentary election in 2010, the ruling United People’s Freedom Alliance (UPFA) made an appeal to the voters that the UPFA be given a two-thirds majority in Parliament so that it could initiate long awaited constitutional reforms. However, the UPFA did not reveal what would be the major changes that it proposed to introduce in making the new Constitution. Changing the electoral system was the only aspect that was stressed during the election time.

Prior to the election, three suggestions were flagged. The suggestions were: (1) full implementation of the 13th Amendment (may be with some minuses); (2) the introduction of a second chamber; and (3) a bill of rights that was initiated by Milinda Moragoda, a former minister of justice. The negative signs are visible in the arena of real political practice. First, there is no genuine effort to implement the 13th Amendment. Second, the implementation of many development programmes is done by the central government, almost completely neglecting elected provincial bodies. This is clearly visible in the Eastern Province. Third, the president has so far not taken any action against the activities of the governor in the Eastern Province whose own actions are being contested by the elected provincial council. Finally, there has been a significant Sinhala national opposition within and outside the government to any kind of power-sharing arrangement.

Scenario four could be the worst case scenario that may lead the parties back to confrontational politics: If the government gives in to Sinhala exclusive forces and assumes that large sections of Sinhala masses are against any kind of consensual politics and is totally unconcerned about the Tamil national issues and the issues relating to other numerically small nations and ethnic groups, the re-emergence of exclusive Tamil nationalist politics may be inevitable. The epicentre of Tamil exclusive nationalist politics has been now transferred to the diasporic community. Although it may not happen in the immediate future due to the magnitude of the defeat and constant vigilance of the security forces, the presence of trained combatants and stockpiles of arms hidden in various places may facilitate an emergence of militant groups as in the late 1970s.

Conclusion

The massive electoral victory of the Mahinda Rajapaksa at the presidential election held in December 2009 was reaffirmed in the parliamentary election in April 2010. However, the election results in the Northern and Eastern
provinces showed that many Tamil voters either abstained from voting or voted for the opposition candidates. The main Tamil political party, Tamil National Alliance decided to support the main opposition candidate and appealed to the Tamil voters to vote for Sarath Fonseka former army commander. However, it appeared that Tamil voters were more sceptical over the decision of the TNA and many decided to boycott the election. Results of the subsequent parliamentary election demonstrated that the Tamil people were still indecisive and sceptical. It is premature to project in what direction Tamil politics lead in the coming years as there are many contending political trends in Tamil political landscape. The president invited the TNA to discuss on issues affecting Tamil people in Sri Lanka. The massive electoral victory of the UPFA have removed one obstacle for constitution change, namely two-third majority requirement. TNA has promised that it would vote with the government for a constitutional changes if those changes satisfy the main demands of the Tamil political parties. Tamil parties in the UPFA demands full implementation of the 13th Amendment to the constitution. At the moment it was not clear, what kind of constitutional amendments would be introduced and what kind of mechanisms be incorporated into constitution to meet the aspirations of numerically small national and ethnic groups. Moreover, the constitutional discourse has been redirected to deal with an issue that is not significant from the perspective of national reconciliation. The government is more interested in amending the constitution allowing incumbent to contest more than once in the presidential election. Although the development are not favourable in the constitution front, resettlement of IDPs and rehabilitation of the former LTTE cadres progressed somewhat satisfactorily in spite of financial constraints. So it appears the government is increasingly moving towards developmentalist and assimilationist strategies rather than towards a constitutionalist one. The de-emphasis of constitutional solution may not produce instability in near future but it may definitely delay the healing and reconciliation process. Will the Tamil national question would stay as a perennial problem of the Sri Lankan political arena? Unfortunately, the current trends may compel one to answer the question in affirmative.

NOTES
2. A simple but questionable method was adopted here in distinguishing nation from ethnic group. All the ethnic communities whose imaginations were
expressed in their claims that they belong to separate nations were identified as
countries. Initially, only the Sinhalas and the Tamils claimed this collective noun,
but recently the Muslims and the Malayali Tamils have stated that they should be
treated as separate nations as well. The collectives that have not so far declared
this specific identity of being nations are described as ethnic groups.
4. The term used in the Census, ‘race’ refers to the principal ethnic/national
groups. In the post-colonial period, the word ‘race’ was dropped in the Census
data as well as in academic discourse.
5. Anderson has deployed this distinction in order to argue that bound seriality
created by governmentality would necessarily and often times lead to ethnono-
national conflictual politics. Benedict Anderson, The Spectre of Comparisons:
in Contemporary Sri Lanka,” Sri Lanka Journal of Humanities 15(1&2), 1992,
pp. 1-35. It is interesting to note that this reply came 13 years after the
publication of R.A.L.H. Gunawardana’s original article.
7. “The People of the Lion: The Sinhala Identity and Ideology in History and
Hystoriography,” Sri Lanka Journal of Humanities 5(1&2), 1979, pp. 1-36; This
article was republished in many anthologies.
9. Pradeep Jeganathan & Ismail Qadri (eds.), “Dehistoricizing History”, first
published in Unmaking the Nation, Colombo: SSA; reprinted in David Scott,
Refashioning Futures: Criticism after Postcoloniality, Princeton University Press,
New Jersey, 1999, Chapter 4.
12. Radhika Coomaraswamy, “The Crisis of Constitutionalism: Devolution and the
13. An illuminating article by David Scott on the same subject has to be mentioned.
See Chapter 7, David Scott, Refashioning Futures: Criticism After Post-Coloniality,
14. Etienne Balibar, “Racism and Nationalism” in Etienne Balibar and Immanuel
15. One may of course question if Sri Lanka has ever been able to develop
overarching Sri Lankan nationalism, the notion both Sri Lankan left and liberals
equally share.
18. Sumanasiri Liyanage and Nimanthi Rajasingham-Perera, “Water Turning into
Fire: The Betrayal of People in the East by the State and the LTTE”, at
19. The system of provincial councils (PC) as a second-tier of government was set up by the 13th Amendment to the Constitution after the Indo-Sri Lanka Accord in 1987. It was agreed that one PC should be established for both Northern and Eastern Provinces as a transitional measure. In 2006, the Supreme Court pronounced a ruling that the merger was not legally valid and two separate PCs should be set up.

20. Subsequently there was a split within the TMVP and one section of the TMVP led by Vinayagamoorth Muralidharan (Karuna Amman) joined the Sri Lanka Freedom Party.

21. At the time of writing, the number of IDPs in the Eastern Province that amounted to 150,000 has reduced to about 5,000.

22. My working hypothesis would be that the LTTE retreated to a small area with civilians assuming that the ‘international community’ would put pressure on the GoSL to stop its operations. Had the GoSL given into that pressure, its security forces would have been totally demoralised. The LTTE, as in the past, would have expected once again to expand its territory to the area that it claimed as ‘traditional homeland’ of Tamils. If this repeated ‘retreat and spread’ occurred – over a prolonged period it would ipso facto legitimised the de facto boundary of Tamil Eelam, by making the Sri Lankan state to withdraw as if they have occupied their territory. Hence, its military strategy was to play only an auxiliary role.


24. Three instances may be mentioned: in the post-2002 ceasefire accord period, the IDPs were resettled with reasonable speed. The GoSL was also able to address the issues of IDPs after Tsunami quite efficiently. The resettlement of about 150,000 IDPs after the defeat of the LTTE in the Eastern Province was similar.


Introduction

Following the success of the historic Jana Andolan II (People’s Movement) in April 2006 and the Madhes revolt¹ in January-February 2007 Nepal has decided to transform the present unitary state into a federal one. The Constituent Assembly (CA), elected in April 2008, was scheduled to enact the new constitution by May 2010 to this effect, however its term was extended by a year. During the CA elections most of the political parties who campaigned for the federal republican system won most of the seats in an assembly of 601 members. The Rashtriya Jana Morcha (National People’s Front), which campaigned against federalism, won only four seats. Similarly, those campaigning for the republic also won most of the seats. The pro-royalist Rashtriya Prajatantra Party (National Democratic Party) Nepal, which campaigned for monarchy polled about 1 per cent of the popular votes and scored only four seats allocated for proportional representation (PR) but did not win a single seat.² Thus the CA is overwhelmingly mandated to frame a federal republican constitution. And the government is expected to chalk out the course of transition from a unitary to a federal state. However, many uncertainties continue to prevail which cast doubts on a smooth constitutional transition.

The interim constitution has allotted two years to CA, beginning from its first meeting, for completing its work of constitution-making. Accordingly it adopted the constitution-making schedule, which prescribes the timeframe
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for each and every activity, including the proclamation of the constitution. Besides, it has also provided for public participation in the constitution-making process. Already CA thematic committees have undertaken public outreach programmes covering all 75 districts of the country to ascertain public opinion on various aspects of the new constitution. There are ten thematic committees and one constitutional committee (CC). After the thematic committees prepare the basic concept and initial draft for their assigned subject, the CC is supposed to prepare an integrated draft. The committees are preparing the preliminary draft proposals. Some of them have already completed them and some are yet to do. The first draft of the constitution was earlier scheduled to be ready by 15 December 2009 for public comments and recommendations. The final draft is to be prepared after accommodating public comments and recommendations. The CA has to pass each clause and sub-clause of the draft constitution by consensus and, if not, at least by two-third majority. After certification of the new constitution by the assembly members and the speaker, the president was scheduled to proclaim its enactment by May 28, 2010. However, on the May 28, the Constituent Assembly got a further lease of life when its term was extended by a year.

The CA schedule has been changed six times in the past. The political environment began to deteriorate after the UCPN (Maoist)\(^3\) prime minister, Pushpa Kamal Dahal a.k.a. Prachanda resigned since his decision to sack the Army Chief, General Rookmangad Katwal and appoint Lt. General Kul Bahadur Khadka in his place, was vetoed by the president. In addition to this, the oath taken in Hindi by Vice-President Parmanada Jha was annulled by the Supreme Court which instructed him to take oath in Nepali as stipulated in the constitution. The Madhesi parties perceive this to be unfair and have made it into a political issue. To deal with the constitutional impasse, the seventh amendment to the interim constitution was passed that now allows President and Vice President to take oath in their mother tongue. The difference of opinion between the political parties over the constitutionality of the president’s decision and ‘civilian supremacy’ divided the polity. This made a consensus government difficult to form. This has direct impact on the constitution-making process too. As a result, CA committee reports are marked by the differing positions held by the political parties, particularly the UCPN (Maoist) who are taking a more rigid stand.

CA committee on restructuring the state is working out the details of the federal system. However, it has yet to complete its report and present the draft proposal. A federal state, requires territorial units which will be the constituent
units of the new federation. The first prerequisite for a federal Nepal therefore is to carve out the provinces. It is on that basis the division and sharing of power between the centre and the provinces will be determined.

Several models are being floated by political parties, ethnic communities and individual experts. Ethnic activists are advocating the formation of the provinces on ethnic lines, a sort of ‘ethnic homeland’ based on their historic territories with a provision for ‘agnadhikar’ (the prime right) of the ethnic communities to head the government in their respective provinces. Others argue that the provinces should be carved out taking into account the mixed pattern of the population and Nepal’s economic and development reality. Likewise, some Madhesi parties and groups are demanding a separate province of ‘one Madhes’ for whole of Terai region and parallel to this some groups in the northern belt too are demanding for a ‘Himali autonomous region’ from east to west. Both demands are suspected of having secessionist tendencies at their core.

Although some historical ethno-regional pockets do exist they have been diluted by internal migration and the unitary political and administrative structure of the state over centuries. There is extreme difference of opinion regarding the numbers and names of the proposed federal units, and also there is no unanimity on the division of powers between the centre and the units particularly on matters relating to natural resources and revenue sharing. Most of the differences, except on federalism, are for propaganda purposes and are a reflection of a growing political schism. Once the political parties resolve the differences and are able to elect a prime minister, after failing for the thirteenth time, many of the problems relating to constitution making may be settled but the parties are yet to hammer out their differences and reach a consensus. Against this background this paper will seek to explain and analyse the process of federalising the Nepali polity and the challenges and opportunities that the country is likely to face in the process.

**Federal Principles and Practices**

In conventional political science and constitutional studies, a federation stands for an association of relatively autonomous states (constituent units) in which the governmental functions are territorially divided into two, both acting independently in their respective spheres. It is a blend of ‘self-rule’ at the constituent unit level and ‘shared-rule’ at the federal level. However, ‘the existence of a single, indivisible yet composite federal nation’ is simultaneously admitted. Various aspects of federalism have been debated among political scientists and constitutional lawyers ever since the United States of America
emerged as the first modern federal state in the late eighteenth century. However, it has received a new momentum in recent decades with proliferation of literature and sharing of ideas and experiences on the working of federal systems in various countries. Since 1999 international conferences have become regular feature of global dialogue on federalism.

Federalism has been in general adopted in the societies that are large and multinational. So most of the larger countries of the world, except for China, have adopted federalism. But it is not necessary that smaller countries do not have or cannot have a federal system. There are many countries smaller than Nepal that have a federal system. The smaller countries have adopted federalism as a response to internal diversity and as an instrument to manage growing conflicts based on ethnicity, language, region, etc.

Modern federal states with a certain level of continuity began in 1787 when the US constitution was framed. The United States and Switzerland emerged in world politics as successful case of federalism. The constituent units voluntarily agreed to be a part of the federation and adopted a federal constitution and entered into a new sovereign political entity without totally surrendering their previous identity and autonomy. The idea behind such a ‘coming together’ and forming the federation was motivated by their urge for creating a larger political entity in order to assure greater prosperity to its people because they realised that the strength lies in unity rather than independent sovereign but divided units. Canada and Australia formed federations as a deal between the British government and the colonial administrations, since both of them were British colonies and their independence coincided with the adoption of federal constitution. Many South American countries such as Argentina, Brazil, Mexico, Venezuela, also adopted federal systems soon after the independence. However, their experiments with federalism did not survive as democracy became a casualty in these countries. Again in the 1980s and 1990s they revived federalism along with the restoration of democracy. With the resurgence of independence and democracy in the 1950s and 1960s many Asian and African countries such as India, Malaysia, Nigeria, also opted for the federal system. The existence of semi-independent states and the pattern of colonial administration provided them with a certain basis for a federal structure in addition to the ethno-regional diversities of the population. More recently Spain and Belgium changed from the unitary structure to the federal one in order to manage their internal diversity.

In the late twentieth century, the countries in different regions of the world witnessed growing violent ethnic conflicts and divisive trends, and federalism
gained a new context and relevance “to deal with cultural diversities, competition ethno-territorial identities and claims in multi-cultural and multi-ethnic states.” Federalism has become a political tool in the post-conflict constitutional re-engineering in many countries. In many cases it has been used as a “institutional, legal and democratic instrument to prevent violent minority conflicts”. Countries like Spain (1978), Belgium (1993), Ethiopia (1995), fall into this category. Besides, federalism is attractive since it provides small governments with ample scope “for accommodation of all views, political compromise and the value of community”. In most cases in recent time, federalisation occurred as a process of disaggregating the unitary structure into several self-governing territorial units as they wanted “to express distinctive identities through smaller, directly accountable self-governing political units able to give expression to historical, social, linguistic or cultural identity.” Nepal’s decision to go for federalism is also because of such exigencies.

Caste/Ethnicity and Nepali State

Nepal is extremely diverse country in terms of caste/ethnicity, language, culture and geographic regions. The 2001 census recorded more than 100 ethnic and caste categories and 92 languages. The number of people comprising each of these groups ranges from 3.5 million to barely a few hundred. However, none of these make up a majority. The largest groups are the Chhetris and Brahmins, who comprise 15.8 and 12.7 per cent of the total population respectively. Other major groups which make up to 5 per cent of the population include the Magar (7.14%), Tharu (6.75%), Tamang (5.64%) and Newar (5.48%). There are only 18 caste and ethnic groups which have a population of over one per cent each. There are 59 officially identified indigenous ethnic groups, of whom only 42 are covered by the census report. The rest are unidentified and unreported. Out of 92 languages recorded by the 2001 Census, only 12 have one per cent speakers each. Nepali, which is spoken by 48.61 per cent, is recognised as the official language. In terms of religion, Hindus make up an overwhelming majority (80.6%) followed by Buddhist (10.7%), Muslim (4.2%) and others. However, the religion is not a sufficient ground for homogeneity even among the Hindus.

If we classify various population groups to their closest category it will be as shown in the table 1.

The present state came into being as a result of the conquest by Prithvi Narayan Shah, the king of the Gurkhas some 250 years before. The territory that it comprises has been historically settled by different caste and ethnic groups. Though King Prithvi Narayan Shah described the newly founded
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The kingdom as ‘a garden of different caste and communities’ it never evolved into a polity that provided equitable space for all the communities. Whether it was the Shah king or the Rana prime minister, each tried to homogenise it along the Hindu tradition, culture and Khas language, which is now termed as Nepali. The power elite were confined to a few privileged families of the Brahmin, Chhetri and Newar castes. Others, including the women remained marginalised. Women in particular are in a state of double and triple discrimination.

The pattern of development in Nepal could not remain like this. The ‘centrality of Kathmandu’ is the most distinguishable pattern of the development over the centuries. Other areas remained overlooked and were considered peripheral. There has been uneven development as per caste/ethnicity as well as region. Nepal’s Human Development Reports illustrate this uneven state of development both in terms of region and communities. Compared to the whole of Nepal, the hill districts of the far-west and mid-west regions are behind the national average. The national HDI is 0.509, whereas these regions mark up between 0.436 and 0.448 only. Likewise, the Terai region is also lags behind the hills in general. The Terai districts have

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Table 1: Cast/Ethnic Composition of Nepal

<table>
<thead>
<tr>
<th>Caste/Ethnicity</th>
<th>Population</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Hindu Caste Group</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brahmin, Chhetri, Thakuri, Sanyasi</td>
<td>7,023,220</td>
<td>30.9</td>
</tr>
<tr>
<td>Hill Dalit</td>
<td>1,615,577</td>
<td>7.1</td>
</tr>
<tr>
<td>Madhesi castes</td>
<td>3,366,172</td>
<td>14.8</td>
</tr>
<tr>
<td>Madhesi Dalit</td>
<td>1,059,605</td>
<td>4.7</td>
</tr>
<tr>
<td><strong>Ethnic Groups</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hill ethnic</td>
<td>6,485,013</td>
<td>28.5</td>
</tr>
<tr>
<td>Tarai ethnic</td>
<td>1,975,688</td>
<td>8.7</td>
</tr>
<tr>
<td><strong>Religious Minorities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Muslim</td>
<td>975,949</td>
<td>4.3</td>
</tr>
<tr>
<td>Others</td>
<td>4,069</td>
<td>0.0</td>
</tr>
<tr>
<td>Unidentified</td>
<td>231,641</td>
<td>1.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>22,736,934</td>
<td>100</td>
</tr>
</tbody>
</table>


• Ethnic people altogether constitute about 37 per cent of the total population.
• There are more than 50 Hindu caste groups, including dalits, which account for about 58 per cent of the total.
• About 5 per cent people belong to other religious minority groups, including Muslim.
• Madhesi people (other than the hill ones) make about 31 per cent of the total.
an average HDI of 0.494 as against 0.543 of hill districts, including Kathmandu valley.

Table 2: HDI of Caste/ethnicity and regions

<table>
<thead>
<tr>
<th>Caste/Ethnicity</th>
<th>HDI</th>
<th>Region</th>
<th>HDI</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Brahmin/Chhetri</td>
<td>0.552</td>
<td>Mountain</td>
<td>0.436</td>
</tr>
<tr>
<td>Madhesi Brahmin/Chhetri</td>
<td>0.625</td>
<td>Hill with Kathmandu</td>
<td>0.543</td>
</tr>
<tr>
<td>Hill Brahmin</td>
<td>0.612</td>
<td>Hill without Kathmandu</td>
<td>0.504</td>
</tr>
<tr>
<td>Hill Chhetri</td>
<td>0.514</td>
<td>Tarai</td>
<td>0.494</td>
</tr>
<tr>
<td>Other Madhesi Caste</td>
<td>0.450</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Newar</td>
<td>0.616</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ethnic groups other than Newar</td>
<td>0.494</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hill Ethnic groups</td>
<td>0.507</td>
<td></td>
<td></td>
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<tr>
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<tr>
<td>Nepal</td>
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</table>


In most parts of the country, the population settlement is highly mixed. For long, the country adopted a highly centralised and unitary polity governed from Kathmandu, the capital city. The Nepali language, Hindu cultural ethos, monarchical supremacy and Brahmin-Chhetri-Newar elitism overwhelmingly prevailed overall national affairs. There were some attempts at decentralisation and a policy of cultural diversity but it could not devolve power nor did it satisfy people's aspiration for identity and their cultural as well as ethnic rights. This ultimately resulted in demands for proportional representation, reservation of seats in administration, education, jobs, etc. and federalisation of the state.

Despite the hesitant approach by mainstream political parties such as Nepali Congress, CPN (UML) and other cultural groups; identity, autonomy and inclusion began to be acknowledged when political parties had to mobilise popular support against the autocratic monarchical regime. The agenda for change is popularly phrased as 'restructuring the state.' Therefore restructuring the Nepali state, understandably with a provision for federalism, became one of the major banner slogans of the Jana Andolan II. Since then, the state has entered into several agreements and understandings with concerned groups such as the Nepal Federation of Indigenous People and Nationalities (NEFIN), Madhesi Jan Adhikar Forum, etc to assure them a federal state with autonomous self-governing units. As per the provisions of interim constitution
a high level commission is expected to work out the details of restructuring and make recommendations to this effect. But no such commission has been formed as yet.

**The Federal Debate in Nepal**

Demand for federalism in Nepal is a recent phenomenon. Although as early as the 1950s the then *Terai* Congress was formed with the objective of making Nepal a federal country and it demanded the formation of a *Terai* autonomous province. But federalism at that time had virtually no popular appeal even in the *Terai* region. The *Terai* Congress failed to impress the populace as is evident from the results of the first parliamentary election held in 1959. All of its candidates were badly defeated and its tally of popular vote was barely two per cent. Even its leaders could not sustain the federal demand and submitted to the royal regime, which was installed after the monarchy abruptly ended the democratic experiment in 1960.

In an environment of democracy and political freedom in the post-1990 politics, various ethnic groups were organised, articulated their demands and collaborated on common ethnic agenda. To begin with, the agenda comprised of such demands as secularism, inclusive democracy, multilingualism, proportional representation, reservation of seats in the administration, education, job etc. The Nepal Sadbhavana Party and few other hill-based ethnic parties raised the call for a federal system but these parties could neither mobilise sizeable electoral support nor influence public opinion. It was more a reaction to the dominance of certain caste and cultural groups mainly Brahmin, Chhetri and Newar in overall state affairs rather than well argued rational for federalism.

The federal debate received momentum when the CPN (Maoist) announced the formation of autonomous regional governments in 2004 in different parts of the country to cash in on the ethnic sentiment in favour of insurgency. The Maoists had already formed joint ethnic fronts as a part of the insurgency which played an immense role towards expanding the ethno-regional base of their movement. Most of the ethnic groups were either associated with the Maoist or some other communist factions and China’s autonomous region for ethnic minority was a sort of model for them. Federalism with democratic content entered into Nepal’s federal discourse only after the April Movement of 2006, particularly after the *Madhesh Andolan* in the beginning of 2007 when federalism became a subject of national political commitment and priority.

The logic for federalism in Nepal has three major grounds: (i) the plural
and diverse composition of Nepali society, (ii) strengthening democracy from the bottom, and (iii) speeding up the development process in a more equitable and efficient manner. For the second and third reasons, federalism may not be an essential criterion and can be achieved even under unitary state. However, Nepal’s experience over more than half a century did not yield such results. But the aspirations for identity and autonomy can be best assured under federalism. Nepali society is so diverse and plural that a multi-layered polity is required to maintain the unity of the nation. A federal polity is largely considered to be the best solution to this problem. Federalism would be a new process of reordering state-society relations that is based on democratic principles and community rights. Article 138 of the interim constitution states that a progressive restructuring of the state is necessary:

> to bring an end to discrimination based on class, caste, language, gender, culture, religion and region by eliminating the centralised and unitary form of the state, the state shall be made inclusive and restructured into a progressive, democratic federal system.

Till now Nepal is centrally governed as a unitary state from Kathmandu. But the new constitution is expected to transform it into a federal state. A federal constitution, as Tarr stipulates designating the components units of the federation; should specify the process of adding new units, merger or secession of existing units. Nepal does not have pre-existing self-governing units therefore, it has to carve out new units with defined territories and transform the unitary state into a federal one. The constitution also requires determining the nature of the polity to be formed by the constituent units. Likewise, it should allocate powers between the federal government and component units, determining which powers are exclusive prerogatives of each government and which powers are shared.

It should also define the process and mechanisms to resolve conflicts over shared power, which are very much likely to occur in future federal set up. Likewise the constitution has also to be clear about the local government structures and their functional areas because federalism alone cannot resolve the problems. Local government bodies are the first agents and matter the most to the people in their day to day contacts with the state. The government may give constitutional status to the local government or they may be administrative units. However, the experiences in other countries show that if the constitution defines the sphere of local government it can work better. Similarly the constitution has to specify where the national capital will be located and what status it will have in the overall system because then there is less debate on the capital as the hub of the administrative units.
However, the constitutional choices are not free of the distinctive history, character of politics/political culture, and the character of the population. Of particular importance is the country’s prior constitutional history. The federal constitution cannot be free from the positive or negative reflection of the prior constitution. Nepal’s previous constitutional experience has always been unitary one and the political and administrative mind set of the ruling elite is very much based on unitarism. Federalism in Nepal’s present context is also not based on any well argued philosophical premise but is a product of reaction and resentment against hill Brahmin/Chhetri domination.

With the successful election of CA, the emotional phase of federalism is over. Now it is time to translate it into political reality with objectivity. The constituent assembly is expected to provide the constitutional structure of federalism. But it requires more than a political structure. Before the formal draft is announced, political leaders are required to engage in series of consultations, negotiations and compromises. Nepal’s process of federalisation as elsewhere involves three major but interrelated dimensions – identification of territorial units that corroborate with the ethno-regional setting of population; multi-level division of power and distribution of jurisdictional authority; and maintenance of unity and stability consistent with federal values and culture. This requires immense homework with sound technical backup. It is the foremost challenge.

Almost each political party and concerned group has its own proposal for federalism. Mostly they are confined to the numbers and names of the provinces. The number of provinces range between three and fifteen. The madhesi parties such as Sadbhavana Party are in favour of three provinces – one each for Himal (Mountain) Pahad (Hill) and Madhes (Terai) regions. The Madhesi Janadhikar Forum Nepal and the Terai Madhes Loktantrik Party are wedded to the concept of a madhesi province extending from east to west in the south of the chure hills. The madhesi opinion is also contested within the madhesi community and is divided along party lines.

The UCPN (Maoist) has proposed 13 states of whom 11 are based on ethnicity and two on regional basis. CPN (UML) has proposed 15 provinces – nine on ethnicity and six on non-ethnic basis. Accordingly they have proposed the names of the provinces too. The Nepali Congress is still working on it. However, it has proposed that the number be five or seven but has yet not given any names to the constituent units. Opinion varies widely within the NC too and the party is yet to make its formal stand public.

The opinion is very much divided on multiple lines: (i) the Madhesi versus hill perspective which believes that there should not be ‘one Madhes province'
because it will ultimately lead to the permanent division of the country and its disintegration; (ii) the provinces should not be named after particular ethnicity since no group constitutes a majority population in the province and it will alienate other communities living in that province; (iii) the provinces should have linkage from north to south because that would help national unity as well as provide a sound economic and natural resource base to each province. Besides, since dalits don’t have any specific territory which they can claim historically they are demanding a non-territorial unit to look after their interest. Federalism, therefore has become a tricky political issue. The madhesi want a region that is free of hill domination and they argue that one madhes will strengthen their bargaining position vis-a-vis the hill elite. The janajati (ethnic groups) want ethnicity based provinces so that they can contain hill Brahmin/Chhetri dominance.

There is much commonality among parties regarding the division of power and distribution of jurisdiction. Accordingly, issues such as foreign policy, defence, currency and some issues of overall national concern are to remain with the centre. Issues like education, health, employment, public transport, forest, water, land etc are to remain with the provinces. Major parties such as NC, UML, and Maoist are for a balanced division of power between the centre and the province. Some smaller parties like Nepal Workers and Peasant Party, Communist Party (ML), Communist Party (United) are in favour of a strong centre, whereas, Madhesi parties are for a greater provincial role.

Federalism can become a possibility only when the probable constituent units and communities are ready to compromise. The pre-existing ethno-regional and territorial basis for federation is very weak in Nepal and whatever there was in the past has been diluted by migration and settlement patterns. A new territorial basis has to be found, for which the concerned parties must engage in negotiation. One cannot expect a full-grown federalism in one day, it has to be nurtured and evolved once it is created.

Against the above background, the constitution-makers and the advocates of federalism in Nepal need to take into consideration the following points while carving out the federating units.

1. Ethnic, linguistic and cultural homogeneity of population
2. Geographic contiguity
3. Natural resources and economic viability
4. Administrative feasibility
5. Mutual interdependence

There are however two main concerns regarding federalism that are
prevalent among the people of Nepal: (a) the fear of disintegration, (b) the fear of an alien-native divide within the provinces. Political leaders must take these into consideration. The recognition of one’s identity and culture should not mean the rejection of that of the other. Instituting a federal system is not just about creating the constituent units of the federation with executive, legislative and judicial powers. For a unitary state like Nepal it also involves transforming the administrative machinery in these units in accordance with new system. It is not an easy job but involves a constitutional/political process as well as series of steps to complete the transition including follow up legislation, holding of elections and installation of a duly elected government in each unit.

To sum up, federalism has been accepted by almost all political parties and concerned groups. First, delineation of the territory of the prospective provinces is the foremost challenge, which requires a lot of homework and technical back up, which has remained on the back burner both for the government and the major political parties. Secondly, the naming of the provinces is very much a sentimental question. A lot of conciliation, moderation and compromise are required to arrive at acceptable solutions without alienating any segment of the population. Thirdly, the division of power and areas of jurisdiction is another important aspect. However, this may be amicably settled since there is more commonality in this aspect. At this stage Nepal is beginning its journey towards federalism. A lot remains to be evolved through practices.

Areas of Agreement and Disagreement

There are some areas where there is consensus among most political parties. Most of them have accepted that restructuring the state is a must for ending discrimination and marginalisation that have existed for long. There is also a broad agreement that there will be three tiers of government – federal, provincial and local. They also agree on creating autonomous and self-governing units as the constituents of the new federation. On the division of powers between the centre and units most parties prefer that the centre should handle defence, foreign policy, currency, aviation, railways, national highways, large projects linking two or more provinces, etc. There is also a broad understanding that the constitution should provide separate lists for central, provincial and local areas of competence.

Commitment to democracy, human rights, rule of law, competitive politics, adult franchise, periodic elections, etc. are also equally acceptable to all parties. These are frequently reflected in Comprehensive Peace Accord, CA
election manifestos and the provisions of the interim constitution. These are expected to be enshrined in the new constitution as well. However, political parties particularly UCPN (Maoist) often toe the communist line such as the ‘People’s Republic’, denunciation of the parliamentary system, legislative supremacy over judiciary, etc. which make other parties suspicious of their intentions of accepting a multi-party democratic polity.

But there are many other crucial areas where the parties differ significantly. The Janajati and Madhesi parties are demanding that provinces should be granted right to self-determination. Right to self-determination and agnadhikar (the major ethnic to head the provincial government) are the most contentious issues relating to federalism in Nepal. The Maoists have committed to the janajatis on these issues. But how to harmonise these issues as constitutional principles is likely to become a big problem. Many argue that right to self-determination ultimately would encourage secessionism.

Other issues on which parties differ include link language, the form of government, electoral system, etc. There are also questions regarding the national flag and alternatives are being floated. The Maoist and some other parties are for a presidential system whereas the NC and other parties are for a parliamentary system. Even among the supporters of parliamentary system there are some – including the UML – who are for the direct election of the prime minister rather than on the basis of parliamentary majority. The Maoists are in favour of a unicameral legislature that would control other branches of the government and would exercise supreme authority over them – including the judiciary. Similarly most parties are supportive of the mixed electoral system but the Maoists are against it.

Federalism may solve the ethnic aspirations however, there could be conflict regarding the ownership of natural resources, delineation of internal boundaries, revenues-sharing and equalization, native-alien dichotomy, minority issues, etc. The new constitution needs to devise any such mechanisms that is appropriate to meet this challenge. Various mechanisms are being floated in this regard. They are like inter state council, parliament and parliamentary committees, judiciary, referendum, etc. However, The CA is yet to agree on them and enshrine them into the constitution.

Future of Nepal as a Federal State

Nepal is considering federalism without enough preparation and homework. The leadership also lacks any sound vision for a federal Nepal and their commitment is motivated by short sighted political expediency. The Maoist leadership too has never focused on federalism and its values. Rather it used
ethnicity for the purpose of expanding and consolidating insurgency. Its version of autonomy did not have democratic content but a party-controlled command structure which hardly tallies with federal values. Other political parties such as NC and UML never thought about a federal Nepal. They too are driven purely by the exigencies.

Political parties in Nepal operate in a highly centralised environment and the political culture lacks values that are federal republican in content. Each of them has a ‘winners take all’ attitude. The anti-federal opinion is still prevalent within both the NC and UML. The reluctance of all major political parties is evident from their unwillingness to form the state restructuring commissions as per the provisions of the Interim Constitution. As a result, the CA committee which is supposed to recommend constitutional provisions relating to a federal structure does not have even minimum information or options that would help them as inputs. There is a serious time constraint before the CA. Its schedule has already been changed several times which has raised suspicions among the people that the constitution will not be ready in time. However, if the parties reach an understanding still they can frame the constitution as scheduled. However, Nepal is currently headed by a caretaker government and the effort to elect a prime minister has failed for the thirteenth time. With a constitutional deadlock and lack of understanding even for forming an interim government reflects political opportunism that puts the interest of the party before the interest of the state. With struggle for power continuing at its naked best it is difficult to gauge whether the political parties will be able to muster up the will to build a truly ‘new Nepal’.

Notes

1. After the adoption of Interim Constitution on January 2007, violent protest were sparked off in the Terai, the southern plains bordering India also referred to as Madhes. The government had to concede the demands of agitating community to make federalism the basis of state restructuring through Constituent Assembly. The term ‘Madhes’ has now become a symbol of identity and an effective instrument of political mobilisation among the people of Terai, particularly the caste groups distinct from the people of hill caste and ethnicity. Other ethnic and religious communities of Terai such as Tharu, Muslim, Rajbansi, etc. do not subscribe to the Madhesi identity.

2. The Constituent Assembly of Nepal has three sets of membership: (i) 240 members each elected from single-member constituencies with first-past-the-post (FPTP) electoral system; (ii) 335 members elected through PR system on the basis of a national list; and 26 members nominated by the council of ministers.

3. In January 2009 CPN (Maoist) and CPN (Unity Centre – Masal) were united.
Now the party is known as United Communist Party of Nepal (Maoist), (UCPN-Maoist).


5. In 1998 International Forum of Federations was established and there have been four international conferences and the fourth one was held in New Delhi (India) in 2007.


10. In 2001 Census has reported 101 caste/ethnic groups in Nepal. There are five such groups whose population is less than one thousand and an ethnic group called Kusunda has only 164 persons (Central Bureau of Statistics, 2002).


Introduction

The notion of civil society (CS) as understood in the academic and institutional context fails to take into account the diversity in our understanding of the scope of the concept – both the inclusions and exclusions. This chapter embarks on the exploration of civil society in Pakistan by employing the CIVACUS definition of civil society “Civil society is the sphere of institutions, organisations, and individuals located between the family, the state and the market, in which people associate voluntarily to advance common interest”.

Extrapolating the civil society diamond (CD) in the context of Pakistan would be a useful tool to gauge the nature and health of civil society. Keeping in view the model proposed by Richard2 (figure below) the notion of civil society can be further explored, looking at the structure (make-up); space (legal/cultural milieu); values and contributions and impact of civil society on people.

Volkhart Finn Heinrich & Kumi Naidoo3 are of the view that the health of a civil society can be measured by using the diamond model since it would be relevant to analyse the breadth and depth of citizen participation and their contribution in voluntary and political activities, representation of marginalised groups (religious minorities, ethnic groups, women) through CS agendas and their capacity (financial/human resources) to pursue these at various forums. Another significant factor would be the space/local milieu
Radicalisation of Civil Society

(though it can be influenced by external factors) and political culture; basic human rights; the socio-economic context that accommodates (or not) diversity; state-civil society and private sector-civil society relationships; and the legal frameworks governing these socio-economic and political spheres. It is vital to examine internal democratic practices and their application in the public arena; transparency in governance; the tolerance and the non-violent nature of their operations and capacity to sustain their agendas. Finally, they argue that the role a civil society plays in influencing the public policy; holding public/private corporations accountable; responding to public social interests (by responding to public demands and articulating and representing them); facilitating citizen’s empowerment and lobbying on behalf of the disenfranchised and marginalised sections of society would determine its achievements.4

Considering that Pakistan has a range of organisations, advocating human rights including professional groups; trade unions; social welfare organisations and faith based organisations working in the civil society sphere, it would be relevant to examine the role of these organisations and the tactics they employ to reach out and engage with communities; raise awareness among disenfranchised segments of society; advocate on behalf of members or even promote the vision of what they consider appropriate or rightful in their own understanding of local/global context.

For the purpose of this paper, the discussion on CS is expanded to include mutually beneficial organisations, that may include: faith based organisations; indigenous Community Based Organisations (CBOs); ethnic/traditional organisations; political parties; employment related organisations (trade unions, professional associations, trade associations); cooperatives; people’s/
mass organisations; student organisations and recreational/cultural organisations. It has to be kept in mind that these mutual benefit organisations are not mutually exclusive and there are overlaps, in scope and objectives as well as outreach and links with local and outside actors. Costoya highlights this complexity as civil society is a contested social realm as a frame of reference and there exist tensions among various groups operating in different spheres.

To further increase our understanding of the situation, it would be useful to look at the typology of non-state actors relevant in this context. Costoya elaborates on the three types of non-state actors: ‘uncivil’ actors; business actors and civil society actors, who can be distinguished based on the nature of their doctrines: religious and ethno-nationalist claims (e.g. Al-Qaeda); corporate social responsibility e.g. United Nations Global Compact; and participatory democracy e.g. World Social Forum.

There remains a possibility that ‘uncivil’ actors or ‘pretenders’ can create a legitimate space to operate and at least initially function disguised as faith based apolitical organisations. Once their legitimacy is established and their presence recognised even informally, they can expand their sphere of influence by negotiating on behalf of disenfranchised segments of society thus becoming a formal link between the state and citizen. Though such negotiation on behalf of the marginalised can be attributed to civil society actors also, it has to be considered that they largely operate within formal legal regimes as registered organisations and maintain formal links with the state and are accountable to regulatory bodies.

In Pakistan, civil society is generically used to refer to a range of non-
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state actors and not-for-profit organisations aiming to improve the lives of the citizens. Some are reliant on indigenous networks and resources, others have established formal and informal connections with like minded people and organisations across the globe. Civil society organisations are commonly understood to be not-for-profit and human rights organisations that have a national and regional if not global recognition. Traditional rights based organisations like trade unions and rural and folk sub-sectors are largely ignored in the debates surrounding the role of civil society organisations. To elaborate further, it would be useful to explore Costoya’s typology of civil society actors.

It would be reasonable to envisage that radical Islamists groups in Pakistan can be placed somewhere in the category of ‘social movement and networks’. Radical Islamists have flexible organisational structure and have amorphous social relations with the rest of the civil society; employ empathetic language of oppression and subjectivity, pretend to posit specialised knowledge of faith; though their modus operandi has a sinister twist and their world view and identity politics may not be fully shared by the larger majority.

Considering this diversity in the inclusions and exclusions of civil society, an assertion can be made that CIVICUS, a globally recognised institute, excludes the media because of it being a ‘for profit’ entity, although the media is increasingly playing a crucial role in facilitating the activities of civil society actors and would remain an accountability tool in countries like Pakistan, where regular accountability mechanism are dysfunctional. There seems to be a subtle predisposition to exclude certain sections of society belonging to trade unions, folk groups, traditional community based rural networks and smaller local organisations that are not part of any national collectives, raising concerns regarding a deeply entrenched urban/rural and language bias, but more importantly the failure of mainstream civil society debates to encompass the realities of non-Western societies.

This chapter would like to explore the alternate understanding of civil society that attempts to include the local formations as a basis of discussion to enhance our understanding of local dynamics and societal organisations at various levels which are largely ignored in the Western notion of civil society that continues to remain central. Qadeer defines civil society as:

... institutions, organisations and practices – both traditional and modern – which define, influence and constrain a state’s behaviour as well as serve as the organisational base for collective action at the intermediate levels of social life…. Pakistan's civil society is observable in formal institutions, such as political parties, labour unions, media and press, chambers of commerce, citizen clubs and community organisations as well as in traditional structures
### Typology of Civil Society Actors

<table>
<thead>
<tr>
<th>Category</th>
<th>Structural Characteristics</th>
<th>Formulation of the problem</th>
<th>Modus operandi</th>
<th>Tensions</th>
<th>Conception of civil society</th>
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<tr>
<td>NGO</td>
<td>Institutionalised and rationalised organisation</td>
<td>Specialised, technical, intellectualised and systematic discourse</td>
<td>Monitoring, campaigns, lobbying and project development</td>
<td>Routinisation and complicity with the system</td>
<td>Third sector: institutional space between the state and market; normative horizon of representative democracy</td>
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<tr>
<td>Social movement</td>
<td>Pre-institutional and amorphous social relations</td>
<td>Empathetic language of intuition and shared-lived experience and the cathetic potential of symbols</td>
<td>Direct action</td>
<td>Fragmentation and discontinuity</td>
<td>Elucidation of life-world projects through participatory democracy</td>
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<tr>
<td>Network</td>
<td>Flexible and decentralised system of organisations</td>
<td>Specialised, technical, intellectualised and pluralistic discourse</td>
<td>Campaigns and lobbying</td>
<td>Alienation of the individual by the network</td>
<td>Pluralistic communicative structure of identity politics</td>
</tr>
<tr>
<td>Plateau</td>
<td>Geographically fixed and temporally discrete, iterative, rhizomatic event</td>
<td>Combination of specialised pluralistic discourse and the empathetic language of the life-world and cathetic potential of symbols</td>
<td>Project construction and reframing</td>
<td>Fragmentation and decentring</td>
<td>Utopian and therapeutic horizon of the “other possible world”</td>
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such as clans (beradaris), village and neighbourhood organisations, traders associations, ethno-religious communities, religious orders, social networks, mores of social control and social (protest) movements. These are the 'mediating' structures that regulate, balance and influence the state, as well as organise collective action in public affairs.  

Civil society in Pakistan has evolved as a reactive phenomenon since the establishment of Pakistan. Though there has been a strong tradition of charity in the form of zakat (compulsory offering from assets) and khanqahs (monasteries) in south Punjab and Sindh these have not become established institutions, and their resources and service capacity are fairly limited. During the British colonial era, the Societies Registration Act of 1860; the Religious Endowment Act, 1863 and the Trust Act of 1882, were introduced to regulate civil society organisations. In the years soon after independence, civil society organisations were formed to help migrants from India. In later years they expanded to include family, health, poverty and social welfare services primarily managed by urban women of upper class and supported by the government as its social services arm. Over the years various regulatory regimes have been introduced to register civil society organisations, such as Voluntary Social Welfare Agencies (Registration and Control) Ordinance 1961; Companies Ordinance (Section 42) 1984.

Qadeer analyses the evolution of Pakistani civil society through the lens of his definition, and asserts that civil society evolved as a reactive force against centralised authoritarian state led by the military regime that restricted the space for civil society. Ayub's regime restructured the society along ethnic and class lines rupturing the traditional clan-based social organisation which divided civil society along ethnic lines – and led to the creation of Bangladesh. Even then there were occasional demands for making the authoritarian state accountable to civil society.

During the 1970s, Pakistan witnessed the growth of trade unions; professional organisations; student organisations and women organisations because of populist rhetoric of Bhutto's electoral manifesto. His Islamic socialism strengthened opposition between classes – pitting mullahs, feudals, and business against peasants, workers and students. Through his nationalisation policy he “eroded the institutional base of the modern component of civil society.” Intellectuals, scholars, opinion leaders and business houses became public servants and labour unions came under the control of the state thus losing the mediation mechanism to negotiate. These new power houses which extended into remote towns were sufficient to bring down the overextended state yet failed to sustain the democratic structure
necessary for their functioning. The Pakistan National Alliance (PNA) paved the way for a civil society which was conducive to radical Islamic tendencies, though external factors also fuelled the local euphoria for resurgence of faith in civil society. Qadeer rightly states that:

The accelerated social mobility served both as a safety valve for discontented working and middle classes and as a means to direct people's energies to non-political channels. The Afghan crisis, with its flow of Western and Saudi funds and arms to Pakistan's army (and intelligence agencies) turned out to be another transforming factor for the social structure and civil society. Aid for Afghan fighters and refugees was channelled by the army, to Islamic groups whose seminaries became the training grounds of armed and indoctrinated Islamic youth. They eventually have grown into a potent force in the contest for street power, further splintering Pakistani society into sectarian, ethnic and ideological fragments. These primordial social formations were not new, but they gradually come to dominate civil society.12

The civil society fractured by the resurgence of faith and divided along ethnic and class lines found new adversaries in the form of sectarian divisions, oppression of women and religious minorities. State power was ruthlessly used to curb political opposition and silence civil rights groups. The state openly advocated communal politics and fragmented the foundation of civil society by introducing new laws (Hudood; Qisas and Diyat: evidence, and blasphemy) and expanded the jurisdiction of state to the private and divine realm. However this also proved to be a catalyst for increasing the number of advocacy groups, women organisations and development focussed organisations.

Zia's regime facilitated the expanding role of mosques and mullahs, thus shifting the balance of power in favour of conservative groups and values within civil society. The perverse role played by the state to declare the Ahmadis as non-Muslims established that the state would continue to use religion for the political survival of various regimes, otherwise struggling for legitimacy and popular approval. Zia took this to a new institutional level by levying zakat (taxing all money in any bank account on the first day of Ramadan at a rate of 2.5 per cent) thus blurring the boundaries between individual charity and the role of the state in collecting it. This paved the way for an ongoing sectarian conflict between the Shias and the state that was fanned by external elements but was also a reaction against the aggressive role of Sunni majority.13

The radicalisation of society has hugely impacted religious minorities such as Christians and Sikhs, and also various sects within Islam, such as the Shi’ites, and Ahmadis. Though Ahmadis were declared non-Muslims in 1974
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by Z.A. Bhutto, it has curtailed their freedom to pray publicly, or even have their deceased loved ones buried in community graveyards. Blasphemy laws are increasingly used to incite violence against religious minorities and Pakistan remains among the top ten of the 200 worst states for violating minority rights. Similarly these minorities are denied equal citizenship rights by reducing the value of their testimony – like women in rape cases. On many occasions the state has failed to provide security to the victims of mob who incite violence in the name of blasphemy or deaths in custody which have become a common occurrence. A separate electorate for essentially disenfranchised non-Muslim minorities, meant that they could vote only for special seats reserved for minorities. Consequently, their ability to play a political role in regular provincial and national politics and to influence the policies of the dominant political parties was effectively curtailed. One has to understand sectarianism and radical Islamist agenda in a context – whether this was a new phenomenon or surge of simmering tension in a society divided by ethnicity; class; sectarian and other divisions.

Poor governance by successive civil regimes – Nawaz Sharif and Benazir Bhutto – not only pushed the country into a financial mess (increased debt, budget deficit, inflation) but also eroded the legitimacy of the state. As the elite continued to plunder the state coffers, people were denied basic goods and services like health and education. Unemployment was increasing progressively and the law and order situation was worsening yet the elite continued to engage in the politics of confrontation. Urban based civil society organisations were engaged in development projects; advocating human rights; promoting liberal values, and expanding their role in public policy making forums. Their rural counterparts were struggling to survive; lacking agency; employment opportunities and a rightful share in both the policy making forums as well as development agendas.

Civil and military regimes in Pakistan always had an ambivalent attitude towards civil society organisations, despite recognising that these organisations provided vital services to disadvantaged people. As these organisations have established links with external donors, the successive governments have seen them as competitors and have always been uncomfortable about civil society’s criticism of corruption; governance; human rights; minorities’ rights; and Islamisation of laws especially those affecting women and religious minorities.

This ambivalent relationship is rooted in the role played by civil society in bringing down various civil and military regimes and would remain in the psyche of Pakistani elite that continues to feel threatened by their very presence and advocacy agendas.

On the other hand, the increase in the number of faith based organisations
was generally considered either as a reaction to NGOs or in line with the values and aspirations of the society. While civil society organisations were required to operate within approved regulatory frameworks and the space available to them was constrained by legal, political and socio-cultural pressures, there was never any such pressure on the radical elements in society. These organisations were neither required to register nor to have annual audits or reviews. Civil society organisations have regularly been criticised for receiving donor dollars, however money coming from Middle Eastern countries, especially Saudi Arabia has never caused any serious concerns. As far as one can remember, one could see donation boxes placed in many urban and rural retail outlets in Pakistan, to collect money for “Muslim causes” like Kashmir; Afghanistan; Palestine; Bosnia and Chechnya which were considered to be an acceptable mode of charity collection. Here one would draw upon Danish Mustafa’s point about the role played by (anti) social capital in the creation of an (un)civil society in Pakistan. The obvious role of “un-civil” elements in society has largely been ignored both by the policy makers and civil society organisations, perhaps as an acknowledgement of their failure to engage with faith based groups that are seen to be in an oppositional relationship with civil society.

Civil Society, Islam, State and a Culture of Intolerance

According to the Western understanding, democracy and democratic institutions remain central to civil society however, in the context of Pakistan, religion has been a key factor for determining self identity, national identity, foreign and security policies. Thus it would be pertinent to examine the role of religion in the evolution of state as well as society. Muslim states have different ways of negotiating religion and establishing it through state apparatus; however this continues to evolve due to the internal and external
Radicalisation of Civil Society

In Pakistan, state has played a decisively articulated the role of religion (declaring Ahmadis non Muslims; blasphemy laws; Hudood, Qisas & Diyat) and institutionalised it through bodies like the Islamic council. This has increased the influence of mullahs and expanded their role in the state institutions of Pakistan. It has to be acknowledged that:

The normative basis of religion, together with the way religion links the believer to the sacred, to transcendental and supernatural realities, is what places religious actors and institutions apart from other types of civil society actors.... The link to the sacred gives religious leaders legitimacy, beyond their implicit function as spiritual and moral guides and guardians, to engage in social and political activities on the basis of what are considered appropriate moral values. Relationship between the state and civil society in Muslim societies, where the historical relationship between the state and religion is more complex than in the formal separation of church and state more commonly found in the West.

The state has failed to maintain law and order and deliver justice to its citizenry, while radical Islamists offer cheap, quick and speedy justice. The acceptability of such a notion of justice can be witnessed not only in the violent street protests, political or otherwise, but also in the common dispute resolution mechanism at village panchayat level and tribal jirgas in the country. Mullahs in the mosques are free to declare any religious sect infidel and mosques are used to send a message of intolerance if not hatred and violence. It is sociably acceptable to make derogatory comments about other religious communities and faiths, especially Jews and Hindus. Religion has never been a unifying force (e.g. creation of Bangladesh) and increasingly it has become more divisive though one can occasionally witness street protests unifying people for the causes of Islam – protest against cartoon of Prophet Muhammad; Satanic Verses and Babri mosque.

Civil society in Pakistan is not one cohesive organic whole, it is like two parallel universes, or as Qadeer has suggested two tracked – one made up of the urban; modern; liberal/secular; educated, and image conscious while the other is consists of ‘ethnic, denominational, sectarian and clan organisations that espouse traditional religious values’. The first track includes NGOs, civil society organisations and professionals advocating human rights through conferences, seminars and protest marches, however opposed by the state, either as competitors for foreign donor money or for protesting human rights violations. Many of these civil society groups rely on donor money and have limited formal membership or local alliances and are disdained by religious groups and even disadvantaged people as ‘foreign agents’.

The second track comprises of, ‘mosques, seminaries, Islamic/ethnic/...
territorial segments of student and labour unions, rural groups, bazaar traders and small town industrialists. The ‘religious-ethnic-traditional’ civil society lives in a parallel universe where daily life is a struggle for survival, from access to basic education and health care; dealing with any public office – civil and judicial. These are civil society members let down by the state as well as by modern civil society. Their frustrations are countless while entitlements very far and few; they have a broken relationship with the state and a fractured social contract with the rest of the society. One can see this difference in the press and electronic media, as the first track approaches issues by engaging with liberal discourses, while the other relies on, ‘conspiracy theories, the idiom of besieged Islam, and the personality cult in interpreting national events’.

There are occasional outbursts of street violence by the first group while the other regularly relies on street protest and violence as an instrument, which may be a reflection of their mistrust in the system. Their street power and the capacity to mobilise is no match for the first track. Both these groups rarely share common goals and values and their approach is starkly different. One believes in living according to their understanding of the moral standard required from a Muslim society, and continues to see a role for religion in organising their lives, respect for authority and social responsibility. There is a deeply ingrained sense of injustice that resonates in the language used by them to detail the accounts of their lived experiences of subordination by fellow society members. The other track of society is largely oblivious to what happens in the other universe, since it is their belief that Pakistan cannot progress without implementing Western political and economic models. Unless there is a shared space to negotiate a common agenda, both would continue to inhibit parallel universes.

Major civil society players that have institutional presence include the HRCP and an urban based NGO collective formed during the 1980’s, which largely operate as reactive forces rather than as proactive agents. Their urban based agendas and links with global donor agencies cause the common man to see them as active agents of West. The heavy reliance of NGOs on the financial assistance of Western donors remains a crucial factor in the sustainability of many organisations. The dilemmas of this track of civil society involve collaboration and at times collision of civil society groups with the local elite who are part of the problem. A quick look at the functioning of civil society organisations would highlight the dilemmas faced by them. They have limited human and financial resources and their outreach is largely limited to urban areas. What they offer is a promise for democracy (which has not been delivered); human rights (mere slogans); justice (a too costly, painful and arduous process); and equality before law that cannot compete
with ‘equality before God.’ Pakistan’s civil society organisations have better
ties with sister organisations across the world than the local disadvantaged
and rural communities, which also reflects their lower approval and
acceptability among locals. If one asks a commoner on the street, he/she will
find it hard to relate to any CSOs while relating to an Islamist who is modest;
promises equality (before God) and talks about the moral values and a
morality based society is easy, since they represent the oppressed, do not make
a public display of their wealth and apathy to the plight of poor.

Radical Islamists are organised, have access to resources, are committed
to their distorted beliefs and have the ability to influence people by branding
their activities as Islamic morality, and disguising their crimes by giving them
a religious twist. They openly challenge the state and have efficiently run a
parallel state in many parts of the country. Radical Islamists neither sought
legitimacy, nor attempted to engage in the socio-political process through
democratic means but have relied on coercion rather than the attraction of
their message. These radical and (un)civil actors have equally relied on
donations coming from Middle Eastern countries especially Saudi Arabia and
the UAE. However a major share of their philanthropic contributions have
gone into their coffers which is not case with the HRCP and NGOs. This is
perhaps due to their open allegiance with Islam, so they not only claim a
share of individual charity donations but also use the contributions for serving
the ‘greater national cause’ (Kashmir, Afghanistan) thus making a connection
between local, regional and global issues.

Popular connection with religion and the manner in which people see
religion as a defining or core part of their beings is manipulated by radical
Islamists. One may not agree with the vision of these radicals even a bit yet
it cannot be denied that their bigoted agendas are focussed and their
sustainability is rooted in local grievances. They do not offer any solution to
crucial issues rather ask their adherents to pray for salvation in the after life,
equating the difficulties of life with the rewards in heaven. This kind of
manipulation is not possible for CSOs, since their agenda is limited to
protecting human rights. Moreover in the popular imagination, people
representing CSOs are largely advantaged due to their access to goods and
services like education and employment, therefore they have a status which
is denied to disadvantaged people, who thus identify CSOs with the
perpetrators and make them a part of the problem.

While highlighting the disparity between Urdu and English media, Sattar
and Baig have stressed the need to engage with the media. But the gap between
the two cannot be simply attributed to a lack of engagement but also because
the outreach of CSOs, the issue of the language used for formulating agendas
and disparity in articulation of crucial issues also remain a factor. CS also lacks a consistent approach for influencing policy shifts at the local level while faith based and other radical groups have successfully influenced local policies. Islamisations of laws, symbolic approval for appropriate public behaviour of women, compulsory Islamic studies in professional education (medical school and now in early education) and often have found popular approval for such measures.

One would argue that there is a missing link between the two tracks civil society debate, and this is a third group that overlaps the 'traditional and modern' civil society. The members of this group are ideologically driven, primarily urban based and educated professionals. This group has ascetically different structural attributes and modus operandi, and different normative conceptions of globalisation and social justice. They believe in an imaginary glorious past and attribute the general situation of Muslims to exploitation by the West and its allies in their own society. Unlike traditional civil society, they believe that their roots are in Saudi Arabia, the birth place of Islam, and the limited available data suggests that they are not graduates of madrassas but are home grown elements and recruiters of the disenfranchised.

The inability of the state to govern and deliver has extended the space occupied by this group and has effectively sidelined many liberal civil society groups. The state has played a significant role in advancing the cause of radical Islamists elements, either through its foreign (Middle East, Afghanistan, India) and security policies (Kashmir and Afghanistan) or by collaborating with religious political parties to keep certain groups and politicians out of the political game altogether and using religion as control mechanism. Since the early years, Pakistani state and society are searching for an identity that is starkly different from India. Without venturing into the debates involving external security threats and the role played by various regional and international actors, this chapter is limited to the discussion on the domestic sphere.

The debates on radical Islamism and terrorism, it has been suggested that madrassas indoctrinate youth profess sectarian ideas as well as hatred if not violence towards non-Muslims. It has been acknowledged recently by the ruling regime that the number of registered madrassas is over 15,843, largest share (over 11,000) being in Punjab, and a very small number (507) have been given assistance by the education ministry under the Madrassa Reforms package of the Musharraf regime. These madrassa goers are not the only ones who will be indoctrinated into believing that Muslims are the best of humans and beholders of, ‘the only right path’; women are inferior; people belonging to other sects and faiths are infidels therefore worthy of little respect or human
dignity; Muslims are in danger because of Western and Indian aggression; and it is their religious duty to fight against injustices and protect their faith. The majority of children educated in the public school system are taught as per a state approved curriculum and text books that offer a distorted version of history and promote intolerance and bigotry. Successive education policies have exacerbated if not advocated such attitudes. Currently the regime is apparently dealing sternly with the radical militants but at the same time being pressured by the religious right to take out 'Islamic components' from the text books that apparently merely teach tolerance towards religious diversity. Considering this reality it is not surprising that a population predominantly belonging to the same faith would use the religious idioms as a valid tool to deal with the issues that have its origins not in religion but in class, status and location.

Pakistan’s Religious Affiliations, by Region

Pakistan’s population is about 175 million, of whom 96 percent are Muslim

<table>
<thead>
<tr>
<th></th>
<th>Muslims</th>
<th>Christians</th>
<th>Hindus</th>
<th>Ahmadi</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>96.28%</td>
<td>1.59%</td>
<td>1.60%</td>
<td>0.22%</td>
</tr>
<tr>
<td></td>
<td>(1685 million)</td>
<td>(2.78 million)</td>
<td>(28 million)</td>
<td>(385,000)</td>
</tr>
</tbody>
</table>

By Region

<table>
<thead>
<tr>
<th>Region</th>
<th>Muslims</th>
<th>Christians</th>
<th>Hindus</th>
<th>Ahmadi</th>
</tr>
</thead>
<tbody>
<tr>
<td>NWFP*</td>
<td>99.44%</td>
<td>0.21%</td>
<td>0.03%</td>
<td>0.24%</td>
</tr>
<tr>
<td>FATA**</td>
<td>99.60%</td>
<td>0.07%</td>
<td>0.03%</td>
<td>0.21%</td>
</tr>
<tr>
<td>Punjab</td>
<td>97.21%</td>
<td>2.31%</td>
<td>0.13%</td>
<td>0.25%</td>
</tr>
<tr>
<td>Sindh</td>
<td>91.31%</td>
<td>0.97%</td>
<td>6.51%</td>
<td>0.14%</td>
</tr>
<tr>
<td>Balochistan</td>
<td>98.75%</td>
<td>0.40%</td>
<td>0.49%</td>
<td>0.15%</td>
</tr>
<tr>
<td>Islamabad</td>
<td>95.53%</td>
<td>4.07%</td>
<td>0.02%</td>
<td>0.34%</td>
</tr>
</tbody>
</table>

*North West Frontier Province  **Federally Administered Tribal Areas.
Source: www.heritage.org/Research/AsiaandthePacific/bg2268.cfm

An important aspect of this data relates to the religious minorities that are disenfranchised not only because of their size but also by the fact that they are spread across provinces, and have marginal bargaining power to negotiate with the state or even engage with civil society groups that advocate on their behalf. They have access to very limited employment options and often perform the jobs looked down upon by the society. In addition, it has to be recognised that the text books taught in public schools use derogatory language to describe these minorities and they are largely relegated to a sub-human status. On the other hand, the problems within the majority Muslim population are enormous, the sectarian conflict inflamed by the Zia regime
Sectarian Violence in Pakistan, 1989-2008

Incidents

People Injured

People Killed

Source: www.heritage.org/Research/AsiaandthePacific/bg2268.cfm
has reached its pinnacle, exacerbating the radical tendencies promoting hatred and extreme forms of violence.

The data (in the table above and below) can be interpreted in different ways. However, if we study the trends of sectarian violence, poverty and unemployment, irrespective of any regular pattern or link; it does highlight that civil society has failed to raise the issues that are crucial for a functioning and viable civil society. The breakdown of relationship between various civil society sectors can be seen through these figures as well as the connection between these factors and the intolerance and violence that follows from lack of opportunity, hope and direction in the lives of people.

However, if the data includes literacy rate, it might provide a context for the situation, where a larger majority of children attend either a public or religious school. Madrassas – foster a way of thinking that may restrict employment opportunities and lead to terrorism, sectarian and gender violence – violence as a preferred way to deal with differences of opinion, protest, seeking justice and resolving political problems. However, this group would remain as prospective recruits and not the recruiter – the ideologically driven group that abuses the religious sentiments and deprivation (from services provided by the state) of disenfranchised youth as fodder for their own criminal political agendas.

It is important to understand that the state cannot afford to continually support a radical foreign policy on Kashmir and support radical elements and expect them to remain silent spectators in the domestic context and operate within the mandate – negotiated or otherwise. It is not realistic to allow a parallel military force to run operations and a security policy in connivance with the state in Kashmir or Afghanistan and overlook the operations of militant organisations openly recruiting and running their militia camps. There is an urgent need for policy makers to analyse the situation if they are serious about addressing the rise of militancy and the inroads made by the radical Islamists among Pushtuns and Seraiki speaking areas. Blaming domestic failures on US policy in Afghanistan in the 1980s, and more recently on the Western alliance on terrorism in the aftermath of 9/11 is not in the long term interest of Pakistani society.

The irony that radical groups exploit local grievances and ignorance by manipulating the notions of piety, taking advantage of prophetic rapture in the existing socially unfair system, needs to be seen in the context that they offer simple solutions not intellectual rationalisation based on the notions of democracy and universal human rights. These ideal notions of human rights and democracy have failed these communities; have not given even an element of inclusion in articulating and representing their demands.
For a civil society to develop, then, it is necessary to establish arenas in which civil organisations can meet, negotiate and cooperate. Such arenas serve as fora for dialogue, understanding and compromise, and they provide a means for the coordination of relations between civil society and the state. In addition, they enable different autonomous organisations to express their views and grievances publicly.  

Though the nature of civil society in Pakistan is different from that of Western states, it has to be recognised that unless governance mechanisms are streamlined to effectively deliver basics such as financial stability; improved law
Radicalisation of Civil Society

and order situation and justice, a sustainable civil society would remain a mirage. Surgical operations are necessary to reduce the power of radical Islamists but a multi-thronged policy and a long-term vision and leadership is a pre-requisite for achieving and sustaining a healthy civil society. It also needs to be acknowledged that the evolution or transformation of civil society is a long term goal – a process that needs to organically evolve; it is not a project that can be accomplished through development plans funded by external actors and measurable through outcomes at the end of a financial cycle.

NOTES
2. Ibid.
7. Ibid., p. 4.
12. Ibid., pp. 743-762.
18. Zia introduced an ordinance that added sections 298(b) and 298(c) to the Pakistani Penal Code, which made it a crime punishable by up to three years in prison for any Ahmadi to pose as a Muslim or propagate his or her religion as Islam in any forum, including in one's own home. Two years later Zia introduced further restrictions on Ahmadis and non-Muslims by introducing the blasphemy laws under Article 295(c), which stated that any person found to have disrespected the Prophet Mohammad or the Koran would face death or life imprisonment. Lisa Curtis, “Reviving Pakistan’s Pluralist Traditions to Fight Extremism,” *Backgrounder #2268, 2009* at http://www.heritage.org/Research/AsiaandthePacific/bg2268.cfm
22. The term is used to describe extreme self-discipline and denial of material goods by this type of religious ritualism by economically well off Muslims who are modern in their outlook yet practice ritualism through temporal self-discipline and joining *Dawah* groups.
For many years, South Asia has been more in the news for the violence, internal strife and conflicts that have ravaged the countries of the region, rather than the cooperative spirit, that, as members of the South Asian Association for Regional Cooperation (SAARC), we have tried to foster among the member countries for the last two decades. Ethnic tensions, religious intolerance, border disputes, not to mention an arms rivalry between the two largest nations in the region have hindered our efforts to address the poverty and social development issues in South Asia.

The winds of democracy have been sweeping across the South Asian region in recent years, with a vigour and vitality that bodes well for the future of our region. Today, we can proudly claim that all member states of SAARC are truly represented by governments that have assumed office through free and fair multi-party elections. Human rights protection, accountability and transparency in governance are no longer mere concepts of political parlance; these are today enshrined in our constitutions. Dictators and demagogues have been replaced by popularly elected leaders, representative of and responsive to the will of their peoples.

After thirty years of an autocratic dictatorship, during which one man's word had been unquestionably regarded as law, and human rights were routinely abused, the people of Maldives opted to change their future on October 28, 2008, by voting in a new president – the first ever democratically elected president in the country's long history. The country has turned a corner and Maldivian politics will never be the same again. Maldives is now a multiparty democracy.
Maldivians were ready and willing to make sacrifices to achieve true democracy in their lives. They were no longer content to live in a sham democracy, which while providing for periodic elections and de jure independent institutions, in reality, functioned to benefit an elite minority, handpicked to serve just the vested interests of a dictator.

With the formation of the Maldives Democratic Party (MDP) in 2004, first in exile in Colombo, the then government of Maldives was put on notice – reform or resign. Admittedly, over the next four years, the party has been through many ups and downs with many of its leading figures, sometimes including their families, spending time in jail and facing varied forms of both covert and overt discrimination.

There were many at the time who questioned the wisdom and the sincerity of these actions. There were those who regarded the MDP as being comprised of a handful of ‘disgruntled deviants’ who had no influence over the people of Maldives. Yet, the resolve of these people never wavered, for they were emboldened by the truth of the arguments and the justness of their cause. The party derived strength from the support it received, not only from within the country, but from its friends in the international community who had faith in its sincerity of purpose and were willing to support the political transition that was to transform the polity.

As the Maldivians tried to build a truly democratic society, in which the freedom of the individual was as much valued as the security and stability of the state, they faced numerous challenges. The fight for democracy saw to it that the executive was changed; a new parliament was elected earlier this year – which is more representative, and is truly independent of the executive. While judicial independence is guaranteed by the country’s new constitution, it needs to be acknowledged that the country still has a long way to go in reforming its laws and training the judges to adjudicate freely in the new environment.

The successful transition of the Maldives from a dictatorial regime to a liberal democracy in which human rights and freedom are jealously guarded is one that the people of Maldives can justly be proud of. No bloodshed or violence took place in achieving these goals. The parties fought our battles through passionate debates in the parliament and in peaceful rallies on the streets across the island archipelago. The people took their case to the international community. The political parties persevered against all odds, convinced that the truth of their message will finally prevail among the people of the Maldives. The politicians looked to the ballot box to demonstrate their strength.
Today, Maldives can proudly lay claim to the fact that it is the one and only 100 per cent Muslim country that is truly democratic, in which individual freedoms and human rights are just as resolutely defended as the rights of the state. The country has belied the argument put forth by many that Islam and modern democracy are somehow incompatible. The Maldives polity has taken on a truly vibrant dynamism, with legislation and national issues subjected to intense and vociferous debates in the parliament, and the various political parties competing for the attention of an increasingly discerning public. A fiercely independent media and a burgeoning civil society are making important and critical contributions to the enrichment of the democratic discourse in the Maldives.

Undeniably, if the small Muslim island state of the Maldives, with a system of governance that has been historically repressive, can successfully transform itself peacefully through the ballot box to establish a genuine democratic regime, there is no reason why others could not achieve the same success. The peaceful transfer of power in the Maldives clearly demonstrates that it is indeed possible to achieve democratic change through a nonviolent process.

Challenges to Democracy
Maldives has recently witnessed a political crisis that threatens the nascent democracy. Political parties were introduced in 2005. The opposition party has been far from being accommodating and is creating stumbling blocks on the road to meaningful political change. The main opposition party, bureaucracy and the judiciary need to cooperate with the president for the democratic experiment to succeed. The opposition Dhivehi Rayyithunge Party which has a majority in the parliament is making it difficult for the government to carry out important reforms. The constitution that was adopted on August 7, 2008 has vested large powers in the parliament which is supposed to act as a check on the president. Maldives has a presidential system of government and the president handpicks his cabinet. The cabinet resigned en masse on June 29, 2010 and was later restored by the president. In spite of the present challenges it is very likely that democracy and multiparty system will triumph. President Nasheed is making all attempts to engage the opposition in resolving the current crisis.

The Future
As democratisation takes root in the Maldives, the Maldivians are fully cognisant of the many challenges that lie ahead of them. Along with embedding democracy, tackling climate change is one of our greatest
challenges. The Maldives lies just 1.5 metres above sea level. For us, climate change is no vague or abstract threat, but a clear and present danger to our very existence. But climate change not only threatens Maldives but also the developing world which did not cause the climate crisis, yet that crisis threatens to consume us all. We must act and act now.

To this end, Maldives plans to become carbon neutral in 10 years. By embracing the green power revolution, switching from oil to 100 per cent renewable energy production, we hope to dramatically slash our greenhouse gas emissions. We make this change, not just because it is the right thing to do. We make this change because it also makes economic sense. The Maldives has one of the highest electricity rates in the world, so for us, switching to renewable makes sense today. And by leading the way in renewable technology, we aim to cement our place in the green global economy of the future. To quote President Nasheed, “We want the Maldives to be a showcase for new technology. We believe renewable energy is feasible. We need to find investors to come to our country and they must use renewable energy”.

In the Maldives, the people have laid the necessary foundation to build the pillars of a democratic society. The gains need to be consolidated to ensure that the many positive steps that have been taken in promoting human rights protection, establishing independent institutions, creating a free press and nurturing the civil society do not remain mere words on paper but are in fact put to practice in the most efficient and effective manner possible. It is for this reason that the country looks towards its neighbours in South Asia and takes heart in the positive developments that are taking place around the country.

Maldivians live in a region that is characterised by great diversity and is yet unified through shared historical experiences and values. Change is often a slow phenomenon in our part of the region, but once put in motion, it is difficult to roll back. One has witnessed in the recent past that political developments in South Asian countries portend the beginning of a turning point towards greater democracy and accountability in governance as being demanded by the peoples of South Asia. Democracy is a pre-requisite for a stable political order. As Maldives experiments with the multiparty democracy it is hopeful that it will lead to greater happiness and order as people will have a stake in the political system that they have elected. Democracy will help address issue of radical Islam. To quote the President, “Radical Islam used to be the only opposition – we created space. Once we started, the rise of Islamist radicalism in Maldives was checked. In my mind, democracy is very important to address Islamic radicalism. We didn't have an alliance with Islamic parties, though we met them 26 times. They lost
very badly in the election. The mainstream in the Maldives is very progressive and liberal."

South Asia today is flourishing with democracies. Political regimes across the subcontinent are engaged in consolidating democracy and improving governance. These developments portend well for regional peace and cooperation. As the old maxim goes, there has never been a war between two democracies. For regional peace and prosperity to really take root, however, it is believed that South Asian countries need to trade far more with one another for greater economic gain. This would add to regional stability which is crucial for the progress of the region in a globalised world. Maldives has been recognised as the best place for investment having congenial business atmosphere by the World Bank.

History shows that when the bonds of trade between nations grow, their national interests become intertwined. The European Union demonstrates how co-operation in trade and investment can spill over into political co-operation and lasting peace between nations. Maldives is committed to regional cooperation within the SAARC framework. In fact the President of Maldives in his opening remark at the 16th SAARC summit held in Thimpu expressed his frustration at the slow movement of the regional organisation. Maldives has sought cooperation on the issue of climate change and to highlight how it affects the survival of the country a cabinet meeting was held underwater in Maldives. It is feared that the country will be submerged if global warming is not addressed by the international community. Maldives is poised to host the 17th SAARC summit and assume the chairmanship of the regional organisation.

Democracy encourages human freedoms and entrepreneurship better than any other political system. It frees people to trade and invest with each other. In today's South Asia, there has been no better time for nations to encourage greater economic ties. Maldives, as the smallest member of SAARC, and as one of the newest democracies in the world, takes heart from these recent developments in our region and dares hope that cooperation rather than confrontation may indeed become the norm in South Asia in the coming decade.
SECTION III

EXTRA REGIONAL POWERS AND REGIONAL SECURITY
Extra-Regional Powers and their Interest in Nepal

Nishchal N. Pandey

Nepal's political structure has been completely transformed in the past three years. Some of it has been constructive change such as the bold decision of the leadership of the CPN (Maoist) party to lock up weapons and participate in elections. Other developments have been rather disturbing such as the sudden deterioration of security situation in the terai\(^2\) and great political volatility despite people's clamour for peace and stability. It is certain that the issues of army integration, federalism, secularism and nature of the political system will be hotly debated within Nepali polity and society over the coming days. A more worrying aspect of the post-2006 phase of Nepali polity is the enormous interest of extra-regional powers in what were considered to be Nepal's internal affairs. In a bid to spread 'democracy and freedom', or even more specifically the 'freedom of religion and media,' every power with its own set of ideas and goals is active within Nepal ignoring the sensitivities of Nepal's two big neighbours – at times even violating diplomatic norms and embarrassing the host government. This chapter shall endeavour to analyse developments in Nepal in light of the major powers' involvement within the country and how this has far-reaching implications not only for Nepal but also to the wider South Asian region.

Murky Political Situation and Role of UNMIN

After the signing of the *Comprehensive Peace Agreement* in late 2006, more than 19 thousand battle-hardened Maoist combatants have been stationed in 28 cantonments spread all over Nepal. Their little over three thousand weapons along with an equal number of weapons belonging to the Nepal
army are also locked up in these camps. They are monitored by the United Nations Mission in Nepal (UNMIN). UNMIN was established on January 23, 2007 by United Nations Security Council Resolution 1740.\(^2\) It is a special political mission for supporting of the peace process in Nepal. It was established following a letter to the UN Secretary-General, sent on August 9, 2006, in which the then seven party alliance government led by G.P. Koirala and the Communist Party of Nepal (Maoist) requested United Nations’ assistance in managing the arms and armies, holding free and fair elections to the Constituent Assembly and furthering the entire peace process.

Initially, it was thought that the UNMIN’s stay would be short and it would wind up its mission and leave once the elections to the Constituent Assembly were over on April 10, 2008. However, its tenure was extended under one pretext or another. It is a fact that without the good offices of the UNMIN, Nepal’s fragile peace could slip into an abyss but recently even senior leaders have started voicing their resentment against what they term as the ‘partisan approach’ of the UN body. Given the suspicion and misgiving over the UNMIN presence, the political parties gave the UNMIN extension for the last time in September this year for four months. This was possible after the UCPN (Maoist) agreed to the proposal to bring the Maoist Army under the command and control of the Special committee to share all details about its combatants with the Committee headed by the prime minister.

At the request of the government of Nepal, the Security Council unanimously extended UNMIN’s mandate for six months on January 23, 2008 (Resolution 1796). This was extended for the second time on July 23, 2008 (Resolution 1825), the third time on January 23, 2009 (Resolution 1864), a fourth time on July 23, 2009 (Resolution 1879) a fifth time on January 23, 2010 and for the sixth time on May 10, 2010. Indications are that it is in no mood to leave. While proposing the fourth extension, Secretary General of the UN Ban Ki-Moon had said, “The peace process in Nepal remains a fragile one, with critical agreements on the reintegration of former Maoist combatants still lacking, and will continue to need United Nations assistance.”\(^3\) The peace process is still fragile (perhaps more delicate) and the Maoists and the government are at loggerheads not only over the integration issue but even over the smooth functioning of the parliament. The main opposition (Maoists) launched strikes in June demanding the resignation of the government which ultimately led to the resignation of Madhav Nepal’s government. Nepal is yet to have a consensual candidate for the post of prime minister. Naturally, at this point when the political tug-of-war is at its climax, nobody will be demanding the exit of the UN from Nepal as its role has reached a critical point.
Therefore, for the first time in South Asia and so close to the Indian heartland, the UN has not only managed to successfully erect a huge edifice housing monitors from the armies of countries as far afield as Egypt, Jordan, Uruguay and Turkey but whose responsibility to manage a post-conflict situation is being accepted by all parties. This may set a precedent for similar UN intervention in other conflict situations – such as insurgency and secessionist movements – which unfortunately abound in and around the sub-region. Although, G.P. Koirala was critical of the ‘prominently pro-Maoist role’ of the UNMIN; it must not be forgotten that it was indeed under his prime ministership that the ‘faulty provisions’ of the CPA were drafted and the UNMIN was welcomed into Nepal. Steadily, this body has now even begun to enter into the fine purview of Indo-Nepal relations which through their strong religious, cultural, and matrimonial linkages and geographical proximity are much older than the UN system itself. Much of this slipshod policy has resulted from the folly of Nepalese political leaders. For instance, the Nepalese army (NA) is running out of bullets because of it not being able to procure raw materials to manufacture them for a long time; the Nepalese approached India for purchase of ammunition but the UNMIN cautioned the Nepal government saying that any moves either to make fresh recruitments or replenish arsenals would ‘violate the peace agreement’. As the UNMIN spokesman said before Defence Minister Bidya Bhandari’s visit to India: “Recruiting or buying weapons or upgradation of any kind by either the Nepal army or the Maoists without the issue being discussed by the high-level monitoring committee is a violation of the pact.” because “the resumption of Indian military assistance has not been discussed in the monitoring committee”.

It must be noted that the long traditional relationship between the Nepal army (NA) and the Indian army was nurtured by practices such as the Nepal army chief of staff being made an honorary general of the Indian army and vice versa. There had been no visit by an Indian army chief to Nepal over the last five years until January 2010 when General Deepak Kapoor finally visited Kathmandu. This gap had also widened due to the stopping of military supplies to the Nepal army in 2005 during the last days of the monarchy. The rank and file of the Nepalese army have not forgotten this and it may takes years to re-build the relationship.

The situation today is that the stock of bullets with the Nepal army has almost run out as more than three million bullets are required for the army for a single training session alone. In the last 3-4 years, the army has used more than 15 million bullets for such training. The reduced stock of bullets
has affected trainings in recent days. Moreover, with the retirement of ageing soldiers and no new recruitments, the future situation could become dire. One must also not forget that almost all political parties, including the smaller ones have been raising ‘youth wings’ which are actually meant to strengthen the militant base of their organisations in view of the usefulness of muscle power during elections. Downsizing the Nepal army and starving of necessary weapons and ammunition in a context when more than 25 different armed groups have sprouted across the country is simply absurd. However, while giving extension to the UNMIN for the last time the political parties have reached an understanding and have agreed to a four point formula to precipitate the peace-process and settle the issue of integration of combatants. Caretaker Prime Minister Madhav Kumar Nepal’s letter to the UNMIN was silent about monitoring the Nepal Army under its new mandate. However, now it has been agreed that the UNMIN will also monitor the Nepal Army. As a result, Maoists have agreed to address problems faced by the Army on the issues of procurement, recruitment and restriction on their movement. They have further agreed to sign a document with the government on code of conduct for their combatants, a plan of action for management of former Maoist combatants and a mechanism to monitor these.

Domestic Problems and role of External Powers

Another problem is the on-going dispute on the actual text of the CPA with regard to the integration of Maoist combatants into the Nepal army. It is vaguely mentioned in the document that they will be integrated into the ‘security forces’ but it does not clearly stipulate whether this means the ‘Nepal Army’. This is a purposeful omission made so as to lengthen the stalemate and create confusion. The Army out-rightly rejects the induction of ‘politically motivated’ PLA cadres into the national army while the Maoist leadership states that this ‘has already been agreed in the CPA signed two years ago.’ There is no middle ground. Lately, there has also been talk of establishing a separate para-military unit in the form of a border security force or a rapid action battalion. But in spite of outstanding issues such as security sector reforms, democratisation of the army, civilian supremacy even the promotion of a few brigadier generals, the first democratically elected government led by Prachanda decided to remove the chief of the army staff General Rukmagud Katuwal. Lacking support of other coalition partners who opposed the move, the Prime Minister himself decided to resign. Hence, all the above mentioned issues remain unresolved as Nepal moves ahead with a fractured peace process wherein the role and intentions of not only the UN agencies
but other major powers will be increasingly in question. The problem has arisen for the reason that the army top brass is totally against any en masse merger of the PLA into the army and the Maoists will not settle for anything short of a ‘respectful merger’ – after all they had politically defeated the erstwhile (Royal)Nepal Army. This issue therefore has the propensity to immediately morph into a full-fledged conflict. Situation in Nepal remains fragile as the overall economic situation is also susceptible to the general political climate in the country. In May this year Ms. Landgren, the Head of the UNMIN, had said in the UNSC that, “this is a volatile moment in Nepal's peace process,” adding that the current political crisis reflects a “serious deficit of trust among the principal political actors.” Six months later, neither have the parties come together nor has the UNMIN done anything concrete to facilitate to create the required atmosphere of trust. The real problem lies here. The political leaders of Nepal should promptly resolve differences and settle the issue of the integration of the Maoist combatants by taking into consideration the army’s views as well as respecting the Maoist standpoint. Dragging the issue indefinitely would not augur well for the country. The four-point agreement signed by the leaders of all the political parties gives some hope that the issue of integration would be addressed sincerely before the January deadline.

Similarly, a situation has arisen wherein the first president of the republic has been dragged into the centre of controversy by virtue of his, hotly debated decision, of allowing the Army Chief General Katuwal to remain in office brushing aside the ‘advice’ of the cabinet. Although, he is head of state and the supreme commander of the army it is an established tradition in all parliamentary democracies that a titular head of state abides by the decisions of the executive. Since then, all programmes of the president have been boycotted by the main opposition and President Yadav is shown black flags at public functions and a court case was registered to oversee the constitutionality of his decision. While the Maoists denounced the president for having over-stepped his authority, to make matters worse Vice-President Parmananda Jha was stripped off his official title by another court verdict. He had to retake his oath in Maithili after the seventh amendment to the constitution allowed him to take oath in his mother tongue. Additionally, Nepal has had four prime ministers in as many years (2006-2010). These repeated political challenges, lack of unity and political vision can be attributed to the lack of political culture and foresight on the one hand and constitutional misinterpretation, tendency of taking hasty and haphazard decisions, deteriorating law and order situation, and myriads of other challenges facing
the young republic on the other. These problems become murkier due to the unnecessary meddling by foreign powers in the affairs of the state.

One must also not overlook the ever enlarging areas of operations of the UN Office of the High Commissioner for Human Rights (UN-OHCHR) whose sole duty is to monitor the observance of human rights and international humanitarian law in the country, by carrying out investigations. The mandate also includes monitoring the enforcement of Comprehensive Peace Agreement, building up civil society ability to strengthen the national human right protection system in Nepal apart from advising the authorities of Nepal on the formulation and implementation of policies, programmes and measures for the promotion and protection of human rights in the country. This was the outcome of deliberate diplomatic coercion by a section of the international community – mainly some Scandinavian countries and Switzerland – who were opposed to the royal regime.\(^5\) The OHCHR Nepal had established regional offices in the eastern region (Biratnagar), the western region (Pokhara), the mid-western region (Nepalgunj) and far western region (Dhangadi, Kailali) apart from its head office in Kathmandu. Biratnagar, Nepalgunj and Dhangadi are situated in the terai close to the Indo-Nepal border. Monitoring human rights violations is welcome and desired by the Nepali public but carrying out other political activities in the name of ‘monitoring’ not only violates the very principles of the UN Charter and the agreement signed between Nepal and the UNOHCHR but also raises eyebrows in Delhi and Beijing because they have high stakes in Nepal. The political parties are opposed to the OHCHR as they are looking into the allegation of disappearance of people during the civil war which is politically a controversial subject. The OHCHR has set up a monitoring program in 2005. The government has now extended the OHCHR office for another year but have decided to close down its offices in Biratnagar, Pokhra, Nepalgunj and Dhangadi.\(^6\)

**The Federal Conundrum**

Another issue of equal interest to all major powers has been the decision to make Nepal a federal republic. The Interim Constitution of the country has already stipulated that Nepal will henceforth be a ‘federal’ republic although the modalities of federalism, basis of such federal units and the financial sustainability of each state(s) need to be worked upon by the constituent assembly. Experts have pointed out the infeasibility and the impracticability of the proposed federation to be carved on the basis of religion, ethnicity or language as no single group has a majority in any of the states proposed within
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Nepal. Brahmins and Chhetris that together comprise of nearly 30 percent of the total population are not in majority anywhere in the country. Similarly, Newars who are demanding that the Kathmandu valley be named the ‘Newa state’ are not in majority in Kathmandu itself. The Madhesi parties’ stance that the entire terai be designated a single autonomous state of Madhes has lately been vehemently contested by the Tharus who are indigenous people of the region. They forced the government to agree to their demands in May this year. Likewise, not all Muslims in the terai want it to be a single province.

Neither can the states be based solely on the basis of language. Nepali is spoken only by 48 per cent of the total population while Maithili, Bhojpuri, and Tharu are spoken by 12 per cent, 7 per cent and 6 per cent of the people respectively. Such a jumbled composition of federal units on the basis of ethnicity or language will actually create more problems than it will resolve. Nepal has over 103 castes, ethnic groups and indigenous nationalities and 92 languages. With three major religions, two of the world’s most populous countries on either side of its borders, unstable politics, two standing armies, and a general atmosphere ripe for a large-scale civil war, this issue needs to be handled with extreme caution and pragmatism.

Till date only the Maoist party has been able to chart out a comprehensive and a conciliatory vision document with regard to federalism which takes into consideration all the inherent contradictions of the Nepalese society. According to the Maoist scheme, the autonomous regions would maintain control over local lands, forests, mountains, tourism, public land, religious places, rivers, lakes, minerals, agro-based small and mid-sized industries, inter-regional trade, local internal security, education, literature, language, culture, regional communication, etc. The party has since December 2009 started announcing these autonomous federal states which has irked not only other rival parties who fear that indigenous nationalities will favour the Maoists but also the president who has time and again alerted the government on the negative fall-out of such hasty moves before the Constitution is drafted.

Already ethnic groups demanding autonomy from the centre in various parts of the country are bargaining over the usage of hydro-resources and minerals and have forced closure of certain mega projects in their vicinity. This will have consequence on the ailing economy of the country as the states within Nepal may enact new state regulations on sale or purchase of goods within their state, may impose their own road taxes, excise duties, etc. Goods coming to Kathmandu and Pokhara via the terai could become more expensive affecting relations between these cities and the states. It must be understood that unlike other successful examples of federalism, all essential goods
including petroleum products have to enter the country through the terai districts and all other areas of the country are heavily dependent on the financial resources sent from Kathmandu.

Devolution of power to the local level is absolutely essential as the erstwhile unitary model of governance has totally failed; but how to manage the whole structure. Controversies over sharing of power and resources, questions of bandh culture and the ethics of coalition politics, accountability and transparency of the bureaucracy and judiciary, structure of the police in post-federal Nepal are all issues that have suddenly germinated and require a careful but incisive handling. It is on these issues that foreign expertise and advice from successful federal countries is being sought by parliamentarians, legal experts and also by the security services. Acquiring knowledge and expertise especially with regards to managing fiscal relations between the states and the centre is most essential as is the question of managing the law and order situation and the use of the paramilitary within these states. However, a country where diplomats disregard basic diplomatic norms to visit office bearers of various proposed federal states even before they are actually configured will require a high level of government supervision and vigilance.

Politics of Religion

Nepal enjoyed religious harmony for centuries. Although a declared Hindu kingdom, the country never witnessed communal tension or attack on religious places of worship of any kind throughout its history. Even though Nepal was a Hindu country, yet permission was given for the construction of two huge mosques within one kilometre of the Narayanhiti Palace. The problem started in September 1, 2004 when these mosques were vandalised by mobs protesting against the killing of innocent Nepalese labourers in Iraq by the Ansar ul-Sunna. The country was declared ‘secular’ without a popular referendum in 2006 which many believe was the direct result of pressures from certain NGOs and missionary organisations. Slowly the issue of religion began to make in-roads in politics post the 2006 upheaval. Currently various religious organisations are being formed, churches, madrasas and mosques are being erected by Christians and Muslims while a variety of cultists have begun to develop cadre base to resurrect Hinduism as the state religion.

The situation took an ugly turn on September 16, 2007 at Shivpur-4 in Kapilvastu district where Moin Khan, a local Muslim leader was killed by gunmen. The rioters clearly wanted to give his murder a religious twist and as hours passed by it was quite clear that the real focus of the rioting was the hill people living in the terai. As the day passed, Hindus started looting
Muslim houses and vice versa. A total of 28 people died in the rioting. Evocative of this similar trend was the grave incident that took place on September 20, 2008 in which people from Newar community in Kathmandu staged angry protests against the government for not allocating a budget for traditional *jatras* (religious festivals) observed in Kathmandu Valley. The protesters blocked traffic at several places by burning tyres on the roads. Shops remained closed in these areas with the protesters frequently clashing with the police. Trouble started after residents received a letter from Kaushitosh Khana, Guthi Sansthan, urging them to stop the sacrifice ritual, which also happened to be the last day of the week long Indra Jatra festival. The government finally had to bow to the demands of the protestors. On May 23, 2009 a deadly bomb blast at the Church of the Assumption in Lalitpur killed three and injured a dozen others. These incidents prove that intolerant religious outfits are trying to disturb communal harmony, bring religion into politics and bandwagon Nepal with the Uttar Pradesh brand of politics of the early 90s. Sita Thapa Shrestha who was arrested for her involvement in the incident not only accepted her direct role but even bemoaned that the bomb she was carrying was able to kill only three people. While Muslim influx from Bangladesh has been growing in the terai and extreme right Christian organisations that wish to convert *dalits* and *janjatis* are active in the mid-hills, it is feared that the Hindu population will gradually decrease in the country in the coming years. This will pave the way for militant Hindu organisations to further activate their hate machinations to thwart aggressive posturing by other religions and also to introduce aggressive Hinduism so as to wreck the newly introduced ‘secular’ credentials of the country. This phenomenon has direct bearing on Indo-Nepal relations more than anything else as a large number of Hindus in India still see Nepal as a bastion of Hindu culture. Naturally the recent attack on newly appointed Indian priests at the Pashupatinath temple caused deep anguish in India. The Indian external affairs spokesperson Vishnu Prakash said: “We strongly believe that this unprovoked and criminal act of violence goes against the ties of friendship that have existed, since time immemorial between the peoples of Nepal and India.” While on the one hand the majority Hindus look to India for support and solidarity in their struggle against the assault of ‘foreign’ religions such as Islam and Christianity that frequently resort to malpractices such as bribery, several Nepali political parties have chosen to remain neutral on this issue fearing a backlash from the minorities. This will make it difficult for Delhi to do anything concrete to support the age-old Hindu culture that has remained an essential element of Indo-Nepal relations for centuries.
Heightened Chinese Anxieties and Posturing

It would be important to analyse how the impact of geophysical location of Nepal has unnecessarily brought the country to the limelight of international contest for power and influence. To quote an analyst “Located right between the largest countries in Asia, national security issues have always been a major concern for Nepal…Nepal’s foreign and security policy evolved against the backdrop of the concurrent but separate threats posed by the British East India company to the south and by the steadily expanding Chinese presence in Tibet to the north. Even after the emergence of India as an independent country and China as a People’s Republic, Nepal’s security threat perception has not altered significantly over the past seven decades.”

China’s perennial concern, heightened by the Khampa episode of the early 70s and spate of recent incidents have proven time and again that Nepalese territory is vital for the security and stability of its Tibet Autonomous Region. An unfriendly Nepali state will be extremely dangerous for both managing the 25 thousand plus Tibetan refugees living in Nepal and also for guaranteeing that the open and porous mountainous border with the TAR is not misused by activists of the Free Tibet Movement. Altogether 15 districts of the northern part of Nepal share common borders with Tibet. Kathmandu witnessed almost daily protests by Tibetan refugees in front of the Chinese embassy consular section in the run-up to the Olympics in 2008. An incident of vandalism led to the Chinese ambassador in Nepal meeting Prime Minister Koirala and demanding security for his embassy along with a more effective curb on anti-China protests. At the same time, Nepal came under heavy condemnation from across the globe for being ‘too harsh’ on Tibetan protestors. One international media group even called the Nepal police a ‘proxy’ of its Chinese counterpart. In this situation it was clear that Nepal had inadvertently become a frontline state on the Tibetan issue. The Chinese side started to get uneasy about the casualness with which the Nepali authorities had handled the situation and began to be more insistent in their approach thereafter. The visiting Chinese Assistant Foreign Minister Hu Zhengyue asked Nepal to control possible anti-China activities in the ‘upcoming months’ leading up to the 50th anniversary of the Tibetan uprising and told the then Prime Minister Prachanda that the year 2009 was a ‘sensitive year for China’ urging increased surveillance to curb anti-China activities. Defence Minister Ram Bahadur Thapa ‘Badal’ even went to the extent of telling his counterpart that the issue of Tibet is a tripartite issue between Nepal, India and China. Hence the three countries must work together to solve it.

The tense border with TAR was further inflamed as some western envoys...
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reportedly went to Mustang ‘for trekking’ purposes during their vacation. The Chinese ambassador Qui Guohang immediately called on Prime Minister Prachanda and asked about American ambassador Nancy Powell’s visit to Mustang. Lomanthang in Mustang shares the border with Tibet. Soon after, a few members of the Constituent Assembly B.P. Yadav, Rajkishore Yadav, Asha Kumari Sardar, Iswardyal Mishra, Biswendra Paswan and Rukmini Chaudhary met with the Dalai Lama in India. It is reported that the Chinese have taken this meeting very seriously. There is talk now of setting up a seven thousand strong border security force manned by the APF to be based on the Nepal-TAR border and a team led by Home Minister Bhim Bahadur Rawal, along with the Home Secretary have already visited upper Mustang and inspected the border. A team of 25 led by APF inspector Damodar Dhodari has already reached there to study the area and the infrastructure required for the upkeep of the border security force. Nevertheless, deploying forces along the border will obviously be a highly expensive and arduous undertaking but all major forces in Nepal seem to support the idea that the Nepal-Tibet border remains calm and quiet as it has after the Khampa episode of the early 1970s.

During times of strained Sino-Indian relations, Nepal’s management of international relations and the broad ecology of Nepal’s relations with India and China depend crucially on assuring both the countries that Nepal’s territory will not be used for any anti-Indian or anti-Chinese activities. Unfortunately, for the first time in history, Delhi and Beijing have both publicly upbraided the Nepali government that its territory is indeed being used for such purposes. Commenting on her first visit to Kathmandu after she took over, the Indian Foreign Secretary Nirupama Rao said, “I reiterated India’s security concerns and the use of Nepalese territory for anti-India activities.” She added that, “the Nepalese side unequivocally reiterated its commitment that such activities will not be allowed.” Such assertion from both the Asian giants expose the vulnerability of Nepal which of course is rooted in the asymmetric relationship between Nepal and India on the one hand and Nepal and China on the other.

Role of India

For India, the challenges stemming from its often mystifying Nepal policy are varied and becoming increasingly intractable. Nepal certainly poses a challenge to Indian diplomacy. Firstly by neglecting the issue of Bhutanese refugees and refusing to act as a facilitator to end the humanitarian crisis, “India’s attitude gave an opportunity to outside powers to insert themselves into the affairs of South Asia, showing up India’s inability to solve problems
in its backyard even when it involved two countries with which it claims a special relationship.” Then again on the issue of allowing UN facilitation for the monitoring of the arms and armies of the warring sides, Delhi could have felt that it could be over in months. Similarly on the issue of integration of the Maoist combatants into the national army, India does not seem to have any coherent strategy either to support the stand of the army leadership or to nudge for an early settlement of the dispute thereby paving the way for the departure of the UNMIN.

India does and will always enjoy a huge advantage over any other outside power in cultivating Nepal – of history, geography, culture and kinship. The real challenge is how to cultivate relations with multiple power centres in Nepal on the left, centre and right of the political spectrum that have germinated post 2006. Yet again, the same story of the 1990s of forming and dismantling governments seems to be the order of the day in Nepal. If this happens, then there is increasing likelihood of the new Constitution not being completed within the extended timeframe of May 2011. The Maoist party which has \( \frac{1}{3} \) of the total seats in the Constituent Assembly is being forced to sit in the opposition while the interim Constitution clearly stipulates that a two-third majority is required to pass the new Constitution. According to comrade Kiran, a powerful Maoist party leader, “The Madhav Nepal led government was formed to thwart the peace process and derail the constitution-making process.” In the backdrop of unrest and disruption of parliament proceedings, a senior leader of the CPN (UML) Bam Dev Gautam even warned that there will be no legitimate government, no president and no parliament once we cross the May 2010 deadline without drafting a new Constitution. But a new majority government was formed in July 2010 with the twin tasks of resolving the PLA integration issue and drafting the new Constitution. The political tussle over who should head this interim government has seen failed effort to elect a Prime Minister for the seventh time. The Maoist and the UML has reached an agreement and accordingly the former Prime Minister Prachanda has withdrawn from the fray. However the effort to have a consensus Prime Minister continues to elude. Though one is hopeful that the parties would resolve the differences and form a consensus government and write the constitution before the term of the CA expires. India needs to play a positive role and use its good office to see that a government is formed as this would be important for the long term stability of the Nepal. Once the Prime Minister is elected the ensuing period must be used by Delhi for a course correction for its Nepal policy in view of its very historic and special ties with Kathmandu.
Conclusion

The bold decision of the Maoist leadership to shun the decade-long armed insurrection and embrace electoral multi-party politics through participation in the first-ever elections to the Constituent Assembly was a welcome change that the people of Nepal together with the international community had desperately wanted. Pushpa Kamal Dahal ‘Prachanda’ the first elected prime minister under the republican order managed to instil a new spirit of confidence and optimism by announcing a series of populist programmes but his tenure of nine months was hardly enough to tackle the multiple challenges that the war-ravaged country faced. Certain powers were also anxious about the possibility of a prolonged dominance and a fear of a takeover by the extreme leftist outfit in Nepal. However, the government did nothing to allay these fears given the fact that peace was underwritten by several international actors. A few reckless decisions of an inexperienced leadership, zero sum game between the political parties, problems between the Army and the Maoist leadership over integration, controversy over the Youth Communist League and their activities added to the growing divergence of opinion between the stake holder. All these added to the problems of the new government and ultimately resulted in the resignation of the Prime Minister. This was a disastrous start for the new republic. The activities of extra-regional powers in Nepal in the backdrop of the Constituent Assembly’s inability to finalise the Constitution by May 2010 and the tendency to opt for majority governments rather than a national consensus government may lead to a further clash of interest between the major powers within Nepal. While India and China have consistently urged Nepali political parties to shun differences and build a broad consensus so as to draft the new Constitution within the stipulated deadline, others such as the United Nations Mission to Nepal (UNMIN) have been more assertive even suggesting a time frame for the integration of combatants into the national security services. Therefore, despite high hopes, Nepal is in the throes of a rough transition even as old issues remain unresolved and new fault-lines for potential conflict appear. The issues of federalism, integration of ex-Maoist combatants into the Nepal army, security sector reforms, crisis in the terai, rising religious intolerance and ethnic tension and writing of an inclusive and a democratic Constitution are key issues that demand cautious and adept handling by all political forces but these are exactly the issues where the interest of various powers clash with one another that increase ‘the possibility of the country turning into another Lebanon’.
South Asia: Envisioning a Regional Future

NOTES

1. Terai is the southern plain bordering Uttar Pradesh and Bihar. It is the main industrial and agricultural area and also the principal supply route to Kathmandu.
2. For more information on the UNMIN, see www.unmin.org.np.
5. The Nepal government at that time had requested its closest neighbour – India – to support its stand for not allowing this office to be opened in Kathmandu. Despite support from China, Indonesia, Russian Federation, Pakistan and other countries at the UN Human Rights Commission in Geneva, the UN went ahead and opened the office on April 10, 2005.
6. For details of the extension and mandate of the OHCHR, see http://nepal.ohchr.org/en/index.html
7. A government department that looks after allocating money to religious festivals, and renovation of temples.
8. For more on the incident see http://www.thaindian.com/newspaper/world-news/woman-arrested-for-nepal-church-blast_100199974.html
10. Nishchal N. Pandey, South Asia in 2008: A Review, Institute of South Asian Studies (Singapore) and Manohar Publishers, New Delhi, 2009, p. 68
16. Rajiv Sikri, Challenge and Strategy: Re-thinking India’s Foreign Policy, Sage, Delhi, 2009, p. 87.
17. A counter view is that by allowing the UNMIN to play a major role in Nepal which adjoins the Indian heartlands of U.P. and Bihar, India has shown that it is on threshold of becoming a mature power of the 21st century.
In the wake of the September 2001 attacks in the United States, Afghanistan was became the epicentre of an unprecedented level of international cooperation. The ‘war on terror’ galvanised support for international assistance towards the stabilisation and reconstruction of Afghanistan. Regional powers including India, Iran, Pakistan, Russia, Central Asia and China all took part in the stabilisation effort to varying degrees. For its part the Afghan government made regional cooperation the cornerstone of its development policy, hoping that increased inter-regional trade would ensure greater regional stake in the country’s stability. Afghanistan signed numerous agreements with its neighbouring countries and acquired membership of a number of regional organisations such as the South Asian Association for Regional Cooperation (SAARC) and the Central Asian Regional Economic Cooperation (CAREC). However these agreements and expressions of goodwill have neither bolstered Afghanistan’s stability nor are the regional countries relying on the prospects of Afghanistan realising its cherished goal of being a ‘land-bridge’ for inter-regional transit-trade. The country faces both endogenous and exogenous challenges in this regard. This chapter reviews Afghanistan’s potential as a hub of regional cooperation, the role of the regional countries in Afghanistan and the internal and external challenges impeding Afghanistan’s aspirations to realise such potential in the midst of the competing objectives of the regional countries.

**Afghanistan as a “Land-Bridge”**

Since 2002, the Afghan government has made efforts to project Afghanistan
as the hub of economic cooperation between Central Asia, South Asia, the
Middle East and the Far East (China). Afghan leadership is keen to portray
Afghanistan as a country uniquely positioned at the crossroad of these regions,
which would benefit not only Afghanistan but also all the neighbouring
countries.\(^3\) The vision of Afghanistan as an interregional transit junction seems
to have found acceptance among the international development community
as well.\(^3\) Accordingly, regional cooperation has been identified as one of the
main cross-cutting themes in the Afghanistan National Development Strategy
(ANDS) and Afghanistan's policy guidelines for the attainment of the country’s
millennium development goals by 2020.\(^4\)

To lay the groundwork for future cooperation and reassure the
neighbouring countries of its friendly intentions after decades of turmoil in
which the neighbouring countries played a part, Afghanistan took the initiative
to formulate the Kabul Declaration on Good Neighbourly Relations as early
as December 2002.\(^5\) Since then, the Afghan government has signed several
international agreements with neighbouring countries for regional cooperation
and transit trade across Afghanistan. The most recent development in this
regard was the renewal and upgrading of Afghanistan–Pakistan transit-trade
agreement originally signed in 1965. While the 1965 agreement did now allow
the Afghan and Pakistani truckers to drive beyond Peshawar, Chaman,
Jalalabad and Kandahar areas, the new agreement allows both sides to traverse
each others’ countries to their port destinations.\(^6\) It allows for the land transit
of Afghan goods to India but not the reverse of that route, owing to Pakistan’s
longstanding policy of keeping the Afghan market out of reach for India.\(^7\)

Similarly, the governments of Afghanistan and the United Kingdom co-hosted
a Regional Economic Cooperation Conference (RECC) on 4–5 December
2005 in Kabul. Afghan leaders hailed the RECC as a major achievement and
a sign of growing confidence in the future of Afghanistan. Conference
participants included the foreign ministers and senior officials of eleven
regional countries and representatives of the international development and
donor community and regional organisations including CAREC, Economic
Cooperation Organisation (ECO), Shanghai Cooperation Organisation
(SCO) and the SAARC.\(^8\) The RECC resulted in the Kabul Declaration on
Regional Economic Cooperation which focussed on interregional cooperation
in areas such as water sharing and energy trade, counter-narcotics, transport
and reform of trade regulations that would reinforce closer regional economic
ties.\(^9\)

As a landlocked country Afghanistan is heavily dependent on transit trade
through the bordering countries such as Pakistan, Iran and Central Asia. By
the same token Afghanistan has significant potential as a major transit corridor
between Central Asia, South Asia and the Middle East. According to an Asian Development Bank estimate, the transcontinental corridor through Afghanistan has the potential to transport 20 million – 30 million tons of cargo each year.\(^\text{10}\) The countrywide road network with a total length of 5910 km consists of the Ring Road, connections with the Neighbours, national highways and provincial roads. As of early 2009, more than 4093 km (69 per cent) of these roads had been rehabilitated with assistance from the international community.\(^\text{11}\) Similarly Afghanistan and its international partners plan to construct three major railroads across the country with a total length of about 2000 km, connecting both Pakistan and Iran with Uzbekistan and Tajikistan.\(^\text{12}\)

Transfer of surplus electricity from Central Asia to Afghanistan and Pakistan is another area where Afghanistan has made relatively good progress so far. Afghanistan has signed several power-purchase and transit agreements with Tajikistan, Uzbekistan, Turkmenistan and Kyrgyzstan. Afghan border provinces such as Qanduz, Balkh and Herat have imported electricity from Tajikistan, Uzbekistan and Turkmenistan respectively for many years.\(^\text{13}\) Since January 2009 Uzbekistan has provided uninterrupted electricity to Kabul city, and the volume of Uzbekistani power supply is set to increase substantially in 2010.\(^\text{14}\) The Asian Development Bank (ADB) is helping Afghanistan to establish the infrastructure for the import and transit of 1300MW electricity from Kyrgyzstan and Tajikistan, of which 300MW will be consumed by Afghanistan and 1000MW by Pakistan.\(^\text{15}\) Similarly, Afghanistan has long aspired to serve as a transit route for hydrocarbon resources from Central Asia to Pakistan and India. Plans for the Trans-Afghan Pipeline (TAP) project, which had remained on the drawing board for many years, have revived since 2008.\(^\text{16}\) In August 2010 the Afghan Minister of Mines signed an “Agreement of Support for the Implementation” of the project which is now referred to as Turkmenistan-Afghanistan-Pakistan-India (TAPI) with the Turkmen Minister of Oil and Gas in Kabul.\(^\text{17}\) In this author’s view, it is however unlikely that TAP would see meaningful progress in the near future, due to security challenges. If implemented, however, TAP would bring substantial transit revenues and other related benefits to Afghanistan.\(^\text{18}\)

Apart from the role of Central Asia and South Asia in the Afghan leadership’s vision of the country’s future development, two other regional countries i.e. Iran and China also have a significant role to play in the stabilisation effort. Since 2002 Iran has allocated over $350 million in reconstruction assistance to Afghanistan, with much of its projects concentrated in the western provinces close to the Iranian border. Iran is also Afghanistan’s second largest trade partner after Pakistan. Iran seems to be
following a two-pronged policy towards Afghanistan. On the one hand Iran seems interested in Afghan stability in so far as it would encourage the return of Afghan refugees and protect Iran from the flow of Afghan narcotics. At the same time Iran is against the presence of the NATO forces in Afghanistan, fearing that they would use the Afghan territory for subversive activities against it. The international media and various NATO officials have at times alleged Iranian support to the Taliban as part of the Iranian policy to ensure the failure of the NATO mission in Afghanistan. China has a stake in the Afghan stability for security as well as economic reasons. China has to deal with the Uighur militancy in its Xingjian province. Afghan stability would deny sanctuaries and training centres for Uighur militants in Afghanistan. While China's reconstruction assistance to Afghanistan is meagre compared to that of India and Iran, it is committed to making the largest single investment in the Afghan mining sector. In 2007 China won a mining contract worth over $4.5 billion in the A'inak copper mine in the Logar province. According to the contract, China has undertaken to develop energy infrastructure and railroads to transport copper from Logar province via Pakistan to China.

To further boost its claim of being an interregional land-bridge, Afghanistan has obtained the membership of CAREC, SAARC and the Economic Cooperation Organisation (ECO). Afghanistan is the only country with membership of all three organisations. Hence, there is both potential and willingness in Afghanistan to transform the country into an interregional trade and transit hub. Obviously there are many challenges that need to be overcome in order to realise the dream. In recent years the worsening security environment has been one of the main challenges facing the country, which is in turn rooted in a range of intertwined internal and external factors.

**Continued Tensions with Pakistan**

Afghanistan's stability is affected most profoundly by the nature of its relations with Pakistan. Ever since Pakistan's emergence in 1947, the acrimonious nature of Afghan-Pakistan relations has played a role in undermining political stability both in Afghanistan and Pakistan. In fact no sooner Pakistan was created than it had to grapple with Afghan irredentist claims which threatened Pakistan's integrity as a sovereign independent state. Kabul's territorial claims against Pakistan emanate from its refusal to recognise the status of the current Afghan-Pakistan border, known as the Durand Line in Afghan officialdom, as an international boundary. In broad terms, the Afghan position with respect to the status of its border with Pakistan has historically had four constituent elements:
A notion among the Afghan power elites and general public that the original border agreement signed between Britain and Afghanistan in 1893, which underpins the current Afghan-Pakistan border, was valid only for a hundred years. Fortunately, this concept is beginning to be questioned by the Afghan intelligentsia now that the country enjoys an unprecedented open media environment which enables relatively free debate on issues that were considered taboo in the past.

A perception on the part of the Afghans that the current Afghan-Pakistan border was forced on Afghanistan by colonial Britain. Hence the Afghans refuse to accept the legitimacy of the border that, in their view, came about through coercion.

Afghanistan's refusal to recognise Pakistan as a successor state to the erstwhile British-India with respect to the status of the agreements that determined the Afghan-British India border.

The Afghan traditional power elites' ethno-nationalism which maintains that the Pashtuns form a nation and their division between Afghanistan and Pakistan runs contrary to the values of self-determination envisaged in international law for all nations.

Recent research shows, however, that these claims are hard to prove on the basis of international law and the history of the region. Despite its shaky legal and historical pillars, however, the Afghan irredentist claims against Pakistan have persisted for over six decades with detrimental consequences for the stability of both countries, but more so for the stability of Afghanistan.¹⁹

During 1950s-1970s, Afghanistan supported subversive activities in Pakistan under the pretext of defending the right of self-determination for the Pashtuns in that country. Beginning in the 1970s, Pakistan responded in kind taking advantage of the opportunity presented by the emergence of anti-Communist Islamist discourse among sections of the intellectual elites in Afghanistan. The Afghan-Pakistan rivalry affected the Afghan economy severely, drove Afghanistan into the “deadly embrace” of the former Soviet Union with consequent regime changes, the Soviet invasion and the ensuing conflict which continues to haunt the country.

Nevertheless, despite this historical logjam in Afghan-Pakistan relations, the main obstacle to lasting Afghan stability, the international community's stabilisation programs have entirely avoided resolving the problem, fearing that any discussion on the issue might further inflame the existing tensions between the two countries. As late as December 2009 the US Special Envoy to Afghanistan and Pakistan, Richard C. Holbrooke, was asked whether the
United States had ‘any plan’ to help address the border dispute as part of its stabilisation policy in Afghanistan. Holbrooke replied: “it is a very, very serious issue, but it is not one I think we can fix in the middle of the war. … I understand the importance of it, but we’re not going to put that on the front burner right now”. Obviously it is neither easy nor is it the responsibility of the international community to address all the problems that Afghanistan may have, but it is hard to imagine a sustainable peace and reconstruction in Afghanistan without genuine cooperation from Pakistan, which is unlikely to come forth as long as the deeper sources of suspicion remain unresolved between the two countries.

Another major source of Afghan-Pakistan tension is the burgeoning Afghan-India ties since 2001. India has a relatively heavy diplomatic and consular presence in five major Afghan cities including Kabul, Herat, Mazar-e-Sharif, Qandahar and Jalalabad. India is the leading South Asian country in providing reconstruction assistance to Afghanistan. With $1.3 billion of pledged assistance since 2002, India is ranked among the top five countries of the world undertaking many visible reconstruction and development projects across Afghanistan. The Indian reconstruction projects focus on development of economic infrastructure such as hydroelectric power generation and transmission, road-building, construction of the Afghan parliament and capacity building through large-scale scholarship programmes to Afghan students.

The Indian government has stated that its assistance to Afghanistan is aimed at promoting democracy and development as “key instruments in ensuring that Afghanistan becomes a source of regional stability and does not slide back into extremism as happened earlier”. Afghanistan, on the other hand, clearly needs all the assistance that it can muster from the international community including important regional countries such as India. Pakistan, however, views the Indian assistance with suspicion, which in turn feeds into Afghan-Pakistan tensions at a time when the two countries need every possible means of cooperation to confront extremist forces in both countries. Pakistan has alleged that the Indian consulates in Jalalabad and Qandahar are involved in subversive activities against it. While the Indian assistance and its mode of delivery are very significant, Pakistan has enough leverage to outweigh the positive effects of the Indian assistance through subversive action in Afghanistan.

There are also certain internal factors apparently feeding into Afghan-Pakistan tensions. The Afghan government and the Afghan power elites of all stripes, irrespective of their varying attitudes towards Pakistan in the past, seem to appreciate the importance of friendly ties with Pakistan as a key factor
for stability in Afghanistan. Unfortunately, however, the Afghan leadership and their notion of political reconstruction have thus far served to undermine Pakistan's confidence in the future of Afghanistan as a friendly country. For many years since 2001, both the Afghan and Pakistan governments and their international partners misinterpreted terrorism as a symptom of “Pashtun alienation” against the alleged domination of the post-Taliban government by the non-Pashtuns. The remedial measures taken by the Afghan government and the international community to tackle this issue sought to inject ethno-nationalism into the Afghan political system, both in terms of leadership cultivation and the institutional rearrangement of the Afghan legal and political structures. An unfortunate consequence of this policy has been a growing degree of ethno-nationalistic posturing by the Afghan government which does not bode well for the future of Afghan-Pakistan relations and ultimately for Afghanistan's internal stability as a multiethnic country.\(^23\)

A brief background may shed some light on the matter. The Afghan conflict in the 1980s shifted the gravitational centre of Pashtun power patronage from Afghanistan to Pakistan. Whereas the Afghan regimes prior to the 1980s claimed to support the Pashtun right of self-determination in Pakistan, in the post-1980s Pakistan became a self-declared defender of Pashtun power in Kabul despite its uneasy relations with Pashtun nationalists historically. The religion-based parties in Pakistan, most notably the Jamaat-e-Islami Pakistan and the Jamiat Ulema-e-Islam (both Fazal-ul-Rahman and Sami-ul-Haq factions), both of which have long been dominated by Pashtuns in Pakistan, projected Pakistan's proxy power in Afghanistan in the 1980s-1990s through their patronage of the Hezb-e Islami of Gulbuddin Hekmatyar and subsequently the Taliban. Many militant derivatives of these two parties in Pakistan have taken active part in the Afghan conflict since 1980s.

For much of the past eight years since the overthrow of the Taliban regime, competing statements designed to appeal to the sense of suffering of the Pashtuns on both sides of the border have informed the rhetoric used by the leaderships of both countries to paint the other side as being inimical to the well-being of the Pashtuns, while at the same time both sides have often made extravagant assertions about their own relevance to the welfare of the Pashtuns in the other country. The reality, however, is that the Pashtun masses, as opposed to the power elites, have borne the brunt of terrorism which, to a considerable extent, is the outgrowth of interstate competition in the region. The pro-Pashtun posturing on the part of the Pakistani leadership and the ethno-nationalistic rhetoric on the part of the Afghan leadership, which are essentially aimed at maintaining or reasserting state authority over the Pashtuns after the historic dislocation of the gravitational centre of Pashtun power
patronage in the 1980s, can only prolong interstate rivalries and the sufferings of the common populace in both countries.

It hardly needs to be mentioned here that there is huge potential for cooperation between Afghanistan, Pakistan and India and is in the interest of all three countries and that of regional stability. Afghanistan has made it a cornerstone of its economic development policy to facilitate trade and transit routes between Central and South Asia; a policy whose benefits to Pakistan cannot be overstated. The Indian and Pakistani reconstruction assistance, meanwhile, can be utilised to help build technical infrastructure for the purpose. To realise their potential, however, the three countries may need to take realistic measures to overcome the ghosts of an acrimonious past. Afghanistan should not delude itself in the hope that it can manage to have relations with Pakistan’s current civilian government and its military-intelligence establishment separately. Instead it should act to confront concerns on the part of the Pakistani core power-structures in an honest way, with a view to resolving the longstanding sources of tension as a responsible state rather than as a political entity with untenable claims on parts of another country’s sovereign territory.

The Pakistani powerbrokers are yet to appreciate that in post-Taliban Afghanistan most Afghan political forces irrespective of their past acrimonious relations with Pakistan seek friendship with that country as an imperative for stability in Afghanistan. It is almost an open secret now that the Pakistani military and intelligence establishment have continued to support the Afghan Taliban – including Mullah Omar’s Quetta Shura and Jalaluddin Haqqani’s network in North Waziristan region – even as it has taken military action against Pakistani Taliban who dared challenge Pakistan’s security in the Swat Valley and South Waziristan. The Pakistani military has even admitted to having ‘contacts’ with the anti-Afghanistan Taliban, and offered to bring them to the negotiating table with the United States. According to an Al-Jazeera English report, Pakistan’s Army Chief, General Ashfaq Kayani, brought Serajuddin Haqqani with him to negotiate with President Karzai in Kabul – though both the Taliban and Karzai’s government strongly denied the report. Irrespective of whether or not the Al-Jazeera report is correct, there is a significant body of research and intelligence that shows that the Pakistan’s Inter-Services Intelligence (ISI) maintains strong ties with and, to a large extent, even exercises controlling powers over the Taliban leadership.

India and Afghanistan as two sovereign independent states have every right to decide for themselves as to how they conduct their bilateral relations in pursuit of their national interests and in accordance with the principles of international law. However, the assertion of abstract sovereign rights in the
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face of complex international phenomena with implications for peace in the region is hardly the duty that sovereign states owe to their citizens. India and Afghanistan may wish to make a genuine reassessment of aspects of their bilateral relations that Pakistan may find objectionable, even if such objections may be founded more on misperceptions than the reality. At the same time, Pakistan's objections against the presence of the Indian consulates in Qandahar and Jalalabad may well be posturing rather than an expression of genuine concern based on misperceptions about subversive activities from across the Afghan border. It is unlikely that Pakistan would abandon its support of the extremist forces in Afghanistan, even if India and Afghanistan agreed to close the Indian consulates in Qandahar and Jalalabad. Pakistan's ambition for 'strategic depth' and a 'friendly government' in Afghanistan have long preceeded – and far exceed – the presence of Indian consulates in the two cities. Meanwhile, it is not unlikely that the Afghan government will leverage the presence of the Indian consulates for pressuring Pakistan into abandoning its policy of using surrogate terrorists in Afghanistan.

Without addressing the fundamental causes of longstanding tensions between Afghanistan and Pakistan, it is unlikely that the Afghan conundrum would be resolved by mere window-dressing without tackling the symptoms which regenerate in various shapes and manifestations within the country at different times.

Need for Dynamism in Domestic Politics

International politics is only one dimension of the Afghan conundrum. Afghanistan's insecurity cannot be tackled without the Afghan government reassuring the public that the government is serving their interests rather than merely seeking its own survival at any cost. The growth and spread of insecurity in Afghanistan underlines the intractable situation that the Afghan government and the international community have found themselves in. Violent attacks against military and civilian targets have continued unabated, despite President Karzai's repeated offer of peace to “those Taliban who are not part of Al-Qaeda”. The Afghan government and its international partners are essentially faced with a moral and security dilemma in what is termed as 'national reconciliation' with the Taliban. Karzai created a 'National Reconciliation Commission' in early 2005 under the chairmanship of his former mentor and current senate leader Sebghatullah Mojaddadi. Since then he has held out a standing offer of peace to the militants, not excluding even their hard core leaders like Mullah Omar and Gulbuddin Hekmatyar. To evade questions about the possible moral and practical hazards of such a generous
reconciliation policy, the Afghan government and some of its international partners have let it be known that the policy is meant to weaken the Taliban by creating discord among them. Yet there is little evidence of the policy's success to that effect; if anything, it has actually emboldened the militants and boosted their legitimacy.

Recently the Afghan government convened the so-called Consultative Peace Jirga (CPJ) to get an endorsement for its reconciliation policy and establish a mechanism for negotiations with the militants. In several statements both prior and after the CPJ, both the Taliban leadership and the Hekmatyar faction of the Hezb-e Islami flatly denounced the peace initiative.

While doubts remain about the effectiveness of the reconciliation policy for furthering the cause of peace, the blowback effects of such a generous reconciliation policy on the Afghan government have been worse. It has created confusion, fear and a lack of commitment to the fight against the militants. Public officials, parliamentarians, political forces and the media that were once vocal against the Taliban are now increasingly resorting to appeasement tactics and statements to ward off possible retribution by the Taliban. In contrast, the Afghans are increasingly becoming cynical about the presence of Western forces for a variety of reasons, including the sensitive issue of civilian casualties, and the suspicion that the United States is using the threat of the Taliban as a pretext to gain a long-term foothold in the region, as well as a misguided belief that the presence of Western forces contributes to the growing insecurity because it motivates the militants and provokes regional powers. The greatest challenge to stability in Afghanistan does not come from resurgent militancy; it comes from the apathy and fatalism among the general public and the reluctance of the political class to stick their necks out for the government. Far from undermining the militants, the reconciliation policy has in fact contributed to discord within the government. The CPJ, for example, resulted in the resignation of the chief of the Afghan intelligence, Amrullah Saleh, and interior minister, Mohammad Hanif Atmar. Similarly, Karzai's non-Pashtun coalition partners including Abdul Rashid Dostum and Mohammad Mohaqeq not only did not participate in CPJ; they have been criticising the government ever since.

The militants are not strong enough to establish lasting control even in a single province, nor does their firepower in any way match that of the international coalition or even the Afghan National Army (ANA). But parallel to their intensified campaign against the Afghan and coalition forces in the south of the country, the militants appear to have also succeeded in creating an impression of omnipresence in parts of the country's northern and western provinces through a finely calibrated campaign of security sabotage and media
manipulation, and the lack of government will to protect the population against Taliban atrocities. It is clear that the Taliban have had the upper hand so far. The deployment of more international forces, as approved by the US President and the NATO, may go some way to blunt or even roll back the Taliban advances temporarily, but it is public support, or the lack thereof, that may determine the lasting result of the campaign against militancy in Afghanistan.

To garner public support against the militants, the Afghan government and the international community need to address the moral dilemma they have ignored so far by refining the hitherto toothless reconciliation policy and redefining the militants for what their actions – rather than their professed intentions – actually represent. There is hardly anything that the militants want that is not already available, at least officially, within the legitimate institutional arrangements currently in place in Afghanistan. The Afghan constitution is explicit about the absolute supremacy of Islam in Afghanistan, and Taliban atrocities can no longer be explained with reference to such misused notions as ‘Pashtun alienation’, ‘Islamic insurgency’ or lack of reconstruction assistance in the south. The bulk of the Afghan government leadership is no less Muslim or Pashtun than the militants, and the regions where the Taliban are most active have received the lion’s share of reconstruction assistance in the country. Furthermore, no one in Afghanistan is under the illusion that if foreign forces withdraw from the country, the Taliban and the Hezb-e Islami would stop their ‘jihad’ and resort to peaceful politics.

The phenomenal growth of independent Afghan media and the unprecedented atrocities committed by the militants in recent years have allowed Afghans to have a more informed view of the criminal nature of the militants, in terms of both the lethal effects of their actions against Afghans and the sources of their financial support which are mainly, narcotics and ransom money. There are instances where the public has taken on the Taliban. For example, in early February 2009 the Taliban assassinated the secretary of the Nangarhar Provincial Council, a politician held in high esteem by the local population. The locals chased the two assassins and dragged them out of their hideouts; but instead of turning them over to the authorities, the villagers reportedly “trussed the men to a tree and punched and kicked them to death”. The Taliban could do nothing to stop this. Although the incident poses questions of law and order, it nevertheless serves to show how important it is to have a motivated public and security personnel for taking on the militants. While the Afghan government may feel duty-bound to raise objections over the issue of civilian casualties in coalition strikes, it has done
little to capitalise on public alienation generated by far worse atrocities deliberately committed by the militants in the name of Islam. To do this the government needs to consider a number of measures.

First, they need to puncture the militant’s aura of sanctimony by changing the terminology used to describe them. Terms such as ‘terrorism’ and its derivatives have been so often misused historically and at the international level that they have unfortunately acquired an almost honorific connotation which criminals, masquerading as freedom fighters, happily adopt in order to boost their standing in the Muslim world. While every legitimate effort should be made to reintegrate the reconcilable militant elements into the country’s mainstream politics, the irreconcilable elements should be treated as agents of organised crime rather than terrorism with its overloaded political and ideological subtext. Additionally, and by the same token, individual militant members should no longer be afforded religious titles such as Taliban, Mullah, Maulavi, Mufti, Qari, Sheikh and so forth. It is very interesting that the militants have succeeded in prefacing the names of every member in their ranks with an undeserved religious title. With the Afghan constitution already recognising the supremacy of Islam in the country, the government is in perfect position to deploy Muslim terminology to pursue and bring the culprits to justice.

Moreover, the government should desist from essentially condoning serious criminal acts such as beheadings, murder and bombings by what has been a vague and open-ended reconciliation policy so far. Individual members of the militant groups who are involved in such atrocities should be prosecuted in the name of providing justice to their victims with the full force of the law so that the populace would feel that the government is standing up for them, rather than appeasing the militants through an ill-defined and lacklustre reconciliation policy. Furthermore, rather than providing meagre government assistance to the surviving victims and their relatives who have borne the brunt of violence by the militants, a preferential recruitment into the security forces should be offered to the relatives of the victims as an option. The militants will soon learn that the more atrocities they commit, the greater will be the ranks of motivated individuals in the security forces who will come back to punish them.

Coupled with other programmes for good governance and a serious anti-corruption drive, these measures will put the government on the offensive and help it regain both the initiative and the moral high ground against the militants. The current political system in Afghanistan may well find itself supported by public commitment and sacrifice against the daily harassments currently wrought upon it by organised criminals and anti-social elements
generically and misleadingly known as the ‘Taliban’ and Hezb-e Islami. However, the current reconciliation policy can hardly endear the government to the relatives of the little school girl whose face was sprayed with acid, or to the family of the journalist whose head was severed, or even those human souls categorised as military personnel whose lives should be considered as valuable as that of any civilian.

While there is no doubt that the regional countries can play a very important role in helping Afghanistan attain stability, the onus is on the Afghan government to take such initiatives as to gain cooperation not only from the regional governments but also from its own population. Without serious attempts by the Afghan government to pull its own weight, no amount of international assistance would be sufficient to tackle the daunting challenges which the country has been facing for so many years.

Conclusion

Afghanistan’s potential to act as a land-bridge between Central Asia, South Asia, the Middle East is huge and the Afghan government and its international partners have made it part of their policy to steer the country’s reconstruction in a way that would enable it to realise this potential. They even seem to view the transformation of Afghanistan into a crossroad of trade and transit as essential for the long-term stability of the country on the premise that the regional countries would have greater stake in such an Afghanistan. Nevertheless, the growing insecurity in the country poses a serious challenge to the fulfilment of this ambition. The current militancy in Afghanistan is the result of longstanding disputes between Afghanistan and Pakistan, and Pakistan’s suspicions about India-Afghanistan ties. Adjustments and compromises need to be made by the three countries in the interest of stability in Afghanistan. A combination of international assistance, regional diplomacy and domestic political dynamism is needed to tackle the current challenges in Afghanistan, but none of these elements can alone address the long standing conundrum of that country.

Notes

7. Interviews by the Afghan Finance Minister and the Deputy Minister of Commerce and Industries, state-run Afghan National TV, Kabul, September 6, 2010.
8. This author was involved in the works of the Afghan Ministry of Foreign Affairs’ team tasked with organising the Regional Economic Cooperation Conference in Kabul.
22. “India’s Assistance Programme for Afghanistan’s Reconstruction” at http://meakabul.nic.in/
24. For more, see A.S. Qassem, Afghanistan’s Political Stability: A Dream Unrealized, Ashgate, Surrey, VT, 2009, pp.149-151.
30. For more on Afghan Reconciliation Policy see Fotini Christia and Michael Semple, “Flipping the Taliban”, Foreign Affairs, 88(4) July/August 2009.
The general assumption in much of the literature that deals with regional security and the role of extra-regional powers is to assume that great powers have great impact and influence on regional security matters. In fact the general assumption is that many of the security problems and the conflicts in various parts of the developing world are an outcome of great power conflict – a conviction that was particularly strong during the Cold War period. At first sight, this appears obvious: the Cold War straddled the world, and the two superpowers competed for influence in every region. Moreover, the enormous disparity of power between the two superpowers and the much smaller and weaker regional states suggested that the balance of influence was tilted in favour of the superpowers.

Definitely, this has been true in some parts of the world. The bipolar cold war competition had a huge impact on certain regions and on some regional conflicts. Europe immediately springs to mind: the two superpowers were directly involved in the region with their respective military alliances, and their smaller allies were essentially hostages to the larger global contest. Similarly, in East and Southeast Asia, the superpowers had fairly tight alliances and their impact on these regions and on the conflicts therein was quite severe. But this was not necessarily true for all regions. For example, one can suggest that South Asia is not one of the regions where the two superpowers had a lot of influence. South Asia has had long-running inter-state conflicts, and the two superpowers were also actively involved with India and Pakistan during much of this period, it is not clear whether they exercised any significant influence within the region. In fact it can be argued that far from
Extra-Regional Powers and the Emerging Security Scenario in South Asia

extra-regional powers influencing and exacerbating conflicts in South Asia, India and Pakistan used these extra regional powers for advancing their national strategic objectives. In essence, therefore, if there has to be any resolution of the major conflicts in South Asia or even amelioration of these conflicts, one needs to look within South Asia. India and Pakistan will have to do much of the heavy lifting for any progress in resolving these conflicts. In short, the regional security problems in South Asia are neither caused by nor even exacerbated by extra-regional intervention. Therefore, the resolution of these conflicts cannot be sought outside of the region; external powers can do very little to help. At best, extra-regional powers can play a tertiary role in conflict resolution in the region, at worst, involving them can cause inadvertent damage to any effort to make peace between the two South Asian powers.

It is important to briefly examine the South Asian scenario as it was during the Cold War and then look at some of the options in the current international situation. The argument that is made below, would illustrate that the superpowers in the Cold War period did not have much influence in the pace or direction of the India-Pakistan conflict but there is also a logical theoretical explanation as to why this was so. However, there are two exceptions to what has been suggested earlier in this paper. One is Afghanistan because as other papers in this volume have made it clear, the direct external intervention in Afghanistan by the polar powers at different points in time makes Afghanistan a slightly different case. Even here, however, the argument that is made is that the regional powers and their mutual strategic politics have a lot to do with the current conflict there and therefore, also with the eventual solution. So even though there is direct intervention in Afghanistan, India and Pakistan still play a major role in the conflict between them and in the potential for its eventual resolution.

The other exception is China. It is not possible to characterise China entirely as an external power. This illustrates one of the problems with the current trend of the regional security literature because it is not clear how regional boundaries are drawn in this literature. As far as South Asia is concerned, it is not clear whether China is part of the region or outside the region. China shares its border with several countries in South Asia and obviously India and China have direct border-related and other bilateral problems. Therefore China is a direct participant in South Asian conflicts, which makes its role slightly different from that of an ‘external’ power. Thus this chapter primarily focuses on the role of the United States and Soviet Union during the Cold War period and in the post Cold War world,
obviously, the role of United States which emerged as a sole superpower becomes important.

**External Powers and South Asia under Bipolarity**

The superpowers and their interaction with India and Pakistan provide a useful illustration of the direction and flow of influence in relations between regional powers and external great powers. One of the fascinating aspects about US and Soviet policies in South Asia is how closely they matched each other. In this, of course, South Asia was not peculiar. The U.S. and Soviet foreign policies especially towards third world regions were in lock-step throughout the Cold War. The two superpowers followed more or less similar strategies, had similar concerns and had similar successes and failures. This suggests that the structural conditions of the two superpowers had great influence, despite the major differences in history, culture and ideology on the policies followed by the two powers. And South Asia, specifically U.S. and Soviet policies towards India and Pakistan, illustrate this similarity well.

For example, both the United States and the Soviet Union had the same objectives vis-à-vis South Asia and the objective was essentially to bring the Indians and Pakistanis together to unite the region as an ally against the opposing superpower. This was not always possible: both the U.S. and the Soviet Union started out in the region by looking for an ally, then attempted to bring both sides together before finally settling down with one partner. Thus, throughout the 1950s, Washington and Moscow sought Pakistan and India as their respective allies: both sides made clear choices between the two regional powers. As other scholars have pointed out, Washington was influenced by British attitudes about India and Pakistan, especially on Kashmir, and saw Pakistan as a better prospect for the requirements of the Western Cold War alliance. Thus, though Washington had greater affinity with India’s democratic political experiment, it allied with Islamabad, even after the military took over the reins of power in Pakistan in 1958.

The Soviets similarly saw India as a better bet, though this was at least partly the consequence of the fact that the Americans had already chosen Pakistan as their partner in the region. The Soviet move was also helped by a number of other factors: Stalin’s death in 1953 (which allowed Moscow to reframe its third world policy in less ideological terms), Nehru’s anti-Westernism which made for common ground on some international issues, and the emergence of a post-colonial block which looked to Moscow for inspiration were all additional factors that helped cement the New Delhi-Moscow linkage.
But as the Cold War ripened, both Moscow and Washington realised that it would be more useful if both the regional powers could be brought together against the other superpower. Neither the Soviets nor the U.S. had any colonial or other types of baggage (border disputes, for example) that would prevent them from aligning with either side. The only major obstacle that stood in their way was the regional conflict that pitted the local states against each other. Thus, from Washington's perspective, the primary obstacle preventing it from bringing India and Pakistan together in a joint regional anti-communist alliance was the India-Pakistan competition and conflict; for the Soviets, similarly, the main obstacle to bringing the two together in an anti-imperialist coalition was that India and Pakistan had their own local agendas. Typically, neither Washington nor Moscow took these regional conflicts or the depths of these local insecurities and antagonisms seriously. Both superpowers assumed that they could find a way to settle what they felt were minor and unimportant local feuds.

Thus, in the 1960s, U.S. and Soviet policies (as well as the success of these policies) once again mirrored each other's as they had done the previous decade. Both superpowers tried hard to find ways to resolve the conflict between India and Pakistan by acting as mediators between the two sides, which involved, as a prelude, weakening their existing local alliance. Thus, both the superpowers tried to move to a more neutral position between India and Pakistan (at different times, of course) to burnish their credentials as mediators. Ultimately, neither of the superpowers was able to resolve the local conflict, and were forced to abandon the project.

The U.S. made the first move. Washington saw an opening in the aftermath of the Sino-Indian war, at a point in time when India was particularly vulnerable after the shock of the Chinese attack and India's defeat. In addition, Prime Minister Jawaharlal Nehru was forced to abandon the key tenet of non-alignment as he desperately appealed for American assistance when Indian forces crumbled in the face of the Chinese onslaught. Therefore, immediately after the 1962 war, the U.S. sponsored talks between India and Pakistan over the Kashmir dispute.4 Though several rounds of talks were held, no breakthrough was possible because neither India nor Pakistan were willing to budge from their stated position despite the fact that both were recipients of American military and economic assistance. Indeed, for both India and Pakistan, it may have been even more important to show that they will not budge precisely because they had received U.S. assistance. In any case, whatever their motivation, the fact remains that neither India nor Pakistan would bend to suit the needs of their common superpower patron. With little
to show for their efforts, the U.S. gave up the effort to nudge the two sides
towards a settlement. When a new war broke out between India and Pakistan
over Kashmir in the summer of 1965, a frustrated Washington withdrew from
the region for all practical purposes for the next several years.

The U.S. withdrawal seemed to leave the region open for Moscow to try
its hand. Not surprisingly, Moscow did more or less what Washington had
attempted and with exactly the same results. Though the Soviets had
laboriously built up an arms supply relationship with India by the early 1960s,
they nevertheless tried to find a middle ground between the two feuding South
Asian powers. If the U.S. needed to move away from Pakistan and towards
India to find that middle ground, the Soviets needed to move in the reverse
direction, away from India and towards Pakistan. The first step in that process
was bringing the two sides together to settle the recently concluded war. The
Tashkent agreement, in which Moscow played a major mediating role, helped
to establish Moscow's credentials as a neutral power in the region. Soon, the
Soviets started to cultivate Pakistan, even discussing arms sales with it. This
was despite Pakistan's military alliance with the U.S. and increasing closeness
to China. As the Americans had before them, the Soviets hoped that resolving
the India-Pakistan conflict could bring the two South Asian powers together
under Soviet tutelage against both the U.S. and China. They failed because
India and Pakistan (at least from their local perspective) had larger game plan
in mind than the global bilateral competition between the U.S. and the Soviet
Union or intra-communist rivalry between Moscow and Beijing. The primary
concern that New Delhi and Islamabad had was with each other, not with
superpower global agendas, thus scuttling both American and Soviet
peacemaking efforts in the region. Chastened by their failure, both
superpowers retired to their own corners: the Americans re-established their
relations with Pakistan while the Soviets decided to settle with India.

The only 'external' power that had any success in the region was, of course,
China. China's so-called 'all-weather' ties with Islamabad have been one of
the most enduring bilateral alliances since the end of the Second World War.
The reasons are not far to seek, because the foundations of the China-Pakistan
alliance lie not in ideology, culture, trade or history but in strategic self-interest.
This is also the consequence of geography: part of the reason for China's
enduring interest in Pakistan is because of China's shared unsettled border
with India. Thus, China has stayed with the same ally since the early 1960s
because they shared a common regional agenda with Pakistan: balancing India.
What this meant was different for China and Pakistan but not in any
significant way. Pakistan wants parity with India; China wants India confined
to the region so that there is no competition for leadership of Asia, an objective that could be achieved by helping Pakistan attain its objective of reaching parity with India.

The difference between the Chinese objectives in South Asia and that of the two superpowers during the Cold War period should be clear. For the U.S. and the Soviet Union, their regional agenda was simply a subset of their global agenda. They needed their local allies to help in the global balance of power game. To the limited extent that they were concerned about the local agenda of the regional players, was simply to demonstrate their fidelity to their ally. This rather cut and dried approach of seeing the region as just another arena for the global fight was bound to be unsuccessful despite the enormous disparity in power between the smaller and weaker regional players and the two superpowers. China was more successful in pursuing its strategy because its objectives were in consonance with that of its local ally. In essence both Pakistan and China had and have the same strategic objective.

In essence then, what we find is that throughout the Cold War it was the regional powers, India and Pakistan (and Bangladesh too) to some extent are fairly capable states in the international system. Though there is a significant disparity in power between these states and the two superpowers, these are not exactly weak states. By most measures of power – size, wealth and military muscle – these are middle powers that need to be treated with respect. Their voice and influence may not carry much beyond their borders and definitely not beyond the regional border but within the region they wield significant influence. They are not small states and manipulating them is somewhat more difficult than manipulating some of the other much weaker third world, post-colonial states. That is one material reason why this region has had greater autonomy.

The second reason specific to the South Asian region is that the interest of external powers in South Asia has been sporadic (China, of course, was the exception). There have been periods when external powers were intensely involved in the region but there have also been long periods when they have
not shown great interest in the region or had withdrawn from the region. For example, the Soviet Union took a considerable amount of time to adopt a less rigid ideological line on South Asian states: they had to wait until Stalin died before Moscow could consider having relations with these less-than-socialist states. Similarly, the U.S. withdrew from active engagement in the region for several years in the mid-1960s, the mid-1970s and the mid-1990s. This sporadic involvement led to distrust between the regional players and the superpowers. This is most clearly visible in the US-Pakistan relations, where the Pakistanis constantly complain of American ‘fickleness’. Though less visible, there were continuing and serious tensions in India’s relations with Moscow too. Thus the South Asian states have had a somewhat greater leeway in manipulating external powers.

The third reason is a more general one: the structure of the bipolar competition allowed the regional players to play the superpowers off against each other. Bipolarity was uniquely useful to regional players because both superpowers sought the support of regional players, thus giving these players and their interests and objectives greater heft than what would otherwise have been the case. Regional players were able to use the implicit threat of defection to the other party as a way of ensuring greater support from their superpower patron. In addition, the superpowers worried about the demonstrative effect of their reputation as an ally if they did not fully support their regional allies. This again compelled the two superpowers to support their local allies, even if reluctantly. And this happened not just in South Asia, but also in other parts of the world. For example, neither the U.S. nor the Soviets were able to control their respective allies from going to war in the Middle East in 1973, though neither superpower saw any advantages of that war and tried hard to control it. In 1971, similarly, the Soviet Union found itself forced to repeatedly wield a veto in the UN Security Council in support of India despite the fact that much of the global opinion was against India (if the UN General Assembly voting was any guide).

Thus, the politics of the bipolar structure was usefully employed by regional powers to ensure that they had greater influence in their relations with the superpowers on many critical issues. This goes contrary to much of the conventional wisdom and even intuition of how the Cold War was fought, which generally attributed the severity of regional conflicts, if not the conflicts themselves, to the machinations of the superpowers and the weakness of their regional allies. But this story of the innocent victimhood of regional states is belied by much of the history of the politics and diplomacy within these relationships, which clearly suggest that the regional powers had much more
control and manipulated the external powers much more, than the other way round.

**External Powers and South Asia under Unipolarity**

If bipolarity permitted greater leeway for regional players, has the situation changed with the shift in the global structure towards unipolarity? What role do external powers play in regional politics under unipolarity? At one level obviously since we do not have two powers to play off against each other, it does limit regional powers and their capacity. This shift in the global structure was instinctively recognized by most of the major regional players, who almost automatically shifted gears to play the new game. The shift towards unipolarity meant that all players now had to find a *modus vivendi* with the unipolar power, irrespective of what the state of their relations was under the erstwhile bipolar order. All states were forced to seek a place on the U.S. bandwagon or face isolation. The new imperative was most clearly visible in the improvement in U.S.-India relations after the end of the Cold War. That Pakistan would seek continued association with the U.S. was perhaps understandable, given their historical ties. What was more surprising was that India – which Jeanne Kirkpatrick, U.S. Ambassador to the U.N. under President Ronald Reagan, once reportedly complained had voted against the U.S. more often than the Soviet Union did – would also seek closer ties with Washington. The collapse of the Soviet Union brought home to India the need to seek a new relationship with Washington. This India did reasonably successfully, much to the chagrin of Pakistan where opinion leaders and decision-makers complained that the U.S. had forgotten its old friend in the region – and to the surprise of some analysts. But India’s quest for a better relationship with the U.S. was not peculiar or even unusual. All major powers, including Russia and China, sought better ties with the sole surviving superpower.

But if both India and Pakistan were trying to create a new partnership with the United States, they also found out that their capacity to manipulate the U.S. had somewhat diminished since the Cold War period. In unipolarity, the polar power had a surfeit of alliance choices: it could pick and choose. So, post-9/11 the Pakistanis had no choice but to essentially give in to American demands that Islamabad abandon its Taliban friends and facilitate the U.S. war on Afghanistan. President Musharraf justified it as a decision in which Pakistan had not much choice: the U.S. could have made life very difficult for Pakistan if it had not cooperated, and no one including China would have lifted a finger to help Pakistan. Similarly, India could not do much
about the fact that the Americans seem to be much more supportive of Pakistan in the post-9/11 period. Islamabad's cooperation with the U.S. has allowed Pakistan to cleverly divert the American war on terror in ways that helped Pakistan, if only by preventing India from taking any direct military action against terror attacks on India by Pakistan-based terror groups.

So unipolarity has significantly reduced the manoeuvring room of regional powers. Nevertheless, in both of these cases we also find that the India and Pakistan were able to join the U.S. bandwagon and attempt to subvert the U.S. agenda from within, even though they could not manipulate the external power to the same degree as in the Cold War period. So, Pakistan joined the coalition against terror and essentially subverted the whole war against terror from within and the United States is finding itself completely helpless in managing Pakistan's twin track policy of both supporting terrorism on the one hand and aiding the war on terrorism on the other. Similarly with India, the nuclear deal is a good example, where New Delhi used the U.S. to get the deal passed through the Nuclear Suppliers Group (NSG). The deal subverted all current American non-proliferation goals and the U.S. got very little out of the deal, which is one of the things that some state department officials have constantly asked: what is the U.S. getting out of the deal? The answer, of course, is: not very much. India got a great deal because the nuclear deal opened up international nuclear commerce for India without India signing on for full-scale safeguards and that indicates another manner in which we have managed to use the great power for our own ends. The point is that though the structural shift from bipolarity to unipolarity has reduced some of the options that regional powers have had, they are nevertheless not as helpless as a crude reading of the material balance of power between the superpower and the regional states may suggest. Despite being much weaker, regional powers have managed to hold their own, and have managed to gain some influence over the behaviour of the key external power.

Conclusion
The general assumption that regional conflicts are either caused by or exacerbated by external power intervention is not necessarily always valid. But it has its uses: the wickedness of great power agendas becomes a useful ploy for regional elites unwilling to shoulder the burden of resolving local conflicts on their own. But even for those serious about addressing regional conflicts, the inordinate focus on external powers and their interests becomes a diversion.

This is not to suggest that external powers are not involved or do not have
any influence on the shape of regional conflicts or their resolution. Definitely, global powers and their global agenda do have some influence on regional politics. The disparity of power between the global powers and various much weaker regional powers also implies that the weaker regional players would somehow be victimised by the external powers. However, this is not necessarily completely true. Despite their weakness, regional powers have shown themselves to be adept at managing their relationships with major external powers with greater aplomb than the smaller powers are given credit for. South Asia is a good example. Despite their relative weakness, neither India nor the even weaker Pakistan allowed the global objectives of external powers to divert them from their local objectives. Both India and Pakistan cooperated and even aligned with the external powers, but only to the extent that such relationships helped them advance their objectives. They were willing to change partners if they felt that the external powers were not fully supporting their local agenda. Of course, this was truer of Pakistan than of India, partly because Pakistan as the weaker power was more active and adept at playing the balancing game than India was. But India was equally adroit when the situation demanded, as was shown when its superpower ally collapsed.

This also has implications for the resolution of regional conflicts. Just as the great powers had only limited influence on the direction and pace of the conflict, they are likely to have limited influence in getting India and Pakistan to settle their conflicts. Though the external power, especially, the U.S. might have some interest in helping India and Pakistan find a resolution, Washington's capacity to do anything about it is likely to be limited precisely because the regional powers are unlikely to cooperate. Thus, the capacity of regional powers to resist external great powers can both prevent them from being dominated, but equally might lead to negative consequences.

**Notes**


South Asia: Envisioning a Regional Future


South Asia presents the only exception where historical Chinese writings do not describe people inhabiting the periphery of Chinese nation (zhong guo) as barbarian marauders; yet to be subdued and civilised by the Son of the Heavens i.e. the Chinese emperor. Instead ancient Chinese epics termed the region Tian Zhu (the Western heaven) and this land south of the Himalayas was treated with reverence unlike the other neighbouring regions of China. That this positive perception, of what was later to become ‘South Asia,’ persisted for over 2000 years, has since been affirmed by archaeological discoveries and historical writings which describe China’s positive links with South Asia, especially through trade via the Silk Route network that preceded the first recorded unification of China in 221 BC. By 67 AD Buddhism was officially patronised by Emperor Ming Ti from where it travelled to Korea, Japan and even to the Tibetan region. Beginning with Xuan Zhang’s famous Journeys to the West, formal and official embassies were exchanged between Chinese and South Asian kingdoms right from the reign of King Harshvardhana (607-648 AD).

Though all these positive interactions were extremely sporadic and confined largely to cultural and commercial exchanges yet, they constituted the backdrop of anti-colonial liberation movements in both China and South Asia with Buddhism as the strongest link between their peoples. But the fact that religion had no place in communist China’s narratives and that its experience with British empire in South Asia had been one of a clash of civilisations, the venerated view of South Asian people could not last. The collision with the expansionist policies of the British empire and events like
the Opium Wars of the 1840s and the Younghusband expedition to Tibet in 1905 had left deep scars. Especially, the contrast between the nature of their national liberation movement – violent revolution in case of China that sought to destroy old imperial traditions and the peaceful transfers of power in South Asia – was to make Beijing perceive South Asian post-Colonial regimes as nothing but continuation of British institutions and policies in the region. This was to exert a negative influence on the post-liberation interactions between China and South Asian nations. This was also to see the brief China-India bonhomie of the 1950s being shattered by their border skirmishes of early 1960s. And this was to become the defining event for China’s South Asian vision.

Besides, during the post-liberation period of nation-building and self-discovery, these colonial legacies were further complicated by the new Cold War dynamics as also by South Asia’s practical difficulties of disputed borders, overlapping communities, insurgencies and so on. Consequent mutual suspicions, therefore, were to become a major influence in determining Beijing’s perceptions and initiatives regarding South Asia and vice-versa. Thanks partly to the indulgence of some of the South Asian states, who often leveraged their China-connection to overcome their small-state syndrome vis-à-vis the large-sized India, China came to be the most decisive determinant of even the intra-South Asian relations. And more recently, China’s rise as a major player in Asian affairs has only further enlarged the ramifications of the China factor in the foreign relations of South Asian countries.

It is in the context of a rising China and an increasingly economically vibrant South Asia that this chapter tries to examine the security-centric nature of China’s post-liberation vision and its interactions with the South Asian states. It is from this position that it seeks to highlight China’s contribution to determine the nature of intra-South Asian relations and to crystal gaze the possible trends for the next ten year period when China’s increasingly balanced approach in its bilateral relations is expected to make it one of the most effective players in South Asian multilateralism in the form of SAARC.

The China Factor in South Asian Security

China’s vision of South Asia has been generally described as both security- and India-centric though there are several other critical components of this relationship that need to be taken into account. This chapter intends to make these analyses by first identifying the six major components of what is described as the China-connection in South Asia’s security environment. These also represent some of the most fundamental themes that will continue to
offer both challenges, as well as opportunities for India’s foreign and security policies over the next decade and will have the most direct impact on the nature and dynamics of the South Asian security environment:

Firstly, conventional wisdom tells us that, boundary issues have been the root cause of all inter-state disputes and threat perceptions. Of the eight South Asian states, China shares common borders with five countries, namely, Afghanistan, Bhutan, India, Nepal and Pakistan. This makes China very integral to South Asian security environment. What makes these boundaries so critical to South Asian security is that all of these countries inherited disputed borders which were often inhabited by restive and overlapping populations. Though China has resolved most of its boundary issues with its smaller South Asian neighbours, its unresolved boundary dispute with India have made these smaller states the critical buffers between China and India thus increasing their significance both for boundary negotiations as also for the larger equation between New Delhi and Beijing. Even a country like Bangladesh, that did not exist until 1971, and does not directly share a border has become important for China. Beijing has repeatedly toyed with the idea of using this state for finding an outlet into the Indian Ocean. Amongst their recent initiatives, Beijing has finally agreed to partner Bangladesh in its $8.7 billion Chittagong port development project which falls in line with popular ‘string of pearl’ thesis of China’s naval expansion. The same is also true of Myanmar which, despite not being part of the conventional British definition of South Asia, provides Beijing with tremendous leverage in determining the tenor of South Asian equations. Here again, in November 2009 China began constructing a 771-km long pipeline that will connect Ruli in Yunnan to Maday island in Myanmar. These disputed inter-State boundaries will, therefore, continue to pose the most fundamental challenge for Sino-South Asian interactions over the next ten years.

Secondly, the ethnic Chinese community has been another major concern, as also a very potent instrument of China’s policies in various other parts of the world. Ethnic Chinese, however, have been virtually non-existent and ineffective in China’s dealings with South Asian states. Except for the Indian metropolis of Kolkata and India’s Northeastern region where they suffered during Sino-India war of 1962, South Asia has no concentration of the Chinese ethnic community to enhance China’s leverage in determining the South Asian security environment. If anything, restive Tibetans refugees that are spread over various parts of this subcontinent, have not only been a major irritant in Sino-Indian ties but have greatly influenced China’s dealings with other South Asian countries as well. Similarly, some ethnic communities in
Bhutan, Nepal and India’s Northeastern region occasionally evoke their racial affinity with the Chinese minorities. But, these have also not played any role in furthering China’s South Asia policy objectives. Whether these overlapping ethnic communities continue to be a problem or evolve into a positive influence for these countries will be another major challenge for foreign and security policies of these nations.

Thirdly, ideologies have also exercised a major influence in determining the nature of this China-connection to the South Asian security environment. However, it needs to be clearly emphasised that despite Mao’s condemning of post-colonial South Asian political regimes as being reactionary, bourgeois and lackeys of United States and wanting them to be overthrown by communist revolutions, ideology had nothing whatsoever to do with China’s policies towards these states. Given China’s sensitivities about Tibet which is perceived by them as their ‘soft strategic underbelly’, its South Asia policy has always been guided purely by security considerations. It feared interference by some external powers because this was seen by Beijing as an attempt to undo China’s communist revolution. These trends were especially visible in China’s military invasion and fortification of Tibet and later in its tilt towards the military regimes of Pakistan, Bangladesh and Myanmar. These considerations became part of China’s indirect approach in dealing with India. Accordingly, appreciating China’s sensitivities and generating mutual trust will remain another important challenge in this decade and will determine possibilities for their cooperation in the future.

Fourthly, even among China’s several ‘special relationships’ with South Asian military regimes, the Sino-Pak nexus represents perhaps the most critical component of China’s connection with the South Asian security environment. This also presents an example of an inter-state relation which has no comparison with any other anywhere in the world. This is a unique case where one nuclear weapon state has been almost singularly responsible for propping up another nuclear weapon state by providing all assistance for the latter’s nuclear and missile programmes. Beijing made similar efforts with regimes in North Korea and Myanmar yet these relationships were unable to expand China’s influence beyond a limit and China has had but only limited success in influencing South Asia’s inter-state perceptions and policies. Indeed, given the proximity and historical interdependence of these smaller South Asian countries with India, Chinese indulgence has not resulted in any formal military alliance with any of India’s neighbours which continue to be confined merely to defence cooperation and friendship treaties. But these have succeeded in impacting India’s threat perceptions and have also vitiated the
South Asian security environment. It has also provided an opportunity for outside powers to seek influence in the South Asian subcontinent which is another major challenge for India's foreign and security policies.

Fifthly, despite absence of ideological linkage or formal military alliances, China has tried to tie down India to South Asia by enhancing its influence through befriending all its neighbours. Scholars have described this South Asian policy of China as either India-centric or one aimed at the encirclement of India depending on their analytical framework and bias. In more empirical terms, however, between 1956-1973 when Sino-India ties were at their lowest ebb, nearly 20 per cent of China's total world aid was targeted to these South Asian countries, with Pakistan receiving 13.1 per cent, Sri Lanka 3.5 per cent and Nepal 2.9 per cent\(^{10}\). The main focus was generally on supplying these countries with military equipment resulting in China emerging as the single largest supplier of military equipment to Pakistan, Sri Lanka, Bangladesh and Myanmar. This extreme indulgence has to be understood in terms of Beijing's strategic vision of emerging as the Asian leader who will determine the South Asian security environment. For example, during November 1985, China's 3,000-ton guided missile destroyer paid a 'friendly visit' to Islamabad and Colombo but it completely omitted the ports of the largest littoral state India.\(^{11}\) This, despite the fact that by this time the Sino-Indian ties had overcome their post-1962 problems and full diplomatic relations had been restored after 1976. Sino-India ties were to witness a significant improvement after Prime Minister Rajiv Gandhi's visit in December 1988.

Finally, given China's limited leverage amongst South Asian countries, Beijing has continued to modulate its South Asian policy objectives to suit its core security interests. For example, failing to force these smaller neighbours to act as China's pawns, Beijing has repeatedly emphasised that these smaller states must follow an 'independent' policy on their own, meaning thereby that they should not allow New Delhi to influence them more than what is absolutely inevitable. Occasionally, of course, China has also tried to offer itself as a moral and political counterweight to what it perceives as India's attempts at bullying or wooing these South Asian regimes in order to keep them subservient to its own policy objectives. But following improvement in Sino-Indian ties since early 1980s, Beijing has gradually lost its motivation to prop these smaller states against India instead encouraged these states to improve their ties with New Delhi on their own.\(^{12}\) This attitude marked a fundamental shift in China's policy in South Asia though this is witnessing a subtle shift in recent years. Given its rise as the next global power in-the-making, the China connection still continues to be a major influence in South Asian security environment.
China's Bilateral Equations

In addition to the aforesaid, an increasing number of new factors have also begun to impinge on the China-South Asia equation. Chinese experts, for example, themselves agree that given the fast changing nature of geo-strategic and geo-economic realities that guide China's national security thinking, these conventional elements of the China connection with the South Asian security environment have been further strengthened making China integral to peace and security among South Asian countries. But, at the same time, given the growing diversity of political and strategic culture as also the diversity of their national strengths and potential, size and stature, most of these linkages have added to the countries' individual profiles. These countries have also equally influenced the nature of this China-connection. To understand those critical nuances, therefore, it perhaps becomes imperative to very briefly survey China's security ties with each of these South Asian states in order to analyse China's overall influence in the security profile of South Asia.

Without doubt, China-India ties have been the single most decisive factor in determining China's policy initiatives and objectives vis-à-vis South Asia. The post-independence history of the China-India equation, shows that these have been deeply influenced by the (a) size, nature and age of these two ancient civilizations, (b) British India's imperial policies towards China and (c) the nature of interaction between their national liberation movements that evolved into a common anti-colonial sentiment. This was the backdrop for the Hindi Chini Bhai Bhai euphoria that was dampened by the China-India border skirmishes of October-November 1962. After long silence, the earliest efforts for rapprochement can be traced to the Beijing Asian Games of 1967, when China formally wrote to the Indian government inviting an Indian contingent to participate in Asian Games. Later, in May 1981, Deng Xiaoping voluntarily revived the 1960 proposal of Premier Zhou En-lai for a package deal on the entire China-India boundary dispute.

From the Indian standpoint, similar overtures had begun with the statement made by Sardar Swaran Singh (then foreign minister) in the Indian Parliament in August 1970 expressing the government’s desire “to settle all matters...peacefully through bilateral negotiation.” This was followed by two sides allowing the installation of telex machines in their respective embassies in Delhi and Beijing, India supporting China's candidacy for the Manila based Asian Development Bank, inviting China to a regional conference of UNESCO at Delhi, and finally, Mrs. Indira Gandhi making a personal visit to the Chinese embassy in New Delhi to sign the condolence book following the death of her father’s dear friend Zhou En-lai. These attempts finally
resulted in the final resumption of diplomatic ties in July 1975 and the rest remains too well known to repeat. To summarise, Beijing has gradually moved towards streamlining its India policy in keeping with its regional stature and profile and more recently the Chinese have even signalled a distance between them and their closest ally i.e. Pakistan. Another example is China’s neutrality during the fourth India-Pakistan war in the Kargil sector in May-June 1999. Beijing’s policies ever since have at least created an impression of the beginning of a tilt in India’s favour though their time-tested ties with Pakistan continue to cast an occasional shadow.

The China-Pakistan ‘all-weather special relationship’ remains a one of its kind of example where China has managed to be consistent throughout these last six decades. Their military cooperation, especially China’s assistance and supplies of nuclear and missile components and technologies is a unique example of one nuclear weapon power virtually creating another nuclear power but continuing to maintain stable ties even after the latter formally declared itself as a nuclear weapon state. To begin with, the Chinese had been extremely suspicious of Pakistan since it was seen to be a close ally of Beijing’s – then number one – enemy the United States. Pakistan had been part of Western sponsored anti-China alliances like the South East Asian Treaty Organisation (SEATO) as also of the Central Treaty Organisation (CENTO). Although, some Pakistani scholars claim that Islamabad had recognised the new China in January 1950 (that is before India) but according to Chinese official records and scholarly writings, formal diplomatic ties between China and Pakistan were established only on May 21, 1951.14 There was virtually no high-level China-Pakistan interaction until Premier Zhou En-lai met his Pakistani counterpart Mohammed Ali Bogra during the Afro-Asian conference at Bandung in April 1955. Meaningful China-Pakistan relations began only from the early 1960s when the two nations signed a trade agreement in January 1963, followed by a border demarcation agreement in March 1963, an air services agreement in August 1963 and finally a cultural agreement in March 1965.

As a result, during the September 1965 India-Pakistan war, China not only supplied Pakistan with military equipment and gave indications of intervening in case India extended the war to the eastern flank of Pakistan, but the Chinese media vehemently criticised India of being the aggressor.16 The 1971 India-Pakistan war came at the time when Beijing was obliged to Islamabad for its role in Henry Kissinger’s secret visit to Zhongnanhai during July 1971 which was to later facilitate the historic China-US rapprochement. This also followed the Indo-Soviet Treaty that was signed during August 1971. For the Chinese, the year 1971 marked a complete transformation in the very
profile of South Asia as a third important power – Bangladesh – came into the picture. For China this historic bifurcation of Pakistan not only made India the most powerful country in the South Asia but nullified their unique leverage of countering India’s so-called ‘hegemonic’ and ‘expansionist’ policies from two sides i.e. East and West Pakistan. This was to be followed by India’s nuclear test on May 18, 1974. All this perhaps compelled Beijing to boost its commitment towards (west) Pakistan and to accept the latter’s long-pending request for assistance in building its independent nuclear deterrent which was finally formalised by the China-Pakistan agreement of September 1974.

This was to lay the foundations of the China-Pakistan axis that has remained another defining feature of South Asian diplomacy. The 1990s, crusade by Western sponsored non-proliferation regimes cautioned China about its connections with Pakistan and it distanced itself from Islamabad’s adventurist policies of promoting terrorism in India’s Kashmir and Afghanistan. This, however, has again changed given the new reality in the so-called Af-Pak theatre. The continuing engagement of Western powers in Afghanistan will ensure that Pakistan remains a frontline state and prove to be another cementing force for the China-Pak axis for the next ten years in the name of countering terrorism.

China-Sri Lanka ties have often been cited as being most critical to China’s encirclement of India. As regard to Colombo’s motives for engaging with China, these have been attributed to its attempts to come out of the shadows of Indian pre-eminence in South Asia. This has prompted Colombo to encourage the involvement of external powers in the region, especially those who have had differences with India. In the years after independence Colombo had been aligned with the West by virtue of its defence agreement with Britain and was seen as being hostile to all communist countries. In 1956, when the Sri Lanka Freedom Party breached the United National Party (UNP)’s singular hold on power since 1948 the new leadership of S.W.R.D. Bandaranaike and Sirimavo Bandaranaike effected a major shift in Sri Lanka’s foreign relations. In keeping with its new non-aligned policy, British bases in Trincomalee and Kautanayake were closed in 1957, though the defence agreement was never formally abrogated. Colombo then extended diplomatic recognition to China on February 7, 1957 which was followed by Premier Zhou En-lai’s visit to Sri Lanka in 1958 and 1964.

But there was also a positive spin-off from this China-Sri Lanka engagement as during the Sino-Indian conflict of October 1962, Sirimavo Bandaranaike took the initiative to hold a conference of the non-aligned countries to mediate between India and China. She even visited Beijing during 1963 to promote what have since come to be known as the Colombo
proposals. A more pro-India UNP was not only critical of Sirimavo Bandaranaike for not branding China as aggressor but also denounced the Sino-Sri Lanka Maritime Agreement of July 1963 and accused the ruling SLFP of handing over the Trincomalee base to the Chinese. In 1965, the UNP returned to power and the Dudley Senanayake’s government reasserted its pro-Western tilt. This was followed by Colombo rejecting Beijing’s nominee as ambassador and China having no ambassador in Colombo for the next five years. Then Sirimavo Bandaranaike paid a highly publicised visit to Beijing in 1972 where, following her meeting with Chairman Mao, she described Sino-Sri Lankan ties as “a model of inter-state relations”. This was followed by number of Chinese loans and projects for Sri Lanka including the gift of five high-speed naval boats to Sri Lankan Navy.

There had also been allegations of a Chinese hand when Sri Lanka extended landing facilities to the Pakistan Air Force on their way to then East Pakistan and it also took time to officially recognise the new state of Bangladesh. Though the 1977 elections witnessed the decimation of SLFP and the UNP again came to power yet, Colombo continued to develop its ties with Beijing. But it was the escalation of the Tamil ethnic insurrection in 1983 that made Sri Lanka look inwards and also made India virtually the single most influential external factor for Sri Lanka. Though China continued to strengthen its ties through high-level visits and by giving military equipment yet, with improvement in Sino-Indian ties as also China’s limited role in Sri Lanka, Beijing gradually accepted the pre-eminence of India in South Asia. China, accepted the changed reality, never made any public comments against Indian Peace Keeping Force’s (IPKF) operations in Sri Lanka and the matter was strictly left to Sri Lanka and India who of course, have had their own differences. At the same time, China has been the one country openly opposed to the creation of Tamil state in Sri Lanka. It has not only provided financial aid for Colombo’s multi-billion dollar Hambantota deepwater port project but during March 2009 China was the only country that provided Colombo weapons and ammunitions to fight against the LTTE against the popular opinion and with its obvious implications for India.

China-Nepal relations are important for determining China’s connections with South Asia. In spite of Nepal’s inalienable cultural, commercial and civilisational affinity with Indian subcontinent, Kathmandu’s desire to assert its autonomy has constantly compelled it to play China against India. This has often resulted from their desire to obtain concessions from both sides though, given its geography and history, Nepal remains closer to India than China. As regards to China, its attitude towards Kathmandu has been guided by the legacy of ancient Buddhist links as also by virtue of more recent
territorial claims and current security concerns about their soft-underbelly comprising of Xinjiang and Tibet. As a result, China has cultivated Nepal as part of its larger security agenda where as Nepal has enjoyed a special equation with India owing to the Indo-Nepal Treaty of 1950. Their bilateral equations and their minor territorial issues were settled as early as in 1961.

The beginning of China-India skirmishes over their boundary dispute in 1959 had evoked Chinese interest on Nepal. Prime Minister B.P. Koirala, however, tried to balance his policies by engaging with Beijing without disrupting the basic framework of Indo-Nepalese equations. So while in March 1960 he signed a Treaty of Peace and Friendship with China he declined to sign a non-aggression pact and also refused a Chinese offer to build a road link. Later, King Mahendra accepted the same offer for the building of the Lhasa-Kathmandu road when it was used by Beijing as a bargaining chip for resolving the boundary dispute. This road has since been seen as having provided China with a strategic access to South Asia. This led Mrs. Indira Gandhi, to adopt a tough posture towards Nepal and young King Birendra responded by continuing his father’s policy of building closer ties with Beijing. The 1970s saw China supporting Nepal’s proposal of a ‘Zone of Peace’ at various international forums as also increasing its aid and trade, including a direct air link that resulted in several high-level visits between two sides. King Birendra himself paid several visits to China and these were reciprocated by Deng Xiaoping and the prime minister and foreign minister who visited Nepal in 1978, 1979, and 1981 respectively.

During the late 1980s, when the monarchy was challenged collectively by all political forces – New Delhi remained neutral. It favoured a the two-pillar theory – constitutional monarchy and multi-party democracy in Nepal. The late 1980s and early 1990s marked the collapse of communist regimes worldwide, Beijing had high stakes in improving ties with New Delhi particularly in its post-Tiananmen incarnation. Therefore, China showed no inclination to encourage the king’s authoritarianism. India’s differences with the monarchy on the issue of arms imports from China led to the closure of all border points except four – as per international law. This acted as a pressure point and heightened people’s disaffection towards the monarchy and added momentum to the movement for democracy. Realising that any attempt to rescue the monarchy was in vain, Prime Minister Li Peng, during his visit to Kathmandu in November 1989, advised Nepal to mend its ties with India. This has continued to be the Chinese policy ever since. But the rise of Maoist revolutionaries in Nepal from the mid 1990s has again complicated China-connection with South Asia. After India stopped supplying arms following the King’s assumption of direct power in 2005 China strengthened its position
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by supplying weapons to monarchy. Later it engaged with the Maoists leaders and has since expanded military cooperation with them.25 India's difficult relations with the Maoist leaders have worked to the advantage of China.

As for China-Bhutan relations, in spite of Bhutan's small size and limited interest in the outside world, it has been another important link in connecting China to South Asia. Mainly due to Bhutan's geographical location – south of the great Himalayas – as also due to its long-standing commercial and cultural connections with Indian subcontinent, New Delhi has always been the most important external benefactor for the development of the Bhutanese nation. Accordingly, once Bhutan accepted its special relationship with New Delhi in the mid-1960s, it has never deviated from it; it has never emulated the neighbouring Nepal’s ‘balancing act’ between New Delhi and Beijing. Indeed, other than India and Bangladesh, Thimpu did not establish direct diplomatic relations with any of the other nations though it joined the United Nations in 1971. However, this now is changing.

To examine rise of Bhutan as link to South Asia in China’s consciousness, the story begins with China's military invasion of Tibet in the early 1950s. In a book entitled The Brief History of Modern China, Beijing had described Bhutan as its ‘lost territory’ and their maps showed the bulk of Bhutan as part of China.26 It was in this backdrop that Bhutan had tilted towards India as China’s military invasion of Tibet was followed by hundreds of Tibetan refugees crossing over into Bhutan. China’s Cultural Revolution of the 1960s incited the Bhutanese people to “overthrow the government of Bhutan.”27 With regard to China's motivations – the major issues that dominated China-Bhutan relations included China’s condemnation of New Delhi's expansionist policies and its effort to negotiate the Sino-Bhutan boundary issue directly with the Chinese officials. China continued its attempts not only to get a foothold in Bhutan but to wean away its elite from its traditional tilt towards India.

India’s special relations with Bhutan has remained an obstacle in China-Bhutan relations and Beijing continues to ask Bhutan to treat China at par with and possibly to accept a Chinese ambassador to Bhutan. This demand for a status equal to that of India delayed their border talks with Bhutan until 1980s which again had a direct relationship with India's own improving ties with Beijing at the time. China, however, was successful in starting negotiations which began in 1984 and the 19th round of border negotiations was held in January 2010. Meanwhile, there have been reports of Chinese troop deployments on the west Bhutan border around Torsa Nulla which has a bearing on India’s Siliguri sector.28 India had played an important role in shaping Bhutan’s foreign policies as stipulated in the Indo-Bhutanese treaty
of 1949. This treaty was superseded by the 2007 treaty which stated that Thimpu was its own master in conduct of its foreign policy yet this has not make any major dent in the India-Bhutan equation and New Delhi continues to have a say in Sino-Bhutan border negotiations despite having no direct participation in these talks. At the least, New Delhi is kept fully informed and assured by Bhutan that it was not going to compromise India's vital interests as India provides guidance to Bhutanese officials in dealing with Beijing. Finally, just as in the case of most other South Asian countries, the apparent improvement in China-India relations has diminished China's interest in Bhutan though the alleged occasional intrusions by Chinese forces have continued in border regions of 'little finger' and the tri-junction of India, Bhutan and China in the strategic Chumbi valley. And finally, China-Bangladesh relations are being discussed in the end not because they have any less influence over South Asia but simply because until 1971 Bangladesh did not exist as independent nation. Also, unlike China's relations with the rest of South Asia, Beijing's equations with Dhaka were not only determined by the inevitable Indian-connection but also influenced by Dhaka's ties with China's time-tested ally, Islamabad. Recalling the circumstances in which Bangladesh became independent with the assistance of the Indian armed forces, Beijing had described its birth as an example of Indo-Soviet manipulation of regional unrest and it refused to recognise Bangladesh for a long time. It was only 15 days after the bloody coup against the Mujib-ur-Rehman government that Beijing extended its recognition to the new regime in Bangladesh on August 31, 1975. This was followed by the establishment of diplomatic relations on October 4, 1975. Meanwhile, China continued to repeatedly urge Bangladesh to stand on its own and revive its traditional close relations with Pakistan.

In the 1980s China supplied large quantities of military equipment to Dhaka. At one stage China was its largest supplier of weapons, especially to the naval arm where much of the smaller boats were all of the Chinese origin. President Zia-ur-Rehman worked to normalise Bangladesh-Pakistan relations and used this opportunity to improve and expand its ties with China. Moreover the deteriorating Dhaka-New Delhi ties after the military coup helped the reconciliation between Dhaka-Islamabad and Dhaka-Beijing. Successive regimes in both China and Bangladesh have since continued to place high premium on their mutual understanding and trust. But just as in the case of most other South Asian nations, improvement in China-India relations resulted in China exercising restraint in helping Bangladesh to challenge the South Asian security situation. But unlike other South Asian nations Bangladesh has been exceptionally sensitive to China's indulgence of
Myanmar since the early 1990s. This has led Dhaka to play an independent role in supporting improvement in India-Pakistan and also China-India relations by promoting larger issue of regional cooperation. This has resulted in China becoming a more acceptable player in South Asian affairs.

China and South Asian Multilateralism

Most scholars believe that the rise of China has coincided with its increasing commitment to regional and global multilateral forums. This has coincided with end of Cold War, that has resulted in multilateral forums mushrooming across Asia. That most of these new Asian forums have been established and run by Asian countries themselves has triggered Beijing’s enthusiasm in evolving more complex multivariate formulations on multilateralism and using it as a privileged tool of its diplomacy to expand its access and influence across its neighbouring regions. China’s multilateralism, therefore, has varied from robust commitment to taking the lead in the Shanghai Cooperation Organisation (SCO) in the north to pushing its agenda through Association of South East Asian Nations (ASEAN) in Southeast Asia in the east, to selective and seasonal engagement in South Asian multilateralism and to keeping arms-length distance in West Asian multilateral forums.

Nuclear tests by India and Pakistan made China really paranoid about its soft-underbelly because of two new nuclear weapons states on its southern borders. At the same time, as a member of the nuclear nonproliferation treaty, China does not recognise India or Pakistan as nuclear weapons states and therefore cannot engage in any nuclear negotiations with them for taking nuclear risk reduction measures. However, its fears get exacerbated by the fact that both India and Pakistan have fought several wars, including one in 1999 i.e. after they became nuclear weapons states, and China has been a major factor in the India-Pakistan equation. This nuclear triangle of China, India and Pakistan has made China increasingly integral to South Asia and brought about an upsurge in their mutual exchanges and trade relations. The rising concerns about nuclear terrorism have also raise their shared stakes as all have been victims of terrorism and potentially, all three may have a role to play in Afghanistan. Historically, all other South Asian states have used the China card to balance their equation with oversized India. Indeed, most security experts now believe China to be a part of the South Asian security complex.

But China’s multilateral engagement with South Asia has had its own share of roadblocks and hiccups. To begin with, there was a lack of consensus within SAARC members because "certain SAARC members [were] suspicious of close ties with China, worrying about Chinese partial policies might hurt their
political interests.” India, more specifically, was not happy about China’s rising influence in SAARC which India saw as its traditional sphere of influence. The Indian elite is conscious of the security implications of the alleged China-Pakistan nexus and has been propagating against China gaining excessive influence in India’s immediate neighbourhood. India’s deep-seated scepticism and its reluctance to play second fiddle to China in South Asia has shaped India’s cautious attitude and not-so-friendly approach towards Chinese overtures for participation in SAARC during past decades. However, China-India relations have changed since the end of Cold War and a more self-confident India facilitated the induction of China as Observer in SAARC in 2005.

Though traditionally Pakistan has been at the forefront of promoting Chinese participation in South Asian multilateral forums, other states of South Asia have gradually begun to toe that line. Nepal has been proposing the establishment of a SAARC Regional Forum with China as its founding member and this proposal gained momentum at the last SAARC Summit in Thimpu in April 2010. There are reports of Pakistan, Bangladesh and Nepal pushing for a full SAARC membership for China. This not only is a proof of China’s rising influence in South Asia but is also seen as sign of India’s diminishing stature as it cedes strategic space to China. China now talks of a China-SAARC Business Council which aims to increase their bilateral trade that has risen from $13 billion in 2000 to $50 billion in 2008 and it is expected to reach $75 billion by 2010 though India accounts for over two-thirds of this total figure. This will pose a major challenge to New Delhi’s diplomacy because it has also been projecting itself as the torch-bearer of multilateralism. China’s entry into South Asia’s multilateral forums seems inevitable and it is very likely to rupture if there was ever any Indian Monroe Doctrine for South Asia.

Conclusion

To conclude, therefore, the aforesaid examination of the China connection of South Asia – both in terms of its traditional bilateral and emerging new multilateral channels – shows how China remains integral to South Asia. Owing to its location, size and indulgence with India’s smaller neighbours, China has continued to be a major influence in determining the nature and profile of intra-South Asia relations – which have witnessed their own ups and downs – being affected by and affecting China’s leverage and opportunities vis-à-vis this region. But it is, China’s relations with India that have been and remain decisive in determining China’s policy postures towards South Asian countries though some of its neighbours like Pakistan have managed to evolve
their own autonomous linkages that have often been able to counter the general trends of the China-South Asia equations.

Going by the broad trends so far, China’s improving ties with India are generally seen to have undermined Beijing’s willingness to interfere in intra-South Asian affairs. China’s increasing engagement at bilateral and multilateral forums in South Asia has surely increased its leveraging capacity and influence with most of these countries. Especially, given the increasing global interest in South Asian affairs following the nuclear tests by India and Pakistan, China’s steady movement towards South Asian multilateralism also seems to be powered by its ambitions to emerge as the next global power. The quintessential China connection of South Asia is, therefore, very likely to persist, if not pervade, South Asian affairs during the coming decade.

NOTES

15. Ibid.
42. “SAARC-China Trade may cross $75billion this year”, *The Daily Star* (Dhaka), August 31, 2010, p. 1.
SECTION IV

FORGING REGIONAL COOPERATION:
THE WAY AHEAD
The fate of any regional organisation is determined by the commitment of the member countries to regional development and progress which is usually based on a shared sense of history that helps to nurture a regional identity. In case of South Asia the sense of shared history is absent which makes it difficult to shape a regional identity. In a globalised world the people of the sub-continent often refer to themselves as South Asian but such an identity becomes irrelevant in a region where individual national identities naturally takes precedence. Often such assertions of identity work as a counter to the emergence of a regional identity. The rewriting of history textbooks and rigid visa regimes that make travel across borders impossible renders the concept of a South Asian identity elusive. In this context it is rather impractical to expect SAARC to craft a sense of belonging just because it is a regional organisation. Often there has been debate over the future of SAARC. Its progress has been critically examined and at times analysts have felt the organisation does not have any utility. There are frequent references to SAARC as a non-starter in the arena of regional cooperation. It has been kept alive as a political platform and has no potential in economic terms. In fact such allusions are made to highlight the political differences and mutual suspicions that have plagued the region and have been responsible for tardy progress of SAARC. At the same time, it would not be incorrect to say that people who are pessimistic have not taken into account the challenges confronting regional cooperation and therefore their assessment needs to be tempered by taking into account the long path that it has traversed. Looking into the distant future is always fraught with the risk of exaggeration that is tempting in a scenario building exercise. It would, however, be interesting to envision a future
scenario on the basis that this forum for regional cooperation provides a platform for various states of the region to interact and draw up an agenda for regional cooperation. This involves the juxtapositioning of national interests with regional goals which further complicates the situation and these competing interests sometimes make regional goals unachievable.

The opening line of each summit declaration reiterates the pledge of the leaders to further the welfare of the people of South Asia yet this is what has eluded SAARC and made the people of South Asia cynical about its commitment to their cause. Each country has a national strategy to deal with governance related issues therefore pay very little attention to a regional strategy. The summit meetings therefore, do not generate excitement either among the people or the media. The media is more interested in whether Indian prime minister spoke to the Pakistani prime minister during the meeting or not. Consequently there exist compelling reasons to believe that SAARC has not performed to potential because of various political impediments. Hence it becomes all the more relevant to understand whether SAARC has a future or whether it offers any hope for regional cooperation. In this context it would be important to understand the scope of SAARC and the manner in which it was envisaged and the vision that was laid down for this regional organization in order to make a balanced assessment of its future. Moreover, in a globalised world, integration is becoming the common political vocabulary. Yet the region that share centuries old socio-cultural linkages and economic dependency; regional integration has made only marginal progress in this regard. Is SAARC then a moribund organisation? Does it need to be disbanded or restructured? What role can it play in shaping the future of South Asia? If SAARC does not have a future why is that so many countries of the world want to participate in it as observers? The argument of this paper is any organisation that has the potential to unite South Asian countries will definitely have a future for the simple reason that there is no other way to further regional interest which is imperative for the growth and development of individual nation-states. To be fair, the progress of SAARC should be measured in terms of the goals that it has set for itself and an assessment needs to be made in relative terms rather than by evaluating its performance in absolute terms. South Asia continues to struggle with old regionalism and is yet to adapt to new regionalism given the long history of mistrust and suspicion.

SAARC and Regional Cooperation
SAARC came into existence in 1985. Its birth was not easy given the deep-
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seated suspicions of the member states regarding the relevance and objective of such a regional organisation. It needs to be emphasised that the countries of South Asia were ruled by leaders of different denominations when SAARC was conceived and created. They included two military dictators from Pakistan and Bangladesh, two monarchs from Nepal and Bhutan, two democratically elected leaders from India and Sri Lanka and one autocrat from Maldives who came together to establish this body. To think that these leaders did not have any agenda other than a regional agenda would be a mistake. It was General Zia-ur Rahman of Bangladesh who proposed SAARC but he did for the purpose of diversifying the Indo-centric foreign policy and not to integrate Bangladesh with South Asia. Similarly Pakistan was not enthusiastic about SAARC as it was trying to build an Islamic identity that could connect it to the Muslim countries in West Asia. However, very soon Pakistan sought to further its regional interests through SAARC, which India regarded as an organization by smaller neighbours to gang up against itself.

Prior to its formation several meetings of the member countries were held to thrash out an agenda for SAARC keeping in mind political realities of the region. As a result SAARC was not over ambitious in its goals and took up issues that were integral to progress and development and yet would not cause political heart-burn. Recognition of this reality was important for the progress of SAARC. Therefore, it is not surprising that bilateral agendas were kept out of the purview of SAARC. In spite of this consideration, unfortunately it is bilateral relations between the countries that have led to the cancellation/postponement of several summit meetings. The charter states that cooperation shall not substitute other bilateral or multilateral mechanism or be inconsistent with it but it should complement other cooperative endeavours.

The objective of SAARC as clearly reflected in its charter is to promote economic growth, strengthen collective self-reliance and to encourage mutual trust and understanding within the region. It also endeavours to foster mutual understanding, good neighbourly relations and meaningful cooperation among the member states which are bound by ties of history and culture. The SAARC countries are committed to respect the principles of sovereign equality, territorial integrity, national independence, non-use of force and non-interference in the internal affairs of other states and peaceful settlement of all disputes. Article II of the SAARC charter clearly lays down that “such cooperation shall not be a substitute for bilateral and multilateral cooperation but shall complement them and such cooperation shall not be inconsistent with bilateral and multilateral obligations”. Article 10 reads that “[d]ecisions
at all levels shall be taken on the basis of unanimity and secondly bilateral and contentious issues shall be excluded from the deliberations”.

An integrated Programme of Action consisting of various committees identified eleven core areas of cooperation including agriculture, the dominant sector which employs many people in the rural area. Agriculture employs about 60 per cent of the labour force in South Asia and contributes 22 per cent of regional GDP. Its agenda also included women, youth and children (the region has the lowest female literacy and comes second on maternal mortality ratio). The regional cooperation architecture also included environment and forestry, science and technology, meteorology, human resource development, transport, rural development, telecommunication, health and population, and posts & telegraph services. All these issues are extremely important given the regional context. Later, issues like information and communication technology, biotechnology, intellectual property rights, tourism, and energy also found place on its agenda. The third meeting held in Thimpu further incorporated sports, arts and culture, planning and development into the list. The same meeting also agreed for the creation of institutional framework for SAARC. It was only in the 1990s that economic development became an important part of SAARC’s agenda. The organisation established a Committee for Economic Cooperation in the sixth SAARC summit and a framework agreement for SAFTA was signed at the seventh summit and was operationalised in December 1995. Most of the countries adopted a trade liberalisation policy in the early 1990s. However, after almost a decade and half, the progress of economic integration has been slow and future of SAFTA hangs in the balance. While the future of economic relations has given rise to pessimism a look at the illegal trade would reveal that how various smugglers have over the period of time have integrated their network and have overcome the state created barriers. Countries are yet to harmonise standards of tradable products to facilitate trade. The countries have recently signed an agreement for the establishment of the South Asian Regional Standards Organisation to overcome non-tariff barriers. The establishment of a SAARC arbitration council to smoothen various legal issues between the member countries and the proposed finalisation of a draft agreement on investment promotion and protection would be helpful in boosting regional trade.

Rather than influencing global economic dynamics, the organisation, over the period of time has reluctantly responded to the new regionalism that is mandated by a globalised world order and its necessary implications. Some of the features of old regionalism are still prevalent within SAARC. For example: SAARC was not a spontaneous process and was created for a political
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purpose. The process has been state centric and its vision has not touched the masses as its leadership has failed to promote regional bonding. Most of the states have been sovereignty sensitive – being post-colonial states – and some of them have traumatic experiences of state formation. As the states remain rigid with regard to their national boundaries to recreate a sense of nationhood for confronting the various challenges they are facing from within, they invest less in the regional superstructure. The most significant of SAARC’s achievements have been the convention on terrorism signed in 1988 and the additional protocol ratified in 2006; SAFTA; issue of regional connectivity apart from the establishment of the SAARC social charter.

SAARC: An Assessment

It would be important here to understand how SAARC agenda has expanded over time. There have been talks regarding a regional economic union as the ultimate objective – an agenda that was difficult even to contemplate two decades ago. The much needed SAARC Development Fund (SDF) has been established to finance common projects. The fund would provide financial assistance for economic, social and infrastructural development in the member countries. The SDF can mobilise funds from within and outside of the region and also through public-private partnership. Each country can contribute to this fund voluntarily apart from their share as determined by the fund.

Institutionally, SAARC has been well-structured with various committees and sub-committees that often meet at regular intervals. There are also periodic assessments of SAARC. A group of eminent persons (GEP) constituted in 1997 recommended the need for the organisation to take economic agenda further by setting up a SAARC investment area, harmonise and simplify custom procedures; and develop a transport infrastructure and facilities for transit. The GEP also suggested reducing the number of technical committees under IPA from eleven to seven. At the Bangladesh SAARC summit held in December 2005 there was a call to expedite implementation of its agendas. SAARC has arbitration council to facilitate trade. Article 2 provides a legal framework for fair and efficient settlement of trade and investment disputes and promotes the growth and effective functioning of national arbitration institutions within the region. The 15th SAARC summit held in Colombo emphasised the need “to strengthen regional cooperation in capacity development, technology transfer and the trade in energy. ... And need to develop the regional hydro potential, grid connectivity and gas pipelines”. Climate change is another issue that SAARC has taken up seriously in the sixteenth SAARC summit that was held in Thimpu. Given the frequent occurrence of natural disasters, a natural disaster rapid response mechanism
would be formed under the aegis of SAARC. However, it needs to be noted that the human touch for all these mechanisms is missing. For example, one does not see a repeat of Rajiv Gandhi and J.R. Jayawardene's visit to Bangladesh when it was devastated by cyclone. Even in times of natural disaster, SAARC has not been effective in providing humanitarian relief which will help the organisation to bond with the people of the region. There are no SAARC volunteers who help in rescue operations and by their action take the governmental initiative to the popular level. The SAARC disaster management centre provides policy advice, facilitates capacity building and exchanges information for effective disaster reduction.

It is important to note here that though SAARC needs to make great leaps forward, the process itself has thrown up several opportunities that are no less important than the organisation itself. First, the forum provides a meeting ground for all the leaders of South Asia to discuss regional issues as a geographical entity. Secondly, the SAARC process has helped to establish the sovereign equality of the member-states for determining regional agenda irrespective of size and influence. Both Nepal and Bhutan had joined SAARC to play a visible regional role and enhance their foreign policy choices. Given the asymmetric size of various countries, this, at a psychological level, does away with the feeling of being less than powerful. It also creates a sense of involvement creating stakeholders in the process. Third, SAARC provides for sub-regional cooperation (article VII and X of the SAARC charter) where geographically contiguous areas can cooperate within the SAARC framework. Therefore it goes beyond the Indo-Pak bilateral context which has often been a sore point for other member states of South Asia. Regional cooperation was predicted to have a salutary effect on bilateral relations by imparting strength and stability to these relations. Unfortunately, it is bilateral relations between states that have hindered the process of cooperation even though at time it provides opportunity for more interaction in a regional forum.

Even after signing the South Asian Free Trade Agreement (SAFTA) the countries are anywhere near to achieving regional integration. These could be attributed to factors like: (i) security considerations (article 7, clause 5 & article 14) (ii) protection to domestic industries (iii) extensive negative lists (iv) protective trade regimes (v) complementarities of product (vi) rules of origin and harmonisation of standard (vii) Pakistan obstructing trade with India (viii) lack of common investment policies (vii) silence on how to improve balance of trade.

However, reduction of tariffs or harmonisation of standards in themselves cannot be helpful unless there is demonstrable political will. In South Asia the figure for official trade which is shockingly 5 per cent is much below that
of the unofficial trade. This in itself attests to the fact that the greater the trade restrictions the more the loss of revenue. The smugglers find their way to scuttle the restriction and trade in product that is profitable. Some of restrictions on import and export of products are for political reasons given the dominant interest of powerful actors who feel that in a fair competition they would be losers. Apart from this problem, trade is affected as cost of transport is high and non-tariff barriers are many. In this context connectivity would play an important role in integrating the region while non-tariff barriers need to be removed by simplifying export procedure, reducing paper work and efficiency of trade facilitating staff. The states have agreed to a regional multi modal transport network however, it will take years to get it operationalised.

What the SAARC process has done, unintentionally, is that it has created various stakeholders. Beyond the official interaction there are several track II dialogues, networking of NGOs and civil society groups that have contributed to the cementing of the relations between the people of the region. These groups have acted as pressure groups to take the process forward. Issues like environmental problems and social ills have been brought to the table by environmental activists who have made common cause across the national boundaries. Activism of these groups has contributed to domestic peace constituencies that have pressurised the states to ease tensions. Steps like SAARC parliamentarian meet would go in a long way to create a political atmosphere which would help in fostering a unity of mind towards issue of socio-economic development. There are many other activities such as film festivals etc that are promoted by SAARC itself. SAARC has inculcated a sense of region among the civil society which has enabled them to unleash a series of activities under its banner. On certain occasions SAARC has been able to take up a regional position as on the issue of women and food. SAARC has allowed leaders of the region to meet on the sidelines of summits to thrash out bilateral differences. As these are not bilateral summit meetings expectations are tempered with reality.

The constant India bashing has prevented India from taking a leadership role in the region. Therefore it is not surprising that India which realises that regional development is a precursor for its global ambition is frustrated by the various attempts aimed at keeping it entangled in the region. While recognising the greater role that India needs to play, one should not under emphasise the role and responsibility of the smaller states. Unless and until the South Asian states learn to dilute the absolute concept of sovereignty in regional context (interestingly the states of the region are more accommodative to external powers) and sensitivities for greater regional benefit, SAARC will
remain a non-starter making it difficult to move beyond cooperation to integration.7 Democratic and stable regimes would not have to invoke threats from outside of the country to achieve regime stability. Competing identities and the urge to prove one’s identity as superior than the other have been the main barrier in forging a regional identity. In the sixteenth SAARC summit Maldivian President attributed the slow progress of SAARC to Indo-Pak problem. However, if that is the case then South Asia Growth Quadrangle (SAGQ) would have succeeded. Other regional initiative like Bay of Bengal Initiative for Multisectoral Technical Economic Cooperation (BIMSTEC) has not made any progress in forging regional cooperation. Much needs to be attributed to the mindset of South Asian countries to the concept of regional cooperation.

SAARC lacks an accountability mechanism. There is no supra national body to supervise and assess implementation of various promises made at the summits. For example ten years after the convention on terrorism was adopted, it was only at the ninth SAARC summit in 1997 in Male the leaders in the summit declaration emphasised “the urgent need to complete enabling legislation in order to implement the SAARC Regional Conventions on Suppression of Terrorism and on Narcotic Drugs and Psychotropic Substances”. Though SAARC Terrorist Offences Monitoring Desk (STOMD) and the SAARC Drug Offences Monitoring Desk (SDOMD) were established in Colombo, the states are reluctant to part with information to make these mechanisms effective.

People to people contacts are important for the realisation of the SAARC dream. Certain categories of people are benefitting from liberalised visa regimes but this need to be extended to include common man. Unless the common man benefits regional cooperation would be doomed. The theme of fifteenth summit was ‘Partnership for Growth for Our People’ yet the ownership of the region has eluded the leaders. The sense of ‘our’ people needs to be inculcated over time. While SAARC has a long way to go in terms of regional cooperation it would be unfair to compare SAARC either with ASEAN or EU as the countries of the region have different historical experiences.8

Future of SAARC
The achievements as well as the future of SAARC are being debated closely by analysts in the region. To make any prediction about the future of the regional organization, it is important to map the socio-political and economic resources of the region and the political will to translate these resources to beneficial use of the region. There are many factors that would impinge on
the political will of the leaders of the member countries that will challenge its future. Certain questions are pertinent in this context. What would be the future political environment? Would the democratic regimes, over a period of time, be able to consolidate democratic institutions or would the region regress into autocratic regimes of various kinds. Would it be a stable and confident region that would take bold decisions? These questions are important and will have deep impact on the future of the SAARC as a multilateral regional cooperative organisation.

What would determine the direction of SAARC? There can be few likely scenarios based on the current regional and global dynamics. Nascent democracy, integration of market driven economy into the globalised economic order, willingness to have a regional approach, ability to establish mutual trust, increased trade between the countries of the region etc. are some of the factors that would impinge on the future of regional cooperation.

**Defining the Regional Environment: Can SAARC Cope?**

Potential threats to the state can arise from radical local extremists, left-wing extremism, small-arms proliferation and nexus between the criminals and politicians, cross-border support to terrorism, money-laundering, poverty, illiteracy and unemployment. These would be exploited by radical elements as countries would be reluctant to employ a regional approach to deal with the issue. However, the transnational character of the terrorist organisations may compel states to consider cooperation. Pakistan, which has been sponsoring terrorism against India, has itself become a victim of it. Even if it takes internal measures to deal with radicalism it is confronted with, it will definitely have an effect on regional environment. Bangladesh has realised the folly of nurturing radical elements and using them as political instruments. The present government of Sheikh Hasina has taken some effective steps to deal with this issue. She now wants to establish a regional task force on terrorism, which is a very welcome suggestion. Bilaterally, the countries of the region have started cooperating with each other to deal with this menace.

In such an environment, some of these issues that would compel the countries to think regionally are: terrorism, drug trafficking, water and environment issues and the challenge of governance. The SAARC countries will have to make a common cause against poverty, and take measures to increase regional trade which has so far remained below 5 per cent of the total trade. However, there are several challenges on the way. There is an overwhelming popular support in favour of such common cooperative efforts in the region cutting across states and communities. While the democratic regimes in the region are expected to be responsive to the demands of the
people they represent, some of them dominated by the military establishments may not be as eager to work together towards a common goal. They may like to keep the hostilities going to maintain their relevance in their societies.

In this context, the attitude of the SAARC member countries towards regional cooperation is likely to be shaped by the following factors:

(i) Internal Challenges
The regional environment would remain in a flux. The ideological contest between various political actors within countries and between the countries would become important. Whether the political actors within countries strive to acquire power either through the electoral politics or otherwise will have broad implications for the region. For example: the contest between religious political parties and the secular and nationalist parties in Bangladesh, the division between the radical left and the left and centrist parties in Nepal to restructure the state will have an impact on the future political configuration in Nepal. The challenge of the radical religious elements and the power struggle between the civil and military will impinge on the Pakistani state and its evolution as a democratic state, as will the future of Afghan peace impinge on regional stability. Similarly, the political division within Sri Lanka over the Tamil question will have deep impact on the future of the country. Democratic transition in Maldives and Bhutan will reshape the politics in these countries. The ability of India to craft a sensitive neighbourhood policy and emerge as an attractive economic destination for neighbouring countries would help the regional environment. This would also depend upon India's ability to deal with some of its internal challenges.

(ii) Rise of Radical Forces
Lack of democratic culture and institutions, inability of the states to provide political space or accommodate diverse views coupled with their inability to implement socio-economic programmes that address the issue of basic rights to its citizens may lead to the rise of radicalism of different shades that could challenge the states from within. As the states engage themselves in dealing with this challenge it would have less time to concentrate on regional issues. Given the crisscross of ethno-linguistic and religious groups across the boundaries of the nation states of South Asia it is likely that some of this dissatisfaction would have cross-border linkages and transborder implications. This will also have several implications for the nascent democracies of South Asia where institutionalisation of democracy has been a problem.
(iii) State of Economy

The future of SAARC would depend on the health of the economies of the individual countries. Though the economies of the South Asian countries are performing relatively well with an average growth rate of about 6 per cent the sustainability of such growth rate would be important. The economies of Nepal and Pakistan are facing serious crises now. The pace of economic growth in the region cannot be sustained unless the states liberalise their markets to help the region emerge as an important destination for foreign investment. The prevailing political environment would also be crucial to attract foreign direct investment. Future of economic integration in the region would depend on a host of other factors like transport integration, having an institution that would determine the standards of the products at a regional level. This would boost inter-regional trade which is a pre-requisite for regional economic integration.

It must be realised that out of the total of 1.3 billion absolute poor people in the world, 433 million live in South Asia. Urgent steps need to be taken for their political and economic upliftment. The ability of the states to deal with this problem would impinge on the capacity of the states to take hard economic decisions. At the same time regional initiative can help the countries to fight against this abject poverty by sharing experience and taking an integrated approach to the economy that will connect with the people at the local level and integrate the states and the region with the global economy.

(iv) State of Politics

The future of SAARC cannot be divorced from the politics of the states in the region. Undoubtedly, the ideals of pluralism and secularism are important to address the concerns of diverse minorities in South Asia and they would also help in generating a political culture that respects and tolerates divergent views. Each state in the region should adopt these ideals and ensure their protection and growth in their societies. Future of SAARC will also depend on the nature of the states and nature of the governments. It is generally assumed that democratically elected governments would be more amenable to cooperation than military regimes that seek to perpetuate conditions of fear and hostility for their dominance in some countries. If inter-state politics is marked by zero-sum game, it will arouse unnecessary skepticism about regional cooperation and impose unnecessary pressures on the governments to shun such initiatives. Since South Asia is an Indo-centric region India’s relationship with the neighbouring countries would also impinge on the future of SAARC as well.
The countries will be compelled to have multi-dimensional coping strategies to sail through the unpredictable national and regional environment. For example, the states will endeavour to cope with various national issues by employing the carrot and stick policy. Regionally they would try to cooperate on issues that are of transnational character. However, the willingness to cooperate on the issues of terrorism may be lacking as some of the countries continue to use it as a tool for asymmetric warfare. Globally, the countries of the regional will prefer to have international partners to aid development as they are reluctant to seek help within the region because of mutual suspicion. Military and paramilitary forces would continue to be used by the states to deal with political problems that may fester over the period of time. Democratisation and issues of autonomy to deal with various internal political aspirations would remain a major challenge. Moreover, over-securitisation and the inability of the state to deliver politically and economically may result in more centralisation of power than decentralisation.

As globalisation is becoming a norm, it is likely the states of South Asia would strive for an integrated market structure. Already the sixteenth SAARC summit has agreed on trade in services thus opening up vast opportunities. Similarly under SAFTA the tariff regime is set to be eventually dismantled as the countries move towards a zero tariff regime in 2015. High transaction cost and excessive documentation, lack of harmonization of custom procedures and classification and problems in capital account convertibility affects trade. There are other factors that give hope to the regional endeavour. For example: In 2008, the Pakistan People’s Party government announced a new trade policy that, unlike the past, encourages investment from India. The political symbolism and signaling that this gesture indicated was however marred by, the Pakistan-Afghanistan trade treaty signed on July 17, 2010. It is contrary to regional spirit as it does not allow trade between India and Afghanistan through Pakistan. Twenty fifth year of SAARC has not really brought about any significant change in the mindset of the South Asian countries who are bogged down with security-centric approach to the issue of regional cooperation. Each move that is aimed at softening the border through greater integration is generally spurned. With the strengthening of democratic regimes SAARC process would get a boost as translating the vision of the organisation for the benefit of the people would be taken seriously.

**SAARC in the Next Decade**

Given the current trend, SAARC may emerge as a vibrant organisation. This would happen in spite of various roadblocks. Though bilateral relations between the states of South Asia will act a major impediment to the progress
Does SAARC have a Future?

of SAARC there would be increasing compulsions to cooperate. The changing security scenario where non-state armed groups rather than states have emerged as a major threat, the countries of the region would be compelled to cooperate within a regional framework. Porous borders and the transnational reach of the criminal elements would require a regional approach. Individual states cannot fight it alone. For this to become a reality state sponsorship of various terrorist groups needs to stop. In any case State's incentive to sponsor terrorism would reduce as they themselves are becoming victims of their policy.

There is optimism as the organisation is keenly taking stock of the regional situation. SAARC has also produced the first regional poverty profile. The independent South Asia Commission for poverty alleviation was established in 1991 and was reconstituted at the 11th SAARC summit to look into various ways and means to address this issue. The SAARC has set 22 developmental goals. Concepts like the South Asia Economic Union are very much on the cards as is the SAARC Integrated Plan of Action (SIPA). The ratification of the additional protocol on terrorism has been a welcome development.

State centricism has been one of the biggest hurdles. Whether it is a strict visa regime or setting the agenda, the states have played an important role. Civil society which is increasingly playing vocal role in the national issues is marginal in the regional debate. In fact mindset and stereotyping that has happened in the past many years do not allow a regional identity that will take forward the agenda of regional cooperation. Integration is very different from cooperation. SAARC is still at a nascent stage of cooperation.

What will be the SAARC of 2020? It will have a broader agenda. There could be more convergence on security related issues than before as well on developing a transport communication network. Harnessing of common river waters would be a priority. The organization will work to maximise the benefits accruing out of power projects that require markets beyond state borders. As the population would, the states will increasingly realize the sagacity of regional cooperation.

Ownership and political will would be significant for regional cooperation. A single country needs to be the nodal point for cooperation on a particular issue and it should be responsible for liaising with all the countries in the region. For example: If Bangladesh takes the responsibility of transport cooperation it should be the nodal point and act as a focal point for all issues related to it. Regional responsibility is no one state's responsibility therefore delegation of authority to individual countries with an accountability structure would be crucial for the future of SAARC.

Evolving a regional identity is a process which requires states involvement.
While there is no readymade solution to various bilateral problems, regional cooperation cannot be made hostage to it. Most important achievement for SAARC is to bring the leaders of South Asian countries to meet and think of regional issues. First the leaders need to think regionally and promote a regional identity that is based on positive aspect of individual state which should be attractive for the people of the SAARC countries to emulate. It is important not to think as South Asian but feel proud of a South Asian identity within the region. Branding of SAARC would be a pre-requisite. Private sector’s involvement would be crucial for financing various projects. However, lack of political will makes the private sectors apprehensive to invest.

If SAARC does not move fast to implement regional dream can sub-regional cooperation become an answer? Analysts like Pratap Bhanu Mehta argue that: “regional cooperation can gather momentum only when it is based on organic links between difference sub-regions of the sub-continent – not on links enforced from the centre of each country. ... Regional integration will require future South Asian states to have ‘strong’ centres but ‘weak’ circumferences.” There is also a need to integrate agendas of SAARC with the national agendas of the countries of the region. For example: poverty, education and the issues of girl child and human trafficking are important issues. All the states of South Asia have these issues as a part of their national agenda yet there is no integrated approach to these issues in SAARC.

Cost of non-cooperation in terms of economic development would be very high for the region. However, it is unlikely that there would be any political cost of non-cooperation to the governing elites. There are political capital to make by non-cooperating as non-cooperation is equated with the protection of national sovereignty which earns political mileage for the governing elite in the domestic political context. Political opposition at home also does not allow governments to experiment with new ideas. Domestic consensus needs to be built within the member countries before a summit meeting takes place. For that to happen, SAARC needs to declare its agenda for the next summit meeting in each of its summit declarations. This will help the member states to debate these issues and involve civil society members in the molding of national opinion with enough elbow space to negotiate a regional agenda so as to accommodate views of other member states. Sub-regional cooperation would be the new term for regional cooperation.

**Conclusion**

Can the regional agenda be nationalised to take the schema of SAARC further? Diverse security agendas have made the emergence of a regional security
community difficult. Presence of extra-regional powers has aggravated mutual suspicion. Most of the countries are battling the issue of terrorism single-handedly in spite of SAARC convention on terrorism or have involved extra regional powers. In fact engaging extra-regional powers have complicated issues as is evident in the case of Pakistan where terrorist are targeting the army. In Nepal, the presence of United Nation Monitoring Mission in Nepal (UNMIN) has complicated the matter and similarly the UN has made interventions in Sri Lanka to check human rights abuse.

India-Pakistan relations would remain central to the success of SAARC. But there are various other factors that would determine its success. In next decade, SAARC will continue to exist making slow but steady progress and in the process trying to bridge differences of opinion and force the leaders to think regionally. SAARC offers great prospects and its potential itself is enough to argue for its continuance. Its potentiality lies in its abstractness which is to inculcate a sense of community. Therefore its achievement cannot be evaluated by concrete achievements only. While making an assessment of its past and envisaging its future its needs to be kept in mind those traumatic experiences of state formation and its consequent mistrust and suspicion can only be erased through constant engagement of the countries of region both for political and economic reasons and beyond to include the psychological aspect of the nation-states that are fairly new in the international system.

Notes

1. Old regionalism emphasises government rather than governance, it is based on structure rather than process. Old regionalism used procedures than the process as a pathway within the structure, it is boundary-centric where as new regionalism prefers porous or open borders, old regionalism emphasises coordination to achieve infrastructure development, services etc where as new regionalism emphasises collaboration that abhors hierarchy. Old regionalism was based on accountability, power while new regionalism stresses trust and empowerment. See Allan Wallis, “New Regionalism”, at http://www.munimall.net/eos/2002/wallis_regionalism.nclk.


5. (i) by making or participating in direct loans (ii) by managing its idle funds in a beneficial and a prudent manner, (iii) by guaranteeing in whole or in parts, loans for economic development or serving other objectives of the fund, participated
in by the funds, (iv) by facilitating access to domestic and international capital markets by institutions and enterprise through provision of guarantees, where other means of financing are not appropriate, and through financing advice and other forms of assistance, (v) by deploying other resources, in accordance with the agreements determining their use, and (vi) by or, through such financial instruments such as governing council may decide.

6. Fourth World Conference on Women held in Beijing in September 1995, HABITAT II held in Istanbul in June 1996, and World Food Summit held in Rome in November 1996. The countries also took a unified position at the special session of the United Nations General Assembly to review and appraise the Implementation of Agenda 21.

7. For details see Smruti S. Pattanaik: “SAARC at Twenty-five: An Incredible Idea Still in its Infancy”, Strategic Analysis 34(5), September 2010, pp. 671-677


Introduction

The initiative for regional co-operation in South Asia was taken by Zia-ur Rahman, the President of Bangladesh in 1980. However, the South Asian Association for Regional Co-operation (SAARC) was institutionalised only in 1985, when the seven nations of the region, comprising of Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka teamed up for the common purpose of strengthening economic, social, cultural and scientific cooperation in the region. The objective was also to present a unified front to the rest of the world. Afghanistan was the last country to join the regional group in 2005, thus raising the total of member countries to eight. The region is home to around 20 per cent of the world’s total population and 40 per cent of the world’s poor. The region is poorly endowed in terms of land and other resources, compared to the size of its population and hence, faces greater challenges.

Trade in South Asia

The member countries of SAARC had adopted strict interventionist trade regimes in the initial phases of their economic growth. However, their policies towards international trade started changing when, Sri Lanka, in 1977, began the gradual liberalization of its economy. This was followed by other nations of the region in the 1980s and early 1990s.

We express our thanks to Dr. Smruti S. Pattanaik for providing valuable feedback.
Cooperation under SAARC did not extend to hard core economic areas of trade, manufacturing, currency and finance for nearly ten years. The South Asian Preferential Trading Arrangement (SAPTA) was signed in 1991 and came into effect in 1995. SAPTA was formed to improve the trade prospects of members within the region itself. The SAPTA was based on a positive list approach and did not have any strict deadline for implementation. A positive list approach allows countries to choose products that will be liberalised as opposed to a negative list in which all products are deemed covered unless specific exceptions are made.

The idea of South Asia Free Trade Agreement (SAFTA) was first mooted at the Delhi summit of SAARC in 1995 when the member countries expressed their intention to establish it by 2005. However, at the Male summit in 1997, member nations thought they would be able to set up SAFTA by 2001. Incidentally, the whole SAARC process got interrupted due to the military takeover in Pakistan in 1999. At the 11th summit that was held in Nepal in January 2002, the heads of the government of the member countries directed the council of ministers to finalise the draft framework of the treaty by 2002. After rigorous negotiations, the framework agreement was finally signed at the 12th SAARC summit in Islamabad in January 2004. The agreement was implemented with effect from January 2006. Under the agreement the least developed countries (LDCs) of the region namely, Bhutan, Maldives, Nepal, Bangladesh, will achieve trade liberalization by 2016, while the Non-LDCs (India, Pakistan Sri-Lanka) will achieve full trade liberalization as early as 2013. Afghanistan which became the eighth member during the 14th SAARC Summit in 2007 became a party to the SAFTA agreement as an LDC member. As per the Article 7 of the Agreement NLDCs would bring down tariffs to 20 per cent, while LDCs will bring them down to 30 per cent in the first two years of the agreement. Non-LDCs and LDCs would further reduce tariffs in the range of 0-5 per cent in five years and eight years respectively. Under the Agreement member countries can “inform the SAARC Secretariat of non-tariff and para-tariff measures. Such cases will be reviewed by the SAARC Committee of Experts and recommendations made to reduce such trade restrictions. However, the agreement has not adequately addressed this issue in terms of developing an institutional mechanism for their elimination in a time bound framework.”

Despite, SAFTA, there has been many bilateral trade agreements within the region. India has had such agreements with Nepal and Bhutan for decades. Recently, both India and Pakistan have entered into such agreements with Sri Lanka. Pakistan is also negotiating an FTA with Bangladesh. Nepal and
Pakistan are also planning to ink FTA. In addition, there is a sub-regional process involving Bangladesh, Bhutan, Nepal and eastern India. However, this process is not about tariff concessions but enhanced trade facilitation measures.

With the implementation of SAPTA, the share of intra-regional trade in total trade of the region saw a steady increase as it went up to about five per cent in 2003 from the 3.3 per cent in 1990. However, this is still significantly less than what many would have expected. It is also less than other regional trade shares. Globally, major regions with high intra region trade shares include EU, NAFTA and ASEAN (table 1).

### Table 1: Regional Trade Performance

<table>
<thead>
<tr>
<th>Regional Groups</th>
<th>1990</th>
<th>2001</th>
<th>2003</th>
<th>Growth over 1990-2003</th>
<th>Year of establishment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andean Group</td>
<td>4.2</td>
<td>11.2</td>
<td>11.2</td>
<td>167%</td>
<td>1988</td>
</tr>
<tr>
<td>MERCOSUR</td>
<td>8.9</td>
<td>20.8</td>
<td>14.6</td>
<td>134%</td>
<td>1991</td>
</tr>
<tr>
<td>COMESA</td>
<td>6.3</td>
<td>5.2</td>
<td>–</td>
<td>-17%</td>
<td>1994</td>
</tr>
<tr>
<td>SADC</td>
<td>3.1</td>
<td>10.9</td>
<td>–</td>
<td>252%</td>
<td>1992</td>
</tr>
<tr>
<td>ASEAN</td>
<td>19</td>
<td>22.4</td>
<td>23.2</td>
<td>23%</td>
<td>1967</td>
</tr>
<tr>
<td>SAARC</td>
<td>3.2</td>
<td>4.9</td>
<td>5.0</td>
<td>53%</td>
<td>1985</td>
</tr>
</tbody>
</table>

*Source: Ministry of Foreign Affairs of Japan.*

Intra EU share is 60% where as intra NAFTA trade is 45%.

**Intra-regional Trade Performance in SAARC**

So far as the intra regional trade is concerned, India is the largest trading partner for all the countries and is the most important trade partner for Nepal, Sri Lanka and Bhutan. India accounts for nearly 63.35 percent of Nepal’s total trade share of 63.68 per cent in the region. Sri Lanka, maintains a trade of 15.54 per cent with India out of its total regional trade share of 17.23 per cent. On the other hand, Pakistan’s trade with India amounts to 2.22 per cent of its regional total of 5.79 per cent. Despite sharing a common boundary, Pakistan’s trade with Afghanistan is higher at 2.72 per cent even though it is a much smaller country.

India being more diverse, primarily exports to other countries while its import dependence on member countries is very low. India has maintained trade surpluses with all the South Asian countries, except Bhutan. India’s deficit with Bhutan is primarily because it imports electricity from the landlocked country. India’s intra SAARC trade is approximately 2.6 per cent
of its total trade, with exports to SAARC countries constituting roughly 5 per cent of its total exports while India’s imports from the SAARC countries constitute only 0.9 per cent of its total imports.

Table 2: Intra regional trade share in South Asia

<table>
<thead>
<tr>
<th></th>
<th>Afghanistan</th>
<th>Bangladesh</th>
<th>India</th>
<th>Maldives</th>
<th>Nepal</th>
<th>Pakistan</th>
<th>Sri Lanka</th>
</tr>
</thead>
<tbody>
<tr>
<td>Afghanistan</td>
<td>–</td>
<td>0.01</td>
<td>0.08</td>
<td>0</td>
<td>0</td>
<td>2.72</td>
<td>0.01</td>
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<tr>
<td>Bangladesh</td>
<td>0.09</td>
<td>–</td>
<td>0.66</td>
<td>0.15</td>
<td>0.44</td>
<td>0.16</td>
<td>0.66</td>
</tr>
<tr>
<td>India</td>
<td>6.5</td>
<td>7.98</td>
<td>–</td>
<td>9.72</td>
<td>63.35</td>
<td>2.22</td>
<td>15.54</td>
</tr>
<tr>
<td>Maldives</td>
<td>0</td>
<td>0</td>
<td>0.03</td>
<td>–</td>
<td>0</td>
<td>0.02</td>
<td>0.31</td>
</tr>
<tr>
<td>Nepal</td>
<td>0</td>
<td>0.02</td>
<td>0.64</td>
<td>0</td>
<td>–</td>
<td>0.01</td>
<td>0.02</td>
</tr>
<tr>
<td>Pakistan</td>
<td>36.76</td>
<td>0.82</td>
<td>0.32</td>
<td>0.33</td>
<td>0.16</td>
<td>–</td>
<td>1.2</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>0.03</td>
<td>0.09</td>
<td>0.81</td>
<td>5.01</td>
<td>0.02</td>
<td>0.39</td>
<td>–</td>
</tr>
<tr>
<td>SAARC</td>
<td>43.18</td>
<td>8.92</td>
<td>2.53</td>
<td>15.06</td>
<td>63.68</td>
<td>5.79</td>
<td>17.23</td>
</tr>
</tbody>
</table>

Source: International Monetary Fund (2009)

Bangladesh maintains one of the highest trade deficits in the region primarily due to its high import dependence. The bilateral trade performance of regional partners indicates that Bangladesh has bilateral trade imbalances with most of the regional partners. Maldives, a small island nation in the Indian Ocean, primarily trades with the neighbouring countries of Sri Lanka and India in the region. In sum, all countries in the region except Pakistan have reasonably high trade shares with India. Although Pakistan has already signed an FTA with Sri Lanka the volume of trade between them is not very significant.

Major Constraints to Intra-regional Trade

A closer look at the traded commodities show that India’s export and import baskets are highly diversified as compared to smaller countries of the region. Also India’s scale of production is comparatively high, partly due to its vast domestic market and partially to meet export requirements at the global level. But South Asian countries show weak trade complementarity. India has its own capabilities in most products that other countries of the region have to offer.

Except India and to some extent Pakistan, most other countries export primary commodities and labour intensive manufactured goods like readymade garments. As a result complementarities could not be developed over the years. The lack of complementarity in South Asia may also be due to the fact that the region remained weakly integrated for decades. Although
India had granted Pakistan MFN status as far back as 1985 but, Pakistan is still reluctant to reciprocate. The denial is on the pretext that Indian goods will flood their markets, though politics has played a bigger role in the decision. Interestingly, Chinese goods have already flooded their markets, weakening the economic argument against closer economic relations with India. Pakistan has also signed a free trade agreement with China. Nevertheless, India maintains a trade surplus with Pakistan. So according the MFN status to Pakistan unilaterally did not hurt India economically. Similarly, although there is a significant constituency particularly among business and intelligentsia in Bangladesh that wants closer economic co-operation with India, the political establishment has not been convinced, though the situation seems to be changing.

Despite trade liberalisation member countries still maintain trade barriers against each other. Tariff barriers include high custom duties as well as ad valorem specific tariff quotas and ad valorem equivalents of specific tariffs. There still exist complex customs clearance procedures, lack of co-operation for resolving disputes at custom entry points, and improper harmonisation of input licencing and registration procedures. Non tariff barriers (NTBs) include sanitary and phyto-sanitary certifications and standards.

Member nations are also hampered by poor communication links. Despite the communications revolution in South Asia, connectivity remains at the lowest level amongst SAARC countries, thus preventing them from being plugged into the global economy. This is primarily due to efforts at the individual level rather than the region as a whole on an integrated level. Also studies have revealed that there is significant informal trade in the region. Some estimates suggest that huge informal trade takes place through the bordering countries. For instance, the informal trade between India and Pakistan has been estimated at between $2 billion and $3 billion. A World Bank study on trade policies and potential free trade between India and Bangladesh estimated that the value of total smuggled exports from India to Bangladesh may be around $500 million, which accounted for 42 per cent of Bangladesh's recorded imports from India in 2002-03, and about 30 per cent of the total imports (formal and informal) that are smuggled across the land border.

It is also noteworthy that except India, other countries do not have easy access to each other. India shares borders with most countries of the region except Afghanistan and the Maldives which in any case are small economies. Thus except for India-Pakistan trade most other countries are, by and large, utilising their trade potentials. The size distribution of the countries in the region is highly skewed with India accounting for about 80 per cent of
population, GDP and trade in the region. Thus, other countries in the region cannot absorb Indian exports, neither can they supply much for India to import. This is very crucial. For example, if Indian states were to be considered as separate countries, then internal trade among Indian states would be counted as foreign trade and the share of intra-regional trade in total trade would go up by a huge margin. Thus it would be out of place to compare the share of intra-regional trade in South Asian with that of Europe or even ASEAN.

India’s economic dominance is sometimes believed to create political difficulties in the neighbouring countries as it is often felt that a deeper engagement with the more powerful India could have adverse consequences for them. However, it is also argued that because of this, smaller countries would prefer to engage with India through a regional process rather than bilaterally. On the other hand, India despite being much bigger in size has much pressing problems like poverty, lack of education and health facilities to tackle. India is thus not in a position to do much for its neighbours.

In view of these constraints and challenges, it becomes difficult to increase the share of intra-regional trade. Exclusive focus on this variable also does not augur well for developing better regional cooperation in South Asia. The relationship between two countries should not be measured by bilateral trade only. It is because of this orientation that Bangladesh has been complaining about its huge bilateral trade deficit with India ignoring the fact that such a deficit is quite natural. For Bangladesh, the US and Europe are the most lucrative markets. But Bangladesh finds India to be the cheapest source for many of the products it imports. Moreover, Bangladesh imports Indian fabrics which it uses to make readymade garments for export to the US and Europe. Thus Bangladesh has created a problem out of no problem. But the solution India offered to solve this problem was also not credible as it would not have reduced the bilateral trade deficit of Bangladesh. Nevertheless, India has accepted Bangladesh’s long-standing demand for unilateral duty-free market access. India announced duty-free market access to South Asian LDCs at the Delhi summit of SAARC in 2007. Later, however, India decided to extend this concession to all LDCs.

SAARC was not established to promote free trade. Even the EU started as the European Coal and Steel Community with the signing of the Paris Treaty in 1951 by six European states. ASEAN was established primarily as a political entity in 1967, and it was only in 1992 that the AFTA (ASEAN Free Trade Area) agreement was signed and gave a generous 15 year time line to make it fully operational by 2008. It however became operational ahead of time in 2003. The old ASEAN members have agreed to introduce zero
tariff rates on virtually all imports by 2010, and for late entrants like Cambodia, Myanmar, Laos and Vietnam, by 2015. Hence the performance of SAARC cannot be judged simply on the basis of intra-regional trade only. Trade integration, does not always lead to a win-win situation. There can be clear losers and gainers and the losses and gains may not always be balanced.

The focus on trade and economic growth has its downside as well. Because of the current trade push within the region, many countries and region of the world are keen to engage with SAARC through different routes to reap various economic benefits which create all new political challenges in the region. Currently, Australia, China, EU, Iran, Japan, Mauritius, Myanmar, South Korea and the US have got observer status in SAARC. Additionally, while Russia and Indonesia want observer status, China, Myanmar and Iran want to become members of SAARC. China’s proposed entry has become controversial as it is seen as an effort to neutralise India’s dominance in the region. Thus any talk of China getting the membership of a “South Asian” regional body is bound to lead to controversy.

Potential areas of co-operation

There are significant opportunities for co-operation and integration in various fields yet the progress has not been satisfactory. Though some initiatives have been taken with respect to South Asia Development Fund and a South Asian University, yet there has not been much progress. The South Asian Development Fund (SADF) was created in 1996 by merging the SAARC Fund for Regional Projects (SFRP) with the SAARC Regional Fund, as was recommended at the 21st session of the standing committee and endorsed at the 16th session of the council of ministers. The objectives were to support industrial development, poverty alleviation, protection of environment, institutional/human resource development and social and infrastructure development projects in the SAARC region. The SAARC university, which was scheduled to open in August, 2009, is yet to get off the ground.

But the unified voice of the region at global forums has achieved some success particularly at the WTO and on climate change issues though it may not formally adopt a common South Asian position. Interestingly, India and Pakistan who often are held responsible for the slow progress of SAARC due to their bilateral issues have presented a united front at these meets. In fact, it is Bangladesh who often took a different stand as it is often not asked to make the same level of commitment due to its LDC status. India and Pakistan stood together probably due to perceived common ‘external’ threats. On climate change issues, though China and India are often singled out for taking on larger commitments, yet Pakistan decided to stand by India. The challenge
is to see that such cooperation develop between India and Pakistan in other areas as well.

South Asia, being so diverse and rich, cannot develop in isolation. Adopting a new perspective on current economic, social and cultural problems will be key to achieving integrity, harmony and overall economic development.

Sharing Energy and Renewable Technologies

Development and promotion of non-conventional energy resources can be one of SAARC cooperation. The region is estimated to have a reasonably good potential in renewable energy sources like solar and wind power. Wind power potential is in the range of 150,000–200,000 MW, mainly in India, Pakistan and Sri Lanka. It also has significant potential in solar energy – estimated at 300,000 MW. Despite the growing electricity demand in the member countries, little initiative has been undertaken to harness and tap these resources. However, India has taken some significant steps in developing and implementing solar technologies. India can leverage its expertise with other member countries. As of now energy cooperation is happening between India and Bhutan only at bilateral level benefiting both the countries. Like Bhutan, Nepal also has significant surplus potential to generate electricity but Nepal remains a net importer of electricity from India.\textsuperscript{13}

Agricultural Research

With changing climatic conditions, there is a need for drought resistant, heat-tolerant and water tolerant crops. Since South Asia has traditional varieties that are drought-tolerant and water resistant, it can examine the potential for using these varieties as a strategy to minimise the negative impacts of climate change on crop productivity. Importantly, there is enormous scope for collaborative research on variety development.

Improved Connectivity

Connectivity implies both physical and economic. Transit facilities like access to roads, railways, waterways, and increased air traffic are elements of connectivity. These need to be improved. Countries like India, which have made headway in information technology, can take a proactive role in building IT based communication systems in the region.

People’s Role in Bridging the Cultural Diversity

There is a need to instil the feeling of regional belonging among citizens of member countries. Equality of status, security of geographical borders, mutual recognition of others’ problems could be the basis for relating within SAARC.
The diverse culture in the region will open the gate for increased interaction. The increased desire of the people to learn different culture can result in greater mobility and interaction among people in the region and will act as a catalyst to regional harmony which further economic and political cooperation. This, however, will require political effort as well as relaxation of immigration policies and better infrastructure for connectivity.

**Networking and Collaboration**

South Asian countries have been at the centre for many innovations. Some of the strength comes from the increasing number of scientists, scholars and engineers in R&D as well as the growing number of scientific and technical institutions. Many of these innovations come through formal research as well as informal/indigenous process. Yet these countries are significantly behind the global frontier in education and innovation and ICT. Hence there is a need to set up a system for networking and collaboration among the South Asian countries in the areas of education and training as well as in technology and innovation. Sharing knowledge in the fields of science, technology, and other social innovation/issues would be extremely beneficial. Countries that are less advanced in the region can learn from those that have more experience of successful programmes in related areas. An excellent example can be the European Union (EU) programme in field of education and research. Ten years ago the EU, set itself the ambitious target of becoming the most competitive and dynamic knowledge-based economy in the world by 2010 and in the process adopted various programmes to transform education and training. It also had kept ambitious collaboration programmes in the areas of research, The region need to draw similar lessons from such cases across the world. However, awareness among politicians, policy makers, educationists, businessmen and the population at large needs to be created, which can then be translated into concrete programmes.

**Addressing Issues related to non-tariff Barriers**

Experts feel that one of the main reasons for SAFTA’s failure to enhance intra-regional trade is the NTBs as the agreement is yet to address the issue. It has been observed that Bangladesh has been a major sufferer on this account and this has distorted exports from that country. In order to do away with the trade impeding effects of NTBs there is need for mutual recognition agreements among the respective organisations of the exporting countries and the concerned accreditation bodies/departments of the trading partners. Issues related to non-acceptability of various export products can be resolved through mutual co-operation programmes that may not affect trade. Harmonisation
of standard between the two countries would also address trade related grievances. There is a need to build warehouses on the border to store products. There is an urgent need to expand infrastructure and repair roads which acts as barrier.

**Some Recent Initiatives**

In order to fast track trade in the region, the member countries have recently agreed in principle to reduce their trade sensitive lists by 20 per cent and allow trade concessions on 20 per cent more items. Although this reduction will increase trade within the region, it can have implications for the local industry which would need to be addressed before the decision to reduce is fully implemented.

The services agreement includes cross border services like (i) telecommunications, (ii) consumption abroad which is the amount spent by people in other countries for tourism, and travel, for education or for health needs (iii) establishing financial services in each other countries, and (iv) movement of persons for jobs in the member countries.

While the first two modes are already functioning in the region, further work is necessary with regard to establishing financial institutions.

**Conclusion**

It is generally agreed that the process of regional economic cooperation in South Asia has not achieved much success and often this is attributed to political difficulties. The chief obstacle being the India-Pakistan relationship and the perceived dominance of India by neighbouring countries. The fact that India maintains a longer negative list for SAARC compared to what it has offered to ASEAN indicates that India needs to be putting more efforts to further regional trade. As a matter of fact, since India has already signed an FTA with Sri Lanka and offered duty-free access to Less Developed Countries (LDCs), its market is reasonably open to all countries in the region except Pakistan. But can India offer more to Pakistan? The answer is possibly yes, as India maintains a trade surplus with it. Pakistan can also give slightly better treatment as it has already entered into an FTA with China. Moreover, if India and Pakistan can get together on WTO and climate change issues, there is no reason why this cannot be extended to include other potential areas of cooperation.

As discussed, regional integration is desirable from various perspectives. Regional co-operation can be instrumental in addressing energy shortage, ensuing and ensuring that no country in the region is left behind. People to
people contact through improved connectivity, simpler visa regime and liberalising the restrictions on trade in services can be some of the steps that can be incorporated to promote better integration in the region. Such initiatives can help in increase investment and growth by reducing the infrastructure constraint and hence transaction cost.

Dominant presence of India is something that is given and the region needs to live with it. India also needs to be empathetic and accommodative to the aspirations and desire of its neighbours keeping the larger regional interest in mind. This in fact can be used for mutual benefit. It would be difficult for India to secure a better place in the global community if it is not able to take its neighbors along. On the other hand, other countries can also gain by joining forces with India as it often gets more attention due to its size, population and market. However, India’s stand alone efforts will not be sufficient and a collective developmental agenda followed by action plan for the region is required to be set up the member nations.

NOTES
Introduction

Surface transport networks in South Asia continue to remain fragmented due to various historical, political and economic reasons. As a result the potential of the transport system that could be the engine of economic growth at the sub-regional level remains largely unrealised.

Prior to the partition of India in 1947, the trade and commerce of the north eastern sub-region of South Asia with the rest of India and the outside world used to pass through territories that are now Bangladesh. Rail and river transit across the erstwhile East Pakistan continued till 1965. But subsequently, as a consequence of the Indo-Pak war, all transit traffic through erstwhile East Pakistan was suspended. Although river transit was restored in 1972, there was no progress in respect of road and rail transit/trans-shipment.

South Asia being geographically contiguous, is ideally suited for the strengthening of transport connectivity provided this concept enjoys political support. In the highly competitive world economy of today, transport costs are a significant determinant of competitiveness, which means that an integrated and efficient surface transport network is an essential element for enabling economic integration at any level.

South Asia has been one of the fastest growing economic regions in the world, however, analyses have revealed that intra-regional trade is still around 5 per cent of the total trade, as compared to 26 per cent in ASEAN, 52 per cent in NAFTA, and 58 per cent in EU, despite the fact that there is tremendous potential to enhance this trade, to anything up to $40 billion,
which would be possible in a supportive political environment when the transport network is integrated and further improved.

It is, therefore, essential that the South Asian transport network gets reintegrated within the context of greater political harmony in South Asia, as the region enters into the second era of SAARC regional cooperation (SAFTA and beyond). The lack of integration in the transport system pushes up the logistical costs which range between 13-14 per cent of the GDP, compared to 8 per cent in USA.

In addition to physical connectivity for movement of traffic, the border-crossing of goods also needs to be improved by removing inefficiencies associated with excessive documentation, customs inspection, lack of transparency and informal payments. Human resources would have to be developed for greater efficiency in trade and transport facilitation issues as well as customs management practices. To facilitate movement of people, SAARC countries also need to simplify their visa regulations. This requires great political commitment and understanding of the issues involved which have been sorely lacking in the South Asian region. There is a need, therefore, to create awareness among the people in general and their political leaders in particular, about the benefits of regional economic cooperation and an integrated transport system.

To bring about a change in the mind-set of politicians, and to influence policy makers and the people, studies should be commissioned, and the cost and benefit of transport integration be widely publicised.1 Civil society institutions in the region should also promote these issues.

**Present State of Transport Connectivity in South Asia**

The current state of the various modes for overland movement in South Asia is as follows:

**Railways**

Railways have a great potential in South Asia as a mode of surface transport for long distance freight and passenger traffic movement. But their use is constrained by the technical problems posed by different gauges, track structures, signalling, and incompatible rolling stock. The absence of a multilateral agreement for direct intra-regional movement has also been a hurdle, and as a result the full potential of the railways has not been realised.

Currently, three broad gauge (BG) rail corridors are active for export and import traffic between India and Bangladesh. On the western side, between Pakistan and India, there are two BG corridors that are currently providing
connectivity, although one crossing is restricted to passenger movement only. There is limited freight movement by rail between India and Pakistan, and goods are trans-shipped between Attari and Wagah.

Indian freight trains travel only up to the border stations inside Bangladesh from where Bangladesh Railway (BR) locomotives pull the Indian wagons to short distances inside the country where trans-shipment takes place. BR wagons also do not cross the Indian border, as the rolling stock is incompatible with the air-braked stock of the Indian Railways. Present load restrictions over the Jamuna bridge in Bangladesh prohibit the movement of broad gauge fully loaded wagons across the bridge, although a dual gauge railway network now exists up to Dhaka. Recent investigations, however, revealed that ISO containers on low platform BLCA/BLCB flat cars having a floor height of 1009 mm can go over the Jamuna bridge, without any load restrictions.

In the absence of transit through Bangladesh by rail and road, goods from Northeast India now travel 1400-1645 km to Kolkata port, through the ‘chicken neck’ between Nepal and Bangladesh. If transit through Bangladesh were allowed, Assam tea would have to go only 600-700 km to reach Kolkata port, and Indian goods from Agartala would have to travel only 350 km to reach Kolkata port.

Moreover the economies of Bangladesh and Northeast India are complementary. While access to Chittagong port could open up the economy of Northeast India to the outside world, Bangladesh could also gain considerably in the process. Scarcity of mineral resources, except natural gas, has been major lack in the development of Bangladesh. Northeast India with its huge mineral resource base can fill this vacuum. Moreover, the hill economies of Northeast India, their agro forest resource base and hydro-power potential can be of much help in the economic development of Bangladesh.

Roads
Road transport has been playing a dominant role in the trade between Bangladesh and India. Nearly 70-80 per cent of all overland trade between Bangladesh and India passes through the Benapole/Petrapole border point. However, the only road connecting Benapole/Petrapole with the Kolkata is still just 5.5 metres wide, and highly congested.

In the context of Nepal-Bangladesh, although India has allowed them to use the road route between these two countries across the ‘Chicken Neck’ for bilateral trade, yet goods are required to be trans-shipped at the Banglabandh border point. This route is more than 1300 km long, as such not very cost-effective and consequently very little used. Since this route
cannot be used for third country trade, Nepal’s export and import traffic uses Kolkata port, which is often congested compared to the Bangladesh seaport of Mongla, which has spare capacity and a direct broad gauge link with Birgunj (Nepal) through the Rauxal Indian border point. But for Nepal to take advantage this route and Mongla port for third country trade India has to agree to such an arrangement. Recently during Pranab Mukherjee’s visit to Dhaka, India has announced it will provide Nepal with such access.

Between India and Nepal, three trading point namely Birgunj, Bhairahawa and Biratnagar handle around 80-85 per cent of the total international traffic of Nepal. India allows trucks from Nepal to operate on designated transit routes within India. Indian trucks are allowed anywhere within Nepal, but must return to India within 72 hours. Nepalese trucks need permits for every trip to India with a validity of three months, but they are allowed to travel freely up to the nearest market towns and rail-heads in India.

Inland Water Transport (IWT)

Before the partition of India in 1947, the trade of Northeast India used to move through the territory of what is now Bangladesh. Even up to the 1965 Indo-Pak war, transit through rail and inland water transport (IWT) was allowed. However, in 1972, after liberation of Bangladesh, a protocol was signed between Bangladesh and India, to restart the transit between the two countries.

Indian and Bangladesh transit traffic follows two routes across Bangladesh. These routes are highly underutilised, partly due to rapid siltation, lack of sufficient navigational aids, and partly due to limited number of ports of call (four ports on either side) and non-renewal of the Protocol for long periods – which has now been resolved after Awami League government assumed power in Dhaka. There is no inter-country passenger movement by IWT.

Passenger Movement

There is limited passenger movement between India-Pakistan and India-Bangladesh, both by rail and road transport (buses). Passenger movement by rail between India and Bangladesh started in April, 2008. The details are as follows:

India-Pakistan

The Samjhauta (friendship) Express resumed operations in January 2004, after a more than two year suspension of services. The twice-weekly passenger train operates between Lahore and Attari (India) opposite Wagah in Pakistan. Another train connection was inaugurated in February 2006 on the south
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western side of India between Munabao and Khokhrapar to link Karachi with Jodhpur in India.

Between Delhi and Lahore, cross border bus services once a week in either direction started in 1999 but were suspended in January 2002. These services resumed operation from July 2003. The landmark fortnightly bus service between India and Pakistan-administered Kashmir was launched on April 7, 2005 for the first time in nearly 60 years. Subsequently another two bus services between Lahore and Amritsar and Nankana Sahib and Amritsar have been commenced.

India-Bangladesh

Passenger movement by rail between Dhaka and Kolkata started again when the Moitri train (friendship train) was launched on April 14, 2008 after 43 years. Two trains operate in each direction during the weekend (Saturday-Sunday). It is a 12 hour journey, which is considered very long, as the distance is only around 400 km. Time taken for customs and immigration formalities could be saved by introducing ‘on board checking’. The issue needs to be considered seriously to make train journey more attractive.

With regard to passenger movement by bus, there are two established routes between India and Bangladesh. The Dhaka-Kolkata and vice versa direct bus operation started in 1999. The Dhaka-Agartala bus operation started in 2003, but is still struggling to be a profitable route. In February 2005, two Bangladeshi private transport companies – Shamoli Paribahan and SR Travels jointly started the bus service between Dhaka and Siliguri (Assam) in cooperation with an Indian private sector operator.

Consequences of Poor Connectivity

Due to poor regional connectivity between Bangladesh and the neighbouring countries/territories namely, India, Nepal, Bhutan and Northeast India, all of them, have been losing a great deal on many fronts. For example:

- A container usually takes 20-25 days and occasionally even up to 60 days to move from New Delhi to Dhaka, as the maritime route is via Mumbai, Singapore/ Colombo to Chittagong and then by rail to Dhaka. But the same container could be moved to Dhaka within four to five days, if direct rail connectivity and container movements were allowed between New Delhi and Dhaka.¹
- India allows transit between Nepal and Bangladesh across the ‘chicken neck’ and Banglbandh, but only for bilateral trade, and not for the third country trade of Nepal, which now has to pass through the
already congested Kolkata port. Mongla port in Bangladesh has spare capacity and is conveniently located with a direct broad gauge rail link from Birgunj in Nepal to Khulna in Bangladesh, with a road link to Mongla (38 km). Prime Minister Sheikh Hasina during her visit to India in January announced that Bangladesh will make both the Mongla and Chittagong ports available for India, Nepal and Bhutan. Bangladesh has already had a meeting with Nepal to implement this.

- The shipment of Assam tea to Europe is required to travel 1400 km to reach Kolkata port through the ‘chicken neck’. The route through Chittagong port would be now shorter by more than 50 per cent, in terms of distance, as Bangladesh has agreed to allow India to use the port.
- The southern border of Tripura state is only 75 km from Chittagong port.
- India and Myanmar are jointly implementing ‘Kaladan project’ to link the port of Sittwe in Myanmar with Mizoram, partly through the Kaladan river and partly by road. This is an expensive alternative for India to access Northeast India because it means trade would be routed via Kolkata to Sittwe, through the Kaladan river and road, as a substitute to the existing route through the chicken neck. Transport cooperation with Bangladesh would benefit as it will allow India to use a much shorter route (around 600-700 km) across Bangladesh.

Bangladesh and its neighbours need to address the expensive consequences of non-cooperation in transport. Countries in all parts of the world have disputes with neighbours but mutually beneficial cooperation continues in spite of them. Bangladesh, India, Nepal and Bhutan stand to gain substantially through sub-regional cooperation in transport. It would clearly be a win-win situation for all.

**SAARC Initiative: Routes Identified by SRMTS**

The 12th SAARC summit in Islamabad in 2004, called for strengthening transport, transit and communications links across South Asia. The SAARC secretariat pursued this decision, and undertook the *SAARC Regional Multimodal Transport Study (SRMTS)* during 2005-06, with financial assistance from ADB. The main objective of the study was to enhance multimodal transport connectivity among SAARC member states. The study was completed in June, 2006. The 14th SAARC summit held in New Delhi in 2007 adopted SRMTS recommendations, and urged the transport ministers to oversee the implementation of this multi-modal transport network.
Identification of SAARC Routes/Gateways

In order to address the consequences of non-cooperation in transport, and to overcome the various problems indicated in above, the SRMTS has identified a number of strategic corridors and gateways which could be developed on a priority basis to establish an integrated transport system in South Asia for smooth and efficient movement of both goods and passengers across the sub-region.

Most of the ten road corridors, five rail corridors, two IWT corridors, ten maritime gateways and 16 aviation gateways identified by SRMTS, for regional connectivity, are already in use, but need some improvements. In case of road and rail, there are several new corridors which have been identified by SRMTS for priority attention.

Given below is a list of such new priority routes/corridors, the implementation of which could revolutionise regional connectivity within South Asia:

**Priority Routes/Corridors for Road Connectivity**
2. Kathmandu-Kakarvitta-Phulbari-Banglabandh-Mongla/Chittagong
3. Kolkata-Dhaka-Sylhet-Guwahati-Sandup-Jongkhar
4. Agartala-Akhaura-Chittagong
6. Thimphu-Phuentsholing-Jaigon-Chengrabandha-Burimari-Mongla/Chittagong

**Priority Routes for Rail Connectivity**
1. Lahore-New Delhi-Kolkata-Dhaka-Kulaura-Imphal
2. Birgunj-Raxaul-Kathihar-Rohanpur-Chittagong with links to Mongla, Johhbani and Agartala
3. Rail route/corridor between Colombo and Chennai

**Priority routes in Inland Water Transport (IWT)**
1. Kolkata-Raimongal-Mongla-Narayanganj
2. Aricha-Pandu
3. Bhairab Bazar/Ashuganj-Karimganj
Details of Corridors/Routes: Priority Corridors/Routes for Road Connectivity

Road route 1: Lahore-New Delhi-Kolkata-Benapole-Dhaka Akhaura/Agartala

This route when operationalised, could provide an efficient land route between Pakistan, India and Bangladesh (Map 1). This is mostly a 4-6 lane highway of high standard. In Pakistan, the Lahore to Wagah (27 kms) section is a dual-carriageway for the first 16 kms and the rest is a two lane (7 m) road. In India, the Attari to New Delhi (492 kms) section is a two lane (7 m) road up to Jalandhar (105 kms) and the Jalandhar – New Delhi section (387 kms) is a 4-lane divided carriageway in good condition. The Delhi-Kolkata (1,461 kms) road is part of the Golden Quadrilateral network and is 4-6 lanes in good condition. But, the Kolkata-Petrapole is a two lane road, partly narrow and remains quite congested for most of the day. In Bangladesh, the portion from Dhaka to Dharkhar (121 km) is two laned (6.3-7.5 m wide with shoulder of 2.0-3.0 m) in good condition. But the Dharkhar-Akhaura road (15 km), is under reconstruction for building a 3.5 metre wide pavement. From Akhaura to Agartala (5 km), the road has 5.5 m wide pavement and is in good condition.

Road route 2: Kathmandu-Kakarvitta-Phulbari-Banglabandha (i) Mongla (1314 km) and/or (ii) Chittagong (1394 km)

The road from Kathmandu to Kakarvitta is about 600 kms (Map 2). The road from Kathmandu to Pathalaiya is 227 kms, and the condition is good, except for the section between Mugling and Narayanghat (36 kms). The remaining section of the road from Pathalaiya to Kakarvitta (373 kms) is 6-7m wide and the condition is good. In India, the road from Panitanki to Phulbari/Banglabandha (44 kms) is two laned and the condition is good. Traffic along this section is low, around 50 trucks per day.

In Bangladesh, the road from Banglabandha to Mongla (670 kms) has an average pavement width of 7.3m with 2.4-4.0m shoulders on both sides. The condition of the entire road is good. The Banglabandha–Dhaka–Chittagong corridor (750 kms) uses the same road N-5 up to Hatikamrul and then crosses the Jamuna bridge to reach Dhaka and then to Chittagong. The entire road has an average pavement width 7.5 metres and shoulder width 2.0-4.0 metres on both sides. The road condition is good.

Within India the only constraint is the lack of permanent offices at Phulbari border post. Immigration facilities for processing passenger traffic would need improvement. Foreign exchange facilities do not exist at Panitanki
Map 1: SAARC Highway Corridor
SHC1: Lahore-New Delhi-Kolkata-Petropole/Benepole-Dhaka-Akaura/Agartala
Map 2: Kathmandu-Kalka-Chitpur-Bangladesh-Mongla-Chittagong
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and Phulbari. The border post at Banglabandha lacks permanent facilities for immigration, customs, post office and telephones. But the development of this land port has now been taken over by the private sector on a BOT basis, and as such facilities are going to improve soon.

Road route-3: Kolkata-Dhaka-Sylhet-Shillong-Guwahati-Sandrup Jongkhar (906 km)

The condition of Kolkata-Dhaka section of the road is already covered under Road route-1, above. The section between Dhaka-Sylhet-Tamabil/Dawki (296 km) has an average pavement width of 7.5 m and shoulder width of 2.0-3.0 m and its condition is good (Map 3).

In India, the Dawki-Shillong (83 km) road is of two lane/single lane standard and is generally in good condition. The section from Shillong-Guwahati (104 km) is largely a two lane road, widened recently and the condition is good. The entire section from Dawki/Guwahati is part of the Asian highway A1 and A2. The portion between Guwahati-Samdrup Jongkhar (81 km) is part of a state highway.

Road route-4: Agartala-Akhaura-Chittagong (227 km)

In India, the corridor from Agartala to Akhaura (5 kms) has a 5.5m wide carriageway carrying about 2,743 vehicles per day and is in good condition (Map 4). In Bangladesh from Akhaura to Dharkhar (15 kms) the corridor uses a regional highway that has 3.5m wide pavement and is currently being upgraded to a good quality paved road.

From Dharkhar to Dhaka (121 km), the road has an average width of 6.3-7.5 m with shoulder width of 2.0-3.0 m and is in good condition. The road from Dharkhar to Comilla (56 kms) has a 6.3 m wide pavement with hard shoulder of 2.0-3.0 m and the condition is only fair. The section from Comilla–Chittagong (151 kms) has 7 m wide pavement and the condition is good.

Road route-5: Karachi-Hyderabad-Lahore-New Delhi-Nepalganj-Kathmandu

In Pakistan, the corridor between Karachi and Hyderabad (144 km) uses motorway (Map 5). The section between Hyderabad to Lahore (1200 km) is a 4-lane dual carriageway and the condition of the highway is excellent, with 7.25 m wide pavement on either side, and a 1.3 m shoulder on each side. The road section between Lahore and New Delhi is already described under road route number 1 above.
In India, New Delhi-Lucknow is a 2 to 4 lane wide road, while the Lucknow-Barabanki section (30 km) is a 4-lane road. The section between Barabanki-Nepalganj (154 km) is a 1-2 lane road, and the condition is only fair. Within this section, the width of Barabanki-Baharaich portion varies from 5.5 to 7 m, while Baharaich-Nepalganj has only 3.75 m wide pavement.

In Nepal, the section from Nepalganj to Kathmandu (510 km) is connected by the Mahendra highway which is a 2-lane road (6-7 m) wide, and the East-West highway which is a 6 m wide road in good condition.
Map 4: SHC6: Agartala-Akhaura-Chittagong
Road route-6: Thimphu-Phuentsholing-Jaigon-Chengrabandha-Barimari-(Chittagong (966 km), and (ii) Mongla (880 km)

In Bhutan, from Thimphu to Phuentsholing/Jaigon (172 kms) the road has an average pavement width of 3.65m with an average hard shoulder width of one metre on either side and is in good condition (Map 6).

The road from Jaigon to Burimari (110 kms) is a 2-lane standard road in good condition. In Bangladesh, the road from Burimari to Rangpur (139 kms) has a pavement width of 5.5m with 2 m shoulder on both sides and the condition is also good. For the sections, Rangpur to Mongla Port (459 kms), and Rangpur to Chittagong Post (545 kms), please see road route number 2, above.

Road route-7: New Delhi-Lahore-Islamabad-Peshawar-Kabul

This is a new road link identified later, after the completion of SRMTS in 2006 (Map 7). From New Delhi to Lahore, the road is in very good condition. From New Delhi to Jalandhar (387 km) is a 4-lane divided highway, and
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from Jalandhar to Attari (105 km), it is a 2-lane (7 m wide) road of high quality. From Lahore to Peshawar it is a dual carriageway with 2-3 lanes on each side. Beyond Peshawar to Kabul, it is a 2-lane road, quite well developed and is the lifeline of Afghanistan.

Priority Corridors/Routes in Rail Connectivity

*Rail route 1: Lahore-New Delhi-Kolkata-Dhaka-Kulaura-Imphal (2830 km)*

This route when fully connected and operationalised could provide a most efficient corridor for inter-country trade between Pakistan-India and Bangladesh (Map 8). This is mostly a broad gauge (BG) route having partly double lines, with a fully electrified Delhi-Kolkata section (1441 km), capable of handling high traffic volume, in both goods and passengers. In Bangladesh, Darsana-Dhaka-Joydebpur portion is partly BG up to Ishurdi, and partly dual gauge (DG). The portion from Joydebpur-Shahbazpur via Kulaura is metre
Regional Transport Connectivity: Getting Past the Impediments

Map 8: Lahore-New Delhi-Kolkata-Dhaka-Kulaura-Imphal

Legend:
SRL - Lahore-Delhi-Kolkata-Dhaka-Imphal
National Railways
County Boundaries

Lahore
Delhi
Kathmandu
Kolkata
Dhaka
Kulaura
Imphal

Map 8: Lahore-New Delhi-Kolkata-Dhaka-Kulaura-Imphal
gauge (MG), and it enters into India and continues to Mahishasan as MG. The portion from Mahishasan to Karimganj (10 km) is still MG. The section from Mahishasan to Jiriban (116 km) is being converted to BG, and the remaining section up to Tupul near Imphal (98 km), is being constructed as BG.

**Rail route 2: Birgunj-Raxaul-Katihar-Rohanpur-Chittagong with a link to Mongla and Akhaura (1146 km +)**

This route when fully operationalised could provide a most efficient and short-cut route for Nepal to Mongla Port in Bangladesh (Map 9). This is a single line route for long stretches, and double line in certain places, with broad gauge, dual gauge and metre gauge in different sections. The route currently handles inter-country traffic between India and Bangladesh.

**Rail route 3: Colombo-Chennai (1,025 km)**

This corridor would connect Colombo with Chennai, India (See Map 10). The corridor originates at Colombo and continues up to Talaimannar pier, a distance of 337 kms. The services on its northern most section i.e. Medawachchiya to Talaimannar pier had been suspended since June 1990 due to civil conflict in this part of Sri Lanka which has now been resolved. The ferry link of 35 kms from Talaimannar pier in Sri Lanka to Rameshwaram in India would provide connectivity with Chennai, 653 kms away, through the Indian Railways network. The 161 km. long section from Rameshwaram to Madurai Junction is under gauge conversion from metre gauge to broad gauge.

However, the problem of operationalising the ferry link is seen as critical. The ability to maintain services during the monsoon period with a reasonable level of reliability is important. Several alternatives have been examined in the past including construction of a bridge across the Palk Strait.

**Priority Corridors/Routes for IWT Connectivity**

**IWT Routes: Kolkata-Raimongal-Mongla-Narayanganj**

(a) Aricha-Pandu; and

(b) Bhairab Bazar/Ashuganj-Karimganj

To make IWT more competitive, one of the immediate actions which could be taken by Bangladesh is to designate ‘Ashuganj’ as a new port of call as well as a new trans-shipment port with facilities developed for transferring containers/goods to multi-axle covered trucks/truck-trailers owned by
Map 9: Birgunj-Raxaul-Kathihar-Rohanpur-Chittagong (Links to Jogbani and Agartala)
Bangladesh road transporters and/or a joint venture company, for onward movement to the border at Akhaura and then to Agartala. (Map 11)

Progress in the Implementation of SRMTS

The Roadmap for Implementation of SRMTS

SRMTS has identified obstacles along each route/gateway and proposed remedial measures. An in depth analysis revealed that the barriers are not critical and measures are affordable, and many of them are non-physical, which only need good intentions and political commitment to be resolved.

The major recommendations on each of the connectivity sector are as follows:

Road Corridors

- Adoption of transport and transit agreements.
- Some roads in Bihar/West Bengal/Bangladesh need improvement for inter-country traffic between Nepal/Bhutan and Bangladesh.
Development of modern facilities at all land ports for both goods and passengers.

Last few kms. of all land roads near borders, should adopt national highway standards.

**Rail Corridors**

- Gauge standardisation along major routes (BG/Dual) for regional traffic-movement.
- Standardise braking and coupling system for smooth movement of rail wagons across SAARC region.
- Strengthen Jamuna bridge/construct a second rail bridge.
- Multimodal Rail Transport Agreement to facilitate smooth movement of regional traffic.
- Introduce specialised freight/container trains between major origins and destinations.

**Inland Waterways**

- Renew IWT protocol between Bangladesh and India for longer periods, a problem which has now been resolved.
- Revitalise IWT based on a joint study and investment by India and Bangladesh.
- Develop container handling facilities along major IWT routes of national and regional importance.
**Maritime Gateways**

- Expansion of port capacity to handle more container traffic in several ports.
- Improve port and trade facilitation to ensure efficient cargo clearance and reduce dwell times.
- Ensure regular dredging in some of the major ports which are facing siltation problem, and encourage private sector investment in ports development.

**Aviation Gateways**

- Expansion of terminal facilities and improvement of radar system to increase runway capacity, in some of the smaller airports.
- Introduction of low-cost carrier services by major countries, and simplifying visa issuance.
- Encourage private sector investment in development and management of airports and airlines.

**Efforts made by different Countries/Agencies**

**Initiative by India, Bhutan and Sri Lanka**

At the first meeting of the SAARC transport ministers held in August 2007 in New Delhi, Bhutan, India and Sri Lanka proposed several regional projects for implementation from those included in the road map. The second meeting of the SAARC transport ministers held in Colombo in July, 2009, reviewed progress in the implementation of earlier projects and endorsed three more activities, namely (i) identification of three road corridors from South Asia across Pakistan to Afghanistan through Attari-Wagah border, (ii) running of a demonstration container train from Pakistan to Bangladesh through India and Nepal, and (iii) establishment of an Expert Group to negotiate SAARC motor vehicles and railway agreements, in a time bound manner. The ministers also agreed to recommend to the SAARC council of ministers to declare the next decade as the “Decade of Intra-regional Connectivity in SAARC”. But so far the progress in the implementation of the sub-regional projects has been found to be wanting.

**Initiatives by SAARC Countries**

The SAARC transport ministers at their second meeting held in Colombo in July 2009, set up an “Expert Group” consisting of representatives from SAARC countries to negotiate the two draft transport agreements, the Regional Motor Vehicle Agreement and the Regional Agreement on Railways.
The drafts have already been sent to all the SAARC member countries for their comments which will be considered by the expert group at the meeting, to be held in SAARC Secretariat, Kathmandu, in 2010.

Resolving Connectivity Issues: Who can do what?

Role of Bangladesh

If connectivity is provided to India, Nepal and Bhutan; Bangladesh could benefit by trading in transport services, and these countries/territories could get easy access to seaports. Trading in transport services could reduce Bangladesh's trade deficit with India. Bangladesh has now resolved the connectivity issue sub regionally, by providing connectivity to all the three countries/territories. Negotiations are being held between Nepal and Bangladesh, and Nepal and India, to implement their access to trade through Mongla and Chittagong ports in Bangladesh.

Role of Hinterland Countries

It is crucial to recognize that the ‘transport services’ referred to earlier have no market outside the sub-region, similarly, the sub-regional countries also need to recognize that no country other than Bangladesh can provide these services.

Bangladesh is fortunate that Mongla port has spare capacity. It also has the potential for developing a deep-sea port, but its development needs sub-regional patronage. Policy makers in the hinterland countries need to recognise both the opportunities and constraints and should whole heartedly patronise the development of the deep sea port in Bangladesh and its efficient road, rail and IWT connectivity with the hinterland countries. This would create win-win situation for all. In the context of offering accessibility to Nepal and Bhutan to Mongla Port, for their third country trade, it is crucial that India also agrees to with this proposal so that transit through India is also available to them.

Role of India and Bangladesh

Subject to political agreement on transit rights, India will have access to Northeastern India through Bangladesh at two points, Tamabil/Dawki and Akhaura. Direct access to southern parts of Assam and Manipur will, however, be restricted, as there is no direct route to these areas through Bangladesh (See Map 3).

To resolve this problem, India and Bangladesh could jointly build a new
access road to Northeast India, as part of the BIMSTEC network, from Sylhet to Imphal through Assamaglam, Karimganj and Silchar, which would pass through a level terrain, and reduce the distance by 400 km for international traffic, including Indian traffic from the mainland to Myanmar (Map 12).

Selection of transport modes across Bangladesh: Possible Solutions

In view of the structural limitations of the Bangladesh road network which are only two lane wide and built on axle load limits of 8 tons, it would be better to carry regional traffic by rail. This can be immediately operationalised – subject to political agreement.

To facilitate movement of Indian high value and perishable goods by road across Bangladesh, expressways have to be built to higher specifications. But till such time, the following possibilities could be considered:

(a) Inter-district Bangladesh road transporters/truckers could be persuaded to provide logistical support to carry goods across

Map 12: Sylhet-Tamabil-Guwahati-Dimapur-Imphal-Tamu Route

![Map 12: Sylhet-Tamabil-Guwahati-Dimapur-Imphal-Tamu Route](image)
Bangladesh, as a part of trans-shipment, using medium sized multi-axle vehicles and/or truck-trailers to carry containers.

(b) these operations could start immediately, as part of phase-I, once it is decided by both the governments. Efficient trans-shipment facilities will be needed on both side of Bangladesh, to carry out this task.

An Alternative Arrangement
In order to avoid double trans-shipment of goods on both sides of Bangladesh, and to provide a door-to-door service, other alternatives that could be considered include:

(a) Establishment of a joint venture trucking company, with a fleet of medium sized multi-axle covered trucks, and/or truck-trailers having a special colour (for easy identification and security) to carry transit traffic, with a majority Bangladesh ownership, but with shareholders in India, Nepal and Bhutan.6

(b) Vehicles of the above joint company will need to be registered both in Bangladesh and India to facilitate carrying traffic from origin to destination, without trans-shipment. The company will need the patronage of all concerned governments.

(c) Transit traffic should be subjected to inspection, scanning (if required), weighing and sealing by Bangladesh customs authorities at border crossings, to prevent smuggling.

Role of Pakistan
Currently Pakistan does not allow any transit traffic between India and Afghanistan/ Iran/Central Asia, and vice-versa. Lack of political understanding has been the root cause of this situation. However, to initiate a change in the mind set of politicians, dialogue could be organised by civil society institutions. This would promote people to people understanding in order to bring about a change of heart. Since Afghanistan does not have any railway, connectivity, its connectivity across Pakistan have to be based on road transport, for which Pakistan has very good quality roads from Lahore to Peshawar and beyond.

Pakistan could earn considerable foreign exchange if it allowed transit facilities. It could then also get India to provide transit on a reciprocal basis for its trade with Bangladesh and Nepal.

Role of India
India needs to provide transit to Pakistan and Afghanistan to trade with other
SAARC countries, and vice-versa. India has agreed to provide transit rights to Nepal and Bhutan to enable them to access the Bangladesh ports of Mongla and Chittagong for their third country trade. In each case, India can also charge transit fees in foreign exchange for facilitating access across its territory.

Role of Afghanistan
Although Afghanistan is a land locked country, yet it is a gateway for SAARC countries to Central Asia and Islamic Republic of Iran. As such, Afghanistan should also provide transit to all SAARC countries for their trade with Central Asian countries, Iran and vice-versa. Afghanistan too will be able to earn considerable foreign exchange by charging transit fees.

Currently, it is believed that Afghanistan is reluctant to provide transit for trading with Central Asia and Iran to Pakistan. Initiative should be taken to involve all stakeholders and resolve this impasse.

Conclusions
The cost of non-cooperation in transport connectivity being very high, SAARC countries must provide transit facilities on a reciprocal basis. India, Nepal and Bhutan, are already given access to Bangladesh sea ports of Chittagong and Mongla. Bangladesh would gain considerably through trading in ‘transport services’, and in the process the ‘hinterland countries’, could also gain through savings in transport cost because of shorter trip lengths and access to sea ports. Thus it is going to be a win-win situation for all the four countries, Bangladesh, Bhutan, India and Nepal.

Afghanistan and Pakistan need to cooperate more closely with other SAARC countries and provide transit across their countries. In order to bring a change in the mind set of policy makers/politicians, civil society institutions in Pakistan and Afghanistan should continue organizing dialogues involving all stakeholders.

There is not much study as yet on the benefits of transport integration, or cost of non-cooperation among SAARC countries.7 Creating awareness through on the basis of the findings of an authentic study on the cost of non-cooperation could go a long way in persuading the political leadership about the importance of transport cooperation. Such a study could focus on a number of selected corridors/routes that could provide cost-effective connectivity compared to the existing inefficient and extended routes. Estimates of benefit could be based on the potential traffic/trade that would be generated once the selected corridors/routes are available to regional traffic movement, so as to establish that it would be a win-win situation for all countries involved.
Most of the transit countries will need to expand their transport facilities to cater to the needs of new regional traffic. Bangladesh, in particular, will be required to expand its ports and railway facilities, as well as improve their operational efficiencies. Major road networks will also need to be upgraded to expressway standards to be able to carry high value perishable goods. Alongside the hardware, for seamless movement of regional traffic, efficient trade facilitation measures will have to be introduced at almost all the border crossings.

Considerable investments would be needed to modernize and expand the transport facilities in different countries of South Asia. Foreign investment from India and other donor countries needs to be mobilised for the purpose, including private sector investments, which need to be encouraged as well. Regional connectivity could make Bangladesh, Afghanistan and Pakistan attractive for foreign direct investments (FDI). In the case of Bangladesh, providing regional connectivity would definitely enhance the prospects of regional patronage for its ‘deep-sea port project’.

However political will is essential to establish effective regional transport connectivity. In this context, this is a very opportune moment as all the SAARC countries have popularly elected governments in power. These governments should, therefore, seize the opportunity to resolve all their outstanding issues through mutual consultation and discussion. In order to find a long lasting solution it is essential to take a holistic view of the situation and resolve the outstanding issues. With strong political commitments, the transport connectivity issues and other unresolved issues could be discussed with an open mind, so that something doable emerges through a process of give and take.

The civil society institutions, including the chambers of commerce and industry in all SAARC member countries should take the initiative to bring the above players together. Representatives of government intelligence agencies also need to be involved in the dialogues to address any security issues.

Finally, it is important to point out that unless the issue of regional transport connectivity is addressed seriously by all stakeholders, the land-locked countries/territories will lose out on the many economic opportunities that the process of globalisation could have provided.

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