



# IDSS COMMENTARIES (07/2004)

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## **Peace and Conflict in India-Pakistan Relations: Implications for East Asia**

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**17 March 2004**

### **Introduction**

India broke off diplomatic and other links with Pakistan following the December 2001 terrorist attacks on the Indian parliament, accusing Islamabad of supporting the terrorist outfits that carried out the attack. The two countries then mobilized close to a million troops across their common border and twice came close to making war.

However, after Indian Prime Minister Atal Bihari Vajpayee extended a 'hand of friendship' to Pakistan in April 2003, which was followed by Pakistan's unilateral declaration of a ceasefire along the Line of Control (LoC) in November 2003, the relations between the two countries have seen a marked improvement.

In January this year, the two countries signed the South Asia Free Trade Area (SAFTA) framework together with the other SAARC nations (which is to come into effect on January 01, 2006). Then in February 2004, after three days of official-level 'talks on talks', India and Pakistan agreed to resume their 'composite dialogue' (which will include 'peace and security, including Confidence Building Measures (CBM) and 'Jammu & Kashmir') in May-June 2004, soon after the Indian general elections. And in the second week of March 2004, the Indian cricket team arrived in Pakistan for a month-long tour – their first after a break of almost 15 years – an important sign of their thawing relations.

What are the reasons behind this most dramatic shift in relations between India and Pakistan and what do peace and conflict between the two mean for the Asia-Pacific region?

### **Thaw in India-Pakistan Relations**

For Pakistan, the desire for peace springs from a great concern about the direction the country is taking as well as the changing international context. The "jihadi" genie that is said to have been sponsored by some Pakistani quarters has tarnished its international image and threatens its own security. The jihadis that were trained to fight a 'proxy war' in Kashmir have now turned against the Pakistani government. Pakistan's President (and Army Chief) General Pervez Musharraf has even gone so far as to say that internal threats to Pakistan are far more serious than any external threat. Moreover, high defense expenditure coupled with a dearth of foreign investments has compounded the economic problems in that country. Pakistan's support of America in its 'War against Terrorism' caused Pakistan to end all support for the Taliban regime, and with it the so-called strategic depth it enjoyed in Afghanistan. This, coupled with US operations along the border in both Afghanistan and Pakistan to hunt down Osama bin Laden and other members of his al-Qaeda network, has created instability in that region. Pakistan will have to expend considerable energy and resources to stabilize the restive Pashtun belt straddling the border with Afghanistan.

Peace with India over Kashmir (lowering the tensions and not necessarily resolving the issue)

should allow Pakistan to disengage from the eastern front and redeploy its forces along the Afghan border. It will also allow Pakistan to lower the profile of its nuclear weapon capability, following the exposure of the black market proliferation of nuclear weapon parts by its leading nuclear scientist, Abdul Qader Khan. Moreover, it will bring in the added advantage of SAFTA, which is bound to boost the Pakistani economy.

For India, which has great power aspirations, the need to politically accommodate Pakistan is paramount for it to get out of the South Asian strategic straitjacket, in order to become a major Asian player. True, India has been cultivating ties with the East Asian countries since the early 1990s with its “Look East” policy. However, peace with Pakistan will allow it to expend more resources to increase and intensify the pace of its interaction with the region. India also hopes to get a permanent seat (with veto) in a reformed United Nations Security Council, which is not likely to come about unless the Kashmir issue is resolved. Peace with Pakistan will also mean that India will be able to focus on its economic growth (which registered an impressive average of 6%p.a. over the past decade).

But what are the strategic implications of peace and conflict between India and Pakistan for the wider Asia-Pacific region?

### **South Asia and Northeast Asia**

Both India and Pakistan are nuclear states. After India suffered a humiliating defeat in the Sino-Indian border war and China became a nuclear power in 1964, India embarked on acquiring its own atomic bomb. India became a ‘threshold’ nuclear power after it carried out a ‘peaceful’ detonation in 1974 and became a declared nuclear weapon state after its nuclear tests in May 1998. Pakistan’s quest for nuclear weapons began in 1971 after its dismemberment in the Bangladesh War and nuclear weapons came to be seen as great equalizers to India’s superior conventional capability. Soon after India’s 1974 test, China and Pakistan intensified their nuclear cooperation (both had established strong military ties after the 1962 Sino-Indian border war). Sino-Pakistani nuclear cooperation continued throughout the 1980s and the 1990s. India justified its 1998 decision to go nuclear in terms of a long-term China threat and the China-Pakistan nuclear nexus.

China’s nuclear and missile assistance to Pakistan and North Korea, and Islamabad’s “nukes-for-missiles” barter trade with Pyongyang blur the distinctions between Northeast Asian and South Asian security complexes. They affect the security of South Korea, Japan, and the US in Northeast Asia and that of India in South Asia. China has supplied Pakistan with highly enriched uranium; ring magnets and the machines for the production of weapons grade uranium; a plutonium production reactor at Khushab; a plutonium reprocessing facility at Chasma; M-9 and M-11 ballistic missiles and missile components etc. North Korea’s Taepo Dong missile (tested in August 1998 and capable of reaching any point in Japan) has its origins in Chinese CSS-2 missile technology. Islamabad has shared its highly enriched uranium technology with North Korea, which in turn has provided Pakistan with ballistic missile supplies.

China is a “rising” Asian power with its impressive and growing economy coupled with a military modernization program. China’s military build-up can be viewed as legitimate, but China’s nuclear and missile assistance to Pakistan and North Korea betray China’s intentions. China’s strategic objective is to emerge as Asia’s pre-eminent power by “restraining Japan and constraining India” and by limiting the sole global superpower’s (i.e., America’s) policy options in Asia through nuclear proliferation.

The many possible outcomes of the Beijing-Islamabad-Pyongyang axis include a nuclear armed North Korea facing a nuclear armed Japan and maybe even South Korea; or Japan tightening its security alliance with the US and participating in the Theater Missile Defense (TMD) System; or

Japan, India and the US coming together to contain China among others. All these outcomes have serious consequences for China's great power ambitions and regional stability in both Northeast Asia and South Asia. This chain reaction of events can have a very serious destabilizing impact in the overall Asian security environment irrespective of the direction the India-Pakistan peace talks take.

### **South Asia and Southeast Asia**

While Northeast Asia will have to deal with the geostrategic repercussions of the nuclear proliferation axis mentioned above (with or without peace in South Asia), the story in Southeast Asia is quite different. Since opening up its economy in the early 1990s, India has been trying to increase its influence – cultural, political, economic, and strategic – in Southeast Asia. With India-Pakistan relations thawing, this process is likely to be intensified, as India will be able to expend more energy and resources to developing stronger ties with the region.

India initially became interested in Southeast Asia to attract investments from the more advanced ASEAN countries such as Singapore and Malaysia. India also wanted to cultivate new export markets for its growing economy. India is in the midst of establishing a Free Trade Area (FTA) with Thailand and a Common Economic Cooperation Agreement (CECA) with Singapore. In addition to this, India is working towards establishing an FTA with ASEAN by 2011.

ASEAN also looms large in India's energy security calculus. India's largest oil and gas company ONGC Videsh, has invested in oil and gas production in Vietnam. India has been cooperating with the US and ASEAN in the Straits of Malacca to monitor the sea-lanes of communication to deal with the threats of piracy and maritime terrorism. This gels well with India's own energy security needs as it intends to import crude oil from Vietnam in the future.

India's economic and strategic engagement with the region is also influenced by the growth of Chinese power in the region. China has offered to establish an FTA with ASEAN by 2010. India is also worried about the growing Chinese strategic (and to a lesser degree economic) influence in Myanmar. Seeking an entry into the Indian Ocean Region as its energy imports from the Middle East and trade with Europe pass through this region, China has been developing Myanmar's naval facilities and has been able to establish listening posts on some Myanmarese islands (e.g., the Coco Island) in the Bay of Bengal/Andaman Sea region. These listening posts also allow China to monitor India's missile development in India's eastern state of Orissa. To counter the growing Chinese influence in the region, India has developed its first tri-service unified command in Port Blair in its Andaman and Nicobar islands.

ASEAN countries have welcomed the increasing Indian presence in the region, as ASEAN leaders see it as balancing China's growing influence. A democratic India that is growing more dynamic economically can play a bigger role in enhancing regional security in Southeast Asia. The improvement of India-Pakistan relations will also enable Pakistan to become a dialogue partner of ASEAN and member of the ARF without raising fears that they would bring South Asian conflicts into the forum. This would extend the geographical footprint of the ARF across the entire span of South and East Asia.

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