

India-Pakistan: Breaking the Deadlock

The leaders of India and Pakistan delighted their regional colleagues and their home audiences when they announced in January that the two countries would resume their dialogue on all contentious bilateral issues, including Kashmir, marking the first concrete initiative since peace talks collapsed in Agra in July 2001. There is much expectation attached to the “composite dialogue” due to start in February 2004, between senior officials of each side. The joint statement released by the two governments indicates a desire and willingness to look beyond previously held positions on Kashmir and other issues, which have prevented meaningful dialogue in the past. Although significant, bitter legacies, mutual distrust, and a troubled history of talks between the two countries means that unless the incipient dialogue is linked to a sustained peace process, ideally backed by honest international brokers, prospects of peace in the region are likely to remain fragile.

From confrontation to compromise: The decision to resume dialogue came at the end of the twelfth summit of the South Asia Association for Regional Cooperation (SAARC) held in Islamabad, Pakistan from January 4-6, 2004. However, the recent process of normalization was initiated almost nine months ago when Indian prime minister Atal Behari Vajpayee extended a “hand of friendship” to Pakistan in April 2003 and stated New Delhi’s willingness to resume dialogue. Over the next few months, the two sides held behind-the-scenes negotiations and engaged in a series of confidence building measures (CBMs) to create an environment conducive to talks. The two countries expanded their diplomatic staffs and reestablished the bus, rail, and air links severed in December 2001. The most significant measure was the declaration of a ceasefire along the line of control (LOC) in November 2003 by Pakistani prime minister Zafarullah Jamali. With relations on the mend, the stage was set for the summit meeting between President Pervez Musharraf and Prime Minister Vajpayee and the subsequent joint statement.

SAARC summit and beyond: Although the SAARC charter explicitly prohibits raising bilateral issues in the organization’s meetings, Indian and Pakistani officials met on the sidelines and agreed to hold a “composite dialogue” in February 2004, which would address, among other issues, “the Kashmir dispute, to the satisfaction of both sides.” More significantly, Pakistan met an important Indian precondition by promising in writing that it would not allow its territory to be used for terrorist acts.

The multilateral agreements announced at the SAARC summit reinforced this bilateral breakthrough. All seven-member countries signed an additional protocol to the SAARC regional

convention on suppression of terrorism. They also signed a social charter on alleviating poverty.

The SAARC countries’ most ambitious multilateral agreement was their decision to establish a South Asia Free Trade Area (SAFTA) by January 1, 2006. Under this new agreement, member countries are supposed to reduce intra-regional import tariffs to between 0 percent and 5 percent. Current trade within SAARC is astonishingly low and trade barriers are high by worldwide standards. The recent bilateral trade agreement between India and Sri Lanka suggests that reducing trade barriers can provide significant opportunities for mutually beneficial trade. If fully implemented, the SAFTA treaty would extend this opportunity to the rest of the region. Increasing trade could help create economic incentives for reducing hostility and enhancing cooperation in a region where socioeconomic indicators are among the lowest in the world. The most difficult aspect of trade liberalization involves India and Pakistan. At present, Pakistan does not extend normal trade relations (“most favored nation” treatment) to India. Implementing the spirit of SAFTA between these two countries will need to follow a different track, and will be closely related to the rest of their bilateral peace process.

Why initiate peace talks now? Multiple factors brought both sides to the negotiating table. Pakistan has come under mounting international pressure to end its support for Kashmiri insurgents and to crack down on Islamic extremists within the country. Recent news about its apparent involvement in nuclear proliferation has given the government extra incentive to show its international friends that it is serious about reducing tensions in the region.

From a domestic perspective, India’s agreement to talk, including about Kashmir, represented the fulfillment of a long-standing Pakistani request. Musharraf’s recent statements, including the tantalizing news that Pakistan was prepared to “put aside for now” its traditional insistence on a plebiscite in Kashmir to determine Kashmir’s future, suggest that he is looking for a new beginning in relations with India. Taken together with his recent constitutional agreement with the Muttahida Majlis-e-Amal (MMA), a group of religious parties, the India-Pakistan agreement to talk puts him in a strong position within the country’s formal political system. Although leaders of the Jamaat-e-Islami (JI) have criticized Pakistan’s “abandonment of its support to the Kashmiri struggle for self-determination,” the Islamist alliance is unlikely to jeopardize its newly found political clout by confronting the military.

The big question is how the Pakistan government will now deal with hard-line militant groups. Musharraf recently survived two assassination attempts that most observers blame on members of the banned Jaish-e-Mohammad group. It is not clear yet whether this experience and Musharraf's personal stake in the success of his peace efforts will lead him to change his government's ambivalent policy toward this and similar extremist groups.

In India: Vajpayee, who faces elections in April 2004, has made no secret of his desire to forge a legacy of peace. Over the past few years, he has made several peace overtures to Pakistan, most recently in April 2003 when he extended his "hand of friendship" in an ostensible last attempt to mend fences. The victories in state elections in November 2003 for his Bharatiya Janata Party (BJP) followed soon after an Indian government announcement of a series of new Indo-Pakistan confidence building measures. This outcome encouraged Vajpayee and others to believe that an active peace process with Pakistan would be a plus in his bid for re-election.

India's decision to seek normalization of relations with Pakistan is also driven to a lesser extent by economic and strategic motivations. Recent statements by senior BJP leaders, especially External Affairs Minister Yashwant Sinha's January speech in Washington, indicate the acknowledgment within New Delhi that India's global economic and political ambitions are likely to materialize more quickly and more reliably if the country resolves its political disputes in the region, especially its relations with Pakistan.

The most tangible economic benefits to both sides could come from energy trade. India has in recent years resisted proposals for overland oil/gas pipelines from Iran and Central Asia entering India through Pakistan. Following the SAARC meeting the Indian government signaled that it was prepared to reconsider this issue, and to seek practical ways of dealing with the political risk involved in importing a strategic commodity through Pakistan. India has also raised the possibility of uniting the Indian and Pakistani electric grids, to the benefit of both countries. In addition to providing inherent advantages, these measures could build new constituencies for peace. Moreover, the timely removal of regional irritants will also serve India's goals of broadening its strategic military, economic, and political ties with the United States, without the constraints imposed by the ongoing conflict with Pakistan.

Inside Kashmir: The Indian government's most recent initiative of holding talks with key leaders of the All Parties Hurriyat Conference (APHC), an umbrella alliance of Muslim separatist groups, also marks a break with past practice and an oblique recognition that the separatists represent an important strand of Kashmiri sentiments. The first meeting with the Indian deputy prime minister, L.K. Advani, led to a joint statement in which the Indian government and the APHC agreed that all forms of violence in the region must end and that a solution to the Kashmir problem was possible through dialogue. Subsequently, Prime Minister Vajpayee also held a brief meeting with the Kashmiris. A second round of talks is set for March 2004.

Pakistan looks on this process with considerable misgivings, fearing that a successful dialogue could undercut Pakistan's standing in the Kashmir dispute. The Pakistan government has had little public comment on the talks, however, and is clearly taking seriously its pledge to avoid media battles with India. APHC hardliners such as Syed Geelani, chief of his own pro-Pakistan faction, dismissed these discussions as an "Indian conspiracy." More recently, however, they have hinted at some willingness to get involved in talks once Indo-Pakistan negotiations begin.

Reasons for hope: The current thaw between India and Pakistan indicates a growing understanding on both sides that peace is a necessity for economic and social development in a region long held hostage by protracted conflict. Each country has shown flexibility and expressed a willingness to go beyond its rigid positions on the problem of Kashmir. Enhanced people-to-people contacts are beginning, which could play an important role in creating much needed domestic support for peace and dispelling mutual public suspicion.

Role of the United States: The United States enjoys considerable influence over both countries because of Pakistan's role as a key ally in the U.S. war on terrorism and the growing expansion of U.S. ties with India. Washington played a significant part in resolving the 2001 and 2002 crises between India and Pakistan, and is likely to be active but extremely discreet in encouraging the two sides to make the most of their negotiating opportunity. In the words of Secretary of State Colin Powell: "We do not impose ourselves as a mediator. But we do try to use the trust we have established with both sides to urge them toward conciliation by peaceful means." Although sustainable conflict resolution ultimately will have to come from within, Washington should continue to leverage constructively its influence with each side to facilitate the process and prevent it from failing.

The road ahead: The history of India-Pakistan relations is littered with failed peace initiatives. While the ceasefire agreement is holding, violence continues in Kashmir. Although the proposed talks properly focus on a set of eight different issues, of which Kashmir is only one, the fate of this initiative hinges chiefly on three key questions, all of them Kashmir-related. First, will India be willing to infuse enough substance into the discussions on Kashmir, and give enough public recognition to their results, to keep Pakistan fully engaged? Second, will Pakistan be willing and able to make good on Musharraf's pledge to disallow the use of Pakistani territory for terrorist activities after summer sets in and infiltration becomes physically possible? And finally, will it be possible to craft a solution that involves the Kashmiris in the peace process in a way that undercuts the militants' appeal inside Kashmir?

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