



Contributions to
CONFLICT MANAGEMENT,
PEACE ECONOMICS
AND DEVELOPMENT

VOLUME 5

CONFLICT AND PEACE IN SOUTH ASIA



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MANAS CHATTERJI AND B. M. JAIN

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AND DEVELOPMENT VOLUME 5**

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CONFLICT AND PEACE IN SOUTH ASIA

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To all people who work for peace

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FOREWORD

One of the persistent trouble spots in the world is South Asia, which comprises India, Pakistan, Bangladesh, Nepal, Bhutan, Sri Lanka and Maldives. The conflict started simmering between India and Pakistan with the partition of the British India, resulting in a secular India and an Islamic Pakistan. They fought four wars including Kargil. It is generally believed that Kashmir is the core issue of conflict between India and Pakistan. The latter occupied one-third part of Kashmir through its covert military invasion of Kashmir in 1947–1948.

The conflict is further intensified by international politics and nuclear confrontation. Each country has serious internal problems. In Pakistan, recently it took a disastrous form with the murder of Benazir Bhutto. It is a mystery how India is surviving as a secure largest democracy in the world in spite of economic, social and political problems confronting it. Besides mutual animosity, each country faces formidable challenges of economic development.

The situation in other countries in the region is no different. The ensuing political struggle involving Maoists, pro-democracy political activists, and the monarch paved the way for abolition of centuries-old monarchy through the constitutional amendment bill passed by the interim parliament of Nepal in December 2007. Bangladesh is in serious political chaos oscillating between temporary democracy and dictatorship. In Myanmar, the military dictatorship persists. The civil war between Sinhalese and Tamils in Sri Lanka is still persisting for the last more than two decades.

The South Asian scene is further complicated by the forces of globalization and natural disasters. Distinguished scholars discuss manifold challenges, issues and problems facing the region in this volume from diverse perspectives while spelling out futuristic scenarios.

Manas Chatterji
August, 2008
General Editor

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INTRODUCTION: HISTORICAL AND CONTEMPORARY PERSPECTIVES ON SOUTH ASIA

Manas Chatterji and B. M. Jain

Conflict and peace concepts are as old as human civilisation. They are inextricably linked to each other. They will always remain a dominant analytical category to understand the dynamics of human behaviour as well as state and societal responses and reactions so long as human civilisation exists in this highly anarchical international order.

During the Cold War era, international relations theorists as well as practitioners have had a good opportunity to explain every violent conflict or war within the geopolitical and ideological framework, while the central concern of peace theorists in the 1970s and 1980s was how to devise ways and means to bring about a non-violent international order. For this, they embarked on an endless intellectual inquiry into the root causes of conflict as well as the imperatives of peace. They endeavoured to flush out the underlining layers of human urges for peace and security. But the rise of 'hegemonic aspirations' (Ikenberry, 2006) by the superpowers in the Cold War and by the 'hyper-superpower' in the post-Cold War period, i.e. the United States, made it possible for this global hegemon to enlist the support of ruling elites from the weak and middle ranking countries in consolidating American hegemonic power. The debate is now veering round the linkage between benign hegemonism and peaceful international order.

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International theorists of power and hegemony – for instance, John Hall, Robert Jervis, Peter Katzenstein, Robert Keohane, Michael Doyle, Joseph Nye and Jack Snyder – through their comprehensive writings have come out with various explanations behind power and conflict, hegemony and conflict. While Jon Galtung, known as the father of peace research, is engaged in discovering paths to peace by undertaking an holistic approach in order to identify root causes that lead to multiple conflicts – social, political, economic, cultural, psychological ones.

Changing environmental contours as well as dynamics must be taken into account before we attempt to find out or discover novel methods and strategies to promote peace and help manage and/or resolve conflict.

Therefore, it is vitally important to analyse the causes of violence, conflict and war and to identify those essential conditions that might help foster a just and peaceful world order. The central question is how to promote a culture of peace among multicultural, multilingual and multireligious communities at national, regional and global levels.

As regards challenges to peace in South Asia, they stem from diverse sources ranging from poverty through nuclear proliferation and heavy military expenditure at the cost of development and social good to militancy, insurgency, illegal migration in the region, environmental degradation, drug trafficking, child labour, gender discrimination and so on. Do regional challenges demand regional solutions? How do ruling elites in South Asia address the challenges? How can securitisation help resolve political issues by not politicising fundamental problems like illegal migration or displacement of people to promote multinational investors?

While the securitisation of an issue refers to the resolution of an issue ‘outside the established rules’, i.e. ‘taking an issue beyond normal politics’, according to the Copenhagen School the act of securitisation is conceived as a ‘speech act’ through which insecurity is identified, threats are spelt out and the ‘object of security is constructed’.

Some scholars have defined securitisation as a process that takes ‘politics beyond the normal rules of game’. Impliedly, when an issue is securitised, it is conceived as a ‘matter of emergency’ to cope with the ‘exigencies of the situation’. By logical extension, existential threats legitimise ‘breach of rules’.

The Copenhagen School of theorists have further expatiated upon the nature, pattern and processes of securitisation and de-securitisation (Wæver, 1995a) in the context of social practise that necessitates ‘extreme measures’ to deal with existential threats. Obviously, there are paradoxical goals between legal obligations of State and humanitarian concerns

warranting extra-legal measures to cope with an extraordinary situation. Similarly, the battle between the extension of legal equality to securitise migrants on the one hand and an outcry of extremist political groups against their securitisation for fear of losing their national identity on the other impinges upon simultaneous processes of integration and fragmentation of state-nation (Waeber, 1995b).

GEOPOLITICAL SCENARIO

The geopolitical scenario in South Asia has of course assumed a new dimension at least in three fields: ethno-cultural, strategic configuration and psychological. In the ethno-cultural field, South Asia has become highly volatile and explosive. In most of the states of South Asia, ethno-cultural conflicts exist: for instance, in Sri Lanka where the LTTE militant group is engaged in a bloody warfare vis-à-vis the Sri Lankan State; in Pakistan Shia-Sunni conflicts and the Mohajir Qaumi movement for autonomy; and in India the religious fundamentalism due to the rise of Hindutva that has created a panic among minority groups like Christianity. In Nepal, the Communist Party (ML) is indulged in the worst kind of political violence. These trends show the upper hand of ethno-cultural elements in the geopolitical setting of South Asia.

From the psychological point of view, South Asia presents a mixed scenario. India on the one hand feels itself mauled by Pakistan on the question of a low intensity conflict being fuelled by the Inter Services Intelligence (ISI) of Pakistan whose networking in almost every part of India is expanding. Their activities have increased after Pakistan carried out nuclear weapon tests in May 1998. Secondly, Indian foreign policy makers maintain that on the Kargil conflict Pakistan's evil designs have been exposed to the international community including Pakistan's alleged hand in the hijacking of the Indian plane in Kathmandu. America now seems to be fully convinced that Pakistan is encouraging militant activities in the region detrimental to peace and stability of the region.

South Asia has come into a sharp focus ever since India and Pakistan carried out multiple nuclear weapon tests in May 1998. The entire international community is seriously worried over the disastrous consequences of nuclear South Asia. And it is equally concerned with preventing not only the impending nuclear threat to the regional peace and stability but also its long-range fallout on other volatile regions such as the Middle East and Northeast Asia. Such an assumption is based mainly on

the fact that India and Pakistan have a long history of armed conflicts and perpetual hostility over the Kashmir dispute – a core issue that has rocked their relationship to the lowest ebb. In a quest for outmanoeuvring each other regionally and internationally, there is an increasing possibility of intensive nuclear arms and missile upgradation competition. The situation is further complicated by the fact that both countries have neither entered into a bilateral no-first-use agreement nor developed reliable command, control and mutually verifiable systems to avert any possibility of nuclear risk emanating from accident, miscalculation or irrational nuclear decision. It is also feared that the transfer of nuclear technology from South Asia to other sensitive regions' 'rogue states' might result in an untold nuclear catastrophe threatening international peace and security, and further undermining the global efforts towards nuclear non-proliferation and disarmament.

ETHNO-RELIGIOUS CONFLICTS

Ethno-religious conflicts are a world wide phenomenon posing a real threat to civil societies, to the growth of democratic institutions, consolidation of democratic governance and safeguarding of human rights. South Asia is not an exception. On the contrary, it has turned out to be a flash point of ethno-religious conflicts that has not only encouraged militancy, insurgencies and demand for jihad (holy war) but has also hindered the process of democratisation of societies and obstructed the restoration of democracy, for instance, in a country like Pakistan now reeling under the military regime after the overthrow of a democratically elected government there.

The role of State as an agency of a balancer as well as an impartial referee has been potentially curtailed by a dominant ethnic group, for the levers of powers are in the hands of the dominant group. In the case of India, ethno-political conflicts are first produced, manipulated, engineered and fuelled by the political class, and later these conflicts are managed by the same class either through political reconciliation or citizenry intervention. This is in contrast to Pakistan. Two main explanations may be offered for this conspicuous contrast. First, Indian polity is secular in contrast to Pakistan as an Islamic state. Second, the military in India is subordinate to civilian authority, diametrically opposed to Pakistan. Third, in India's democratic governance a medley of minority groups express their ire against the injustices of a dominant religious group by staging protests and dharnas, which are supported by local and regional parties for deriving political mileage out of them. Whereas, miniscule religious groups like Christians,

Hindus and Ahmadia Muslims are virtually at the receiving end. In this situation, communal strife assumes a dangerous proportion. Political voices for self-determination are heard. It becomes a stupendous task for the state regime in a country like India to satisfy all the disgruntled minority groups incited into violent action against state apparatus by narrowly structured politicians. For instance, Kashmiri Muslim separatists groups inspired by Pakistan are demanding self-determination. The Indian government has refused to accept their demand; whereas, it has been emphasising a greater autonomy for the Kashmiri people within the constitutional framework. As a consequence, communal violence between Hindus and Muslims of Jammu and Kashmir, between Kashmiri separatists and law and order enforcing agencies, including military and paramilitary forces in the state, continue unabated. Also, continual ethnic feuds in Pakistan between Sunnis and Shiite, between Muslims and Christians and between Muslims and Hindus more often than not lead to looting, arson, rape and murder.

PROFILE OF SOUTH ASIA

South Asia is a distinct geographical entity comprising seven countries – India, Pakistan, Bangladesh, Nepal, Bhutan, Sri Lanka and the Maldives (situated in the Indian Ocean). Even though cut off from the Asiatic continent due to the highest Himalayan Mountains in the world, South Asia is a gateway between South East and Middle East Asia. It is bounded on the south by the Indian Ocean. To its northern part are Russia and China and to its western side lie Afghanistan and Iran. India is placed in a unique position. It is the only country in South Asia that shares its borders with the rest of the South Asian countries; whereas, none of them share common borders with each other. As regards India, its northern part of the Himalayas is bordering on Pakistan, Nepal and Bhutan, and the eastern part touching upon Bangladesh and the southern side reaching out to Sri Lanka. This apart, India occupies a pre-eminent position in South Asia, unlike any other country in the Southeast Asian region, in terms of the size of its population, natural resources, economy and industrial, military and technological power. Nevertheless, Pakistan has a greater strategic value in comparison to India primarily because of its geographical proximity to the Gulf and Central Asian regions endowed with abundant energy and strategic resources.

SOUTH ASIA AND THE UNITED STATES

If seen in historical perspective, South Asia's relations with the United States were mainly determined and guided by the geopolitics of the Cold War spearheaded by two superpowers – the United States and the Soviet Union. Coincidentally, India and Pakistan at that point in time had emerged as two independent and sovereign nations with the partition of British India in August 1947. Given the mutual hatred and hostility rooted into the pre- and post-partition legacy leaving behind scars of communal carnage, India and Pakistan fought the first war over Kashmir in 1947–1948.

Both the countries pursued the diametrically opposed foreign policies suited to their respective national interests. On one hand, India chose to remain non-aligned by keeping itself aloof from the military alliance systems of the superpowers. On the other hand, Pakistan readily agreed to join the US-sponsored South East Asia Treaty Organization (SEATO) in 1954, with an aim and intention to bolster its defenses vis-à-vis India. India's first Prime Minister, Jawaharlal Nehru (1889–1964) rejected the idea of joining military blocs of either of the superpower, which in his perception was tantamount to 'loss of freedom' and autonomy while conducting the country's relations with the outside world. On the contrary, in pursuit of its policy of global containment of communism America recruited military allies from Asia in SEATO and Central Treaty Organization (CEATO). By virtue of being a member of SEATO and CENTO, Pakistan qualified not only for US military and economic assistance but also for the US diplomatic support on the Kashmir issue at the United Nations, as is evident from using its veto power in favour of Pakistan on numerous occasions.

Indian policy makers regarded the US policy of military assistance to Islamabad as an 'unfriendly act' against their country by arguing that it might not only accentuate hostility between New Delhi and Islamabad but also turn the South Asian region into a superpower rivalry for carving out respective 'spheres of influence'. In order to allay Indian fears, the United States had given moral assurances to India time and again that military armaments supplied to Pakistan would not be used against it. Indian apprehensions, however, proved correct when American weapons were used by Pakistan against India in the 1965 Indo-Pakistan War. Despite Indo-US differences on the arms policy, America continued food aid to India under the PL-480.

US–South Asia equations came under a dark shadow with the 1971 Indo-Pakistan War, resulting in the emergence of Bangladesh as an independent and sovereign country. America stopped military and economic assistance to both countries. This had a crippling effect on Pakistan's defence and

security since it was dependant on US military hardware. Consequently, US–Pakistan relations got strained. Another severe blow dealt to the US non-proliferation policy was India’s nuclear explosion in May 1974. The US government stopped the supply of nuclear fuel to India’s Tarapur atomic power plant. Pakistan also tried to chase India by indulging in a nuclear weapon programme through clandestine routes. America was unable to take any punitive action against Pakistan’s suspected nuclear programme due to the Soviet military invasion of Afghanistan in December 1979. It imposed sanctions on Pakistan in 1990 after the withdrawal of Soviet troops from Afghanistan in 1989. This gave a setback to US–Pak relations. Following prolonged persuasion by Pakistan, the US administration exercised a onetime waiver by having amended the Pressler Amendment (1985) to facilitate the supply of military hardware worth over 300 million dollars to Pakistan. This gave partial relief to Pakistan and brought the Washington–Islamabad relations on an even keel.

US–South Asian relations reached a low point in May 1998 when India and Pakistan carried out nuclear weapons tests. This was an open defiance of US non-proliferation objectives. Although the US administration imposed sanctions on India and Pakistan, they proved counter-productive. Both countries refused to roll back their nuclear programme. But the tragic events of 9/11 forced the Bush administration to lift sanctions against New Delhi and Islamabad, who declared their unconditional commitment and support to the US-led war on terrorism. The US policy tailored to cultivating strategic ties with the subcontinent without being prejudiced to any party did produce a conducive environment in the region. But at the same time India expressed its unhappiness over the US conferring of Non-NATO Military Ally (NNMA) status to Pakistan. Despite that, Indo–US relations are on upswing. They are expanding and deepening cooperation in political, economic and strategic fields at global, regional and bilateral levels. Pakistan has also realised that the prolonged hostility with India proved costly to its development and welfare programme. It is now keen to keep a composite dialogue with India on outstanding bilateral disputes, including Kashmir and the cross-border terrorism with the US as a facilitator.

SOUTH ASIAN PERSPECTIVES ON THE UNITED STATES DURING THE COLD WAR: MAJOR ISSUES

Being a complex region characterised by internal contradictions and intra-regional disputes, South Asia’s perspective on the United States can hardly

be described as identical or convergent both during and after the Cold War period. In reality, India and Pakistan are 'protagonists' of the region whose perspectives on and perceptions about the US matter. The other small countries of South Asia are gripped by fear psychosis due to perpetual hostility between New Delhi and Islamabad, whose perceptions about America are at variance. For instance, Pakistan looks upon American involvement in the security affairs of the region as vitally important for the regional balance, peace and security and stability in order to balance off India. This was the case especially during the Cold War period; whereas, India has always opposed the US policy of intervention in domestic and external affairs of South Asian countries, which in Indian perception might sharpen differences among them.

In order to understand the dynamics of South Asian perspectives on America, one will need to take up some problematic issues during the Cold War period.

CHINESE AGGRESSION

China's unprovoked aggression against India in October 1962 was not only a shattering blow to India's non-aligned policy but also a litmus test for US commitment to containing communism. President John F. Kennedy (1917–1963) spontaneously responded to Prime Minister Nehru's appeal for military assistance to deter China's threat to a democratic India. American weapons, including C-13 Hercules transport planes, were immediately supplied to India. Besides, 200 American air crew members also came to assist the Indian army in lifting troops and supplies. To the United States, it was a great opportunity not only to defeat China's expansionist designs in the region but also to come closer to India. Being a US military ally, Pakistan was not happy over America bailing out India. In Pakistani perception, the Kennedy administration betrayed them by not only siding with India but also belying their hopes for the administration's failure to help settle the Kashmir problem to their satisfaction. One might recall that President Kennedy had dispatched a team headed by Averell Harriman to India to take stock of India's defence requirements. The Harriman team arrived in New Delhi in November 1962 and met with Prime Minister Nehru to discuss the post-war situation. During the face-to-face meeting with Nehru, Harriman and Sandys raised the Kashmir issue following Pakistan's mounting pressure on President Kennedy to help resolve the Kashmir problem. Nehru maintained that it was an ill-opportune time to discuss the

Kashmir issue when India had been facing the Chinese threat. Nevertheless, it was with the US government's pressure that ministerial talks between India and Pakistan were held on 27 December 1962, and were again resumed in New Delhi on 16 January 1963, between Z. A. Bhutto, the leader of the Pakistani delegate and his Indian counterpart Sardar Sawaran Singh. The talks failed since India had refused to accept any third party mediation. The Kennedy administration felt disappointed over Indian obstinacy. Despite that India was provided with western aid of 120 million dollars equally shared by America and Britain to thwart any recurring Chinese threat to Indian security, this gesture not only had produced goodwill among Indians for the United States but also had brought Indo-US friendship closer politically. On the contrary, Pakistan considered US military aid to a non-aligned India as an 'unfriendly act'.

THE 1965 INDO-PAKISTAN WAR

The US-South policy was faced with another challenge when the Indo-Pakistan War took place in September 1965. America was faced with a dilemma. On the one hand, Indians criticised America, for its weapons were used by Pakistan against India in the 1965 War. On the other hand, US arms embargo had a crippling impact on Pakistan since it was virtually dependant upon American military hardware, including spare parts and ammunition. Pakistani rulers and their people felt betrayed by America; instead of coming to their country's rescue in the time of crisis, it not only remained neutral but also squeezed Pakistan by stopping the supply of weapons. Pakistan started reappraising its policy and came much closer to China.

THE BANGLADESH CRISIS

South Asia witnessed a profound turmoil with the onset of civil war in East Pakistan (now known as Bangladesh) following the refusal of Pakistani military leaders to hand over power to Sheikh Mujibur Rahman (1921–1975) whose Awami League Party had won an absolute majority in the parliamentary elections held in December 1970. Mujib was arrested and jailed by Pakistani military authorities and unleashed an unprecedented repression against Bangladeshi Muslims. As a result, millions of Bangladeshi refugees fled to India. Indian Prime Minister Indira Gandhi (1917–1984) visited America and met with President Nixon (1913–1994) to

discuss the situation in East Pakistan and its economic and security fallout on India. Talks between them, however, ended in a fiasco. On the other hand, Nixon and Kissinger failed in persuading Yahya Khan to reach some credible political settlement to defuse the internal turmoil. Pakistan declared the war against India in December 1971. President Nixon asked Kissinger to be tough on India and not 'squeeze Yahya'. Nixon and Kissinger's famous tilt in favour of Pakistan spoiled America's relations with India that had reached its lowest ebb. Dispatch of the US Enterprise task force into the Bay of Bengal further infuriated India, which described this act as US bullying tactics. But India's signing of the Treaty of Peace, Friendship and Cooperation with the Soviet Union in August 1971 acted as a psychological deterrence against any eventuality of a direct military involvement of Washington and Beijing on behalf of Pakistan. On 16 December 1971, Pakistani soldiers surrendered before Indian forces, following which Bangladesh became an independent and sovereign nation. Be that as it may, Pakistan felt disenchanted with America for not doing enough to prevent its dismemberment except that of demonstrating its symbolic friendship by dispatching the aircraft carrier in the Bay of Bengal.

In July 1972, Mrs. Gandhi and Z. A. Bhutto (1928–1979) signed a historic Simla Agreement committing themselves to resolve all outstanding disputes including Kashmir through bilateral peaceful negotiations. After the Simla Agreement, President Nixon pursued the policy of rapprochement with India. America not only had welcomed the Simla accord but also had recognised the geopolitical reality of India being a pre-eminent power in the region.

After President Nixon's resignation following the Watergate scandal, Vice-President Gerald Ford became President in accordance with constitutional provisions. He was sympathetic to New Delhi and was eager to improve the US ruptured ties with India due to the Nixon administration's heavy tilt in favour of Pakistan during the 1971 Indo–Pakistan War. His Secretary of State Kissinger visited India in October 1974. In his remarks, Kissinger not only acknowledged India's non-aligned policy for the first time but also recognised India as a 'pre-eminent power' in South Asia. His visit had a positive impact on India–US relations. But Pakistan did not take kindly to the blossoming relations between Washington and New Delhi.

INDIA'S FIRST NUCLEAR EXPLOSION

Another issue that remained a high priority of US policy makers was to promote non-proliferation goals in South Asia following India's first

nuclear detonation carried out in May 1974. America was caught up in a dilemma to conduct its relations with India and Pakistan since the latter was also engaged in a clandestine nuclear programme. The 1976 Symington Amendment Act had also created problems in the Washington–Islamabad relationship when America had invoked this amendment by cutting off foreign military assistance to Pakistan for importing nuclear enrichment technology. Further, the enactment of the Nuclear Non-Proliferation Act (NNPA) in March 1978 also caused serious strains in US relations with India because the Act prohibited the supply of US nuclear fuel to India's Tarapur Atomic power station as guaranteed under the August 1963 nuclear agreement between India and the United States. With Prime Minister Morarji Desai giving moral assurance that India would never build nuclear weapons in the future, the supply of nuclear fuel was resumed for 3 years under a grace period.

India carried out its first nuclear explosion on 18 May 1974, at Pokhran in the western part of Rajasthan. President Jimmy Carter although favourably disposed to India, had to take an unpalatable decision to stop the uranium supply for India's Tarapur Atomic power station by invoking its Nuclear Non-Proliferation Act, 1978. India criticised this unilateral act on the part of the United States that it had violated its commitment under the nuclear cooperation agreement of August 1963. However, the Carter administration resumed the supply of nuclear fuel under a 3-year grace period on the moral assurance of Indian Prime Minister Morarji Desai (1886–1995), a well-known Gandhian and strict disciplinarian that India would not carry out nuclear tests in the future.

SOVIET MILITARY AGGRESSION ON AFGHANISTAN

The US policy in South Asia took a U-turn following the Soviet Union's military invasion over Afghanistan in December 1979. Pakistan became a front line state in the US strategic framework. President Carter (1924–) offered military and economic aid worth 400 million dollars to Pakistan, which President Zia ul-Huq described as 'peanuts'. After President Carter's defeat in the November 1980 presidential elections, the newly elected President Ronald Reagan (1911–2004) offered Pakistan a 6-year package of 3.2 dollars of military and economic aid despite India's protestation that this would trigger an arms race in the region.

The Reagan Administration, however, did not heed Indian protests since Pakistan was assigned the status of a frontline state in the US strategic policy in the region. The US non-proliferation goals in South Asia were glossed over. The US administrations waived the application of its various anti-proliferation legislative Acts such as the Symington (1976), Glenn (1977) and the Pressler Amendment (1985) against Pakistan so long as Soviet forces were stationed in Afghanistan until 1989. President Bush slapped the Pressler Amendment on Pakistan in 1990 while arguing that the administration had conclusive evidence that Pakistan was clandestinely involved in the nuclear weapon-building programme. Indians were happy over this decision; whereas, Pakistani rulers and the people described the step as anti-Pakistan. They described America as an unreliable friend.

SOUTH ASIAN PERSPECTIVES ON THE UNITED STATES IN THE POST-COLD WAR PERIOD

After the end of the Cold War and the demise of the Soviet Union in December 1991, US South policy was restructured on the premise of dealing with the Indian subcontinent without being an ideological partisan to any party. Its main interest has been to promote regional peace and stability as well as to help reduce hostility between India and Pakistan. While attaching a greater political and economic importance to India, America is equally keen to maintain its friendly ties with Pakistan.

NUCLEARISATION OF SOUTH ASIA

South Asia came into a sharp focus with India and Pakistan after carrying out multiple nuclear weapon tests in May 1998. The international community, the United States in particular, condemned these tests fearing that this might trigger off a nuclear race in other volatile regions such as the Middle East and Northeast Asia. America and Japan immediately placed economic and military embargo on India and Pakistan. At the same time, the United States continued mounting pressures on New Delhi and Islamabad to sign the Comprehensive Test Ban Treaty (CTBT) and NPT without any conditions, and also urged them to exercise maximum nuclear restraint. What worried America was the possibility of nuclear exchange since both the countries were perpetually interlocked in a mutual hostility

over the Kashmir dispute. The US government was not only worried over a nuclear risk emanating from accident and miscalculation but also was concerned about the transfer of nuclear technology by India and Pakistan to sensitive regions like the Middle East or to 'rogue states'. Despite serious US concerns, both India and Pakistan refused either to roll back their nuclear programme or to sign the CTBT. In effect, the US sanctions against both these countries proved ineffectual. But, however, America has refused to give the *de jure* status of nuclear weapon power either to India or Pakistan.

The 11 September tragedy brought about a dramatic change in the US non-proliferation policy. President Bush not only removed sanctions against India and Pakistan but also reaffirmed that the old arms control and non-proliferation treaties had outlived their utility. The Bush administration's main concern is to defeat the forces of terrorism and to prevent weapons of mass destruction falling into the hands of terrorist and radical Islamist forces.

US ENGAGEMENT POLICY

After the end of the Cold War, the United States has attached more importance to South Asia. It is keen to develop economic and strategic relations with countries like India and Pakistan, prevent nuclear arms race and curb religious extremism and narco-terrorism in the region.

The process of 'greater engagement' with South Asia began with the Clinton administration, at the fag end of its second term while realising that there was no sense in putting the region 'at the back end' of American foreign policy. President Clinton visited India and Pakistan in March 2000. During his visit to New Delhi, he signed a Vision Paper with Prime Minister A. B. Vajpayee to demonstrate US serious concerns about expanding cooperation in myriad fields of mutual interest. Both the leaders agreed to set up a Joint Counter-Terrorism Committee to work together to putting an end to terrorism.

President George W. Bush carried his predecessor's legacy forward. In a bid for transforming US relations with India as a 'major global player', President Bush has underlined the need for consulting India on global and regional issues 'in the same fashion' as the United States does with regard to other major players such as Japan, China and the European powers. No doubt India and America are coming closer. Military to military cooperation has been expanding rapidly between them. This became manifest from India endorsing the US missile defence programme even

against the wishes of Russia and China with whom India's relations were on the upswing. Besides, India and the US signed a non-extradition pact in 2002, under which they would not hand over their citizens to the International Criminal Court for trial for committing crimes against humanity. A 'new page' in their military ties got a further boost with the undertaking of joint exercises by Indian and American commandos in Ladakh in Kashmir in 2003 for the first time in their post-Cold War relations. These developments reinforced the transformed perception of the American government towards South Asia.

9/11

A radical transformation came about in the strategic environment globally and regionally following the terrorist attacks on America on 11 September 2001, compelling President George W. Bush to lift sanctions against India and Pakistan since both the countries were strategically indispensable for the US global war on terrorism. Nevertheless, some sanctions against India on the transfer of dual-use commercial technology as well as defence related advanced weapons have not been lifted by the United States. In a dramatic development, President Bush's administration announced in January 2004 that both India and the United States had agreed to expand cooperation in 'specific areas' like civilian nuclear and space programmes and high-technology trade, subject to caveats that India tightens its laws on its transfer of nuclear technology to highly volatile regions like the Middle East. In addition, both the countries agreed to expand bilateral dialogue on missile defence systems. These would, in US-Indian perceptions, assist not only in solidifying their economic and trade ties but also would contribute to peace and stability in Asia and elsewhere.

CURRENT SITUATION

Pakistan's key role in helping American and the allied forces in their mission against destroying Al Qaeda terrorist hideouts in Afghanistan forced the United States to reward Islamabad by committing economic and military assistance worth \$3 billion dollars and rescheduling funds from international financial institutions like the World Bank, IMF and Asian Development Bank. Besides, America declared Pakistan as its major 'non-NATO military ally' (NNMA), which caused discomfiture to New

Delhi. India registered its protest with the Bush administration that conferring NNMA status on Pakistan might obstruct the 'peace process' between New Delhi and Islamabad. Indian protest did not carry any weight. On the contrary, White House officials offered the same label to India, which the latter had spurned on the ground that this would undermine the rationale and tenets of its non-aligned policy.

THE IRAQ WAR

The US-led war in Iraq in March 2003 was opposed by political leaders in South Asia. For instance, the Indian parliament passed a unanimous resolution that India would not contribute its troops to help stabilise the post-war situation in Iraq.

An overall regional consensus is that America had no legitimate authority to change the regime in Iraq except by its own people who have an exclusive right to decide the fate of their country. South Asian ruling leaders demanded the restoration of sovereignty and stability in Iraq, and they also pleaded that America should respect international law and abide by UN authority. India, for instance, took a firm stand that the UN should step in to defuse the crisis in Iraq.

The post-Iraq War perspectives of the South Asian region focus mainly on ensuring internal stability in Iraq, involvement of local people in the reconstruction of Iraq and an effective UN role in the internal security and stability, as well as the establishment of a democratic regime through internal political processes.

Finally, as regards popular perceptions, the vast majority of South Asian people are staunchly opposed to US hegemonic, arbitrary and unilateral policies. But at the same time, they have a greater degree of goodwill and sympathy for American people who have suffered due to Bush's arrogant and irrational approach of imposing his unilateral policies on the rest of the world. The people of the region look upon America as a 'land of promise' and of potential opportunities for education, employment and a far better life, while some sections of conservative South Asianists look upon the American culture of consumerism as dangerous to their indigenous social and cultural values. Nevertheless, the younger generation is quickly attracted towards the American way of life. They are fond of rock dances and pop music, and aspire to live lifestyles on the American pattern. Women in the region, especially from a highly educated, enlightened and urban class

background, are appreciative of the liberal values of American society and its culture.

The expectations of the people of the region are that America should play the role of an 'honest broker' to help promote friendship and reconciliation between India and Pakistan without intervening in their domestic and external affairs, and to facilitate democratic governance in the region.

FUTURE

The future of the US–South Asia relationship would largely depend upon how America treats India and Pakistan in its security and strategic framework. India, for instance, thinks that its diplomatic options in the region have been curtailed on account of the following reasons. First, America has not done enough to help end the Pak-sponsored terrorism in Jammu and Kashmir. Second, America's deep involvement in the domestic affairs of Nepal by providing it with military assistance, in Indian perception, dilutes New Delhi's political and strategic influence vis-à-vis Kathmandu. Thirdly, the US policy of providing military assistance to Pakistan might bolster war jingoism among Pakistani military rulers and that might have negative fallout on regional peace and stability.

In conclusion, the US major policy goals in South Asia would continue to focus on a nuclear restrained regime in South Asia, a continued peace process and reconciliation between New Delhi and Islamabad and intensifying the strategic, economic and political relationship with India without undermining its military and strategic partnership with Pakistan as well.

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PART I
INDIA AND PAKISTAN

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A MODEL OF MILITARY SPENDING OF INDIA AND PAKISTAN

Manas Chatterji

Conflict Management and Peace literature have been developed in the following avenues: (a) Industrial Relations, mediation, and negotiations (b) Peace Studies (c) Peace Economics, and (d) Peace Science.

In Peace Science, the Richardsonian model of arms race plays a prominent role. The most comprehensive research in this area is done by Isard et al. (1988). The Richardsonian model links, “a nation’s arms expenditures to resource constraints (costs), the domestic economy as a whole, forces for optimization and optimal control, diverse strategies and different types of (needs for) weapons development (conventional, nuclear, etc.), policies to reduce unemployment and utilize idle productive capacity in general, deficit and balance-of-payments problems, and the impact of military expenditures on inflation and interest rates. The effects of public opinion (negative and positive), the political party in office, the grievances against and hostility toward its rivals, its ambition and distrust of its opponents, as well as the extent of trade with them and other factors are examined. The influence of the military expenditures and weaponry stocks of a nation’s allies and the allies of its rival upon its own weapons development (for both attack and deterrence purpose) are considered as well as the possibilities of waging economic warfare – through forcing disinvestment upon its rival and the decline of its rival’s productive capacity for weapon development. Uncertainty with respect to future weapons technology, psychological elements, the stocks and capability of its rival’s

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weapons, the international climate, and the structure and functioning of the international system are among many other factors looked into as well as the play of organization politics in determining the military budget for any given year" (Isard, 1988).

The following Richardsonian model is based on grossly outdated political situations. It needs to be overhauled, updated, and made more comprehensive. We now live in a multi-polar world with new phenomenon of globalization, technological change, environmental degradation such as, global warming, weapons (particularly nuclear) of mass destruction, space weapons, and realignment of politics of countries. All these factors can be integrated into a most developed Isard model. It is hoped this will be done in the future.

Recently, there has been a great increase in the literature of conflict resolution models. More and more often, realities of the world are being taken into account, and restrictive assumptions are being relaxed. Testing these models is becoming easier because of the development of new concepts and methods to measure qualitative variables. The scope of these models, however, can be enlarged in at least two respects. First of all, spatial relations of the contending parties, that is, geopolitical aspects of the conflict, can be considered. For example, when we look at the map of the Indian subcontinent, we find that the geographical boundaries of two other major powers, namely China and Russia, meet the boundaries of India and Pakistan. In considering political relations between India and Pakistan, this factor is of crucial importance. The second factor is the diverse forces that are acting within the contending parties. The rate of economic growth, population growth rates, and internal peace and stability are a few of the many factors that greatly influence the foreign relations of a country. This is particularly true in Indo-Pakistani relations.

The case of India and Pakistan offers an excellent field of study to which we can apply the modern game theoretical approaches for analyzing a mutual relationship. Here we have two countries that are independent from geographic, economic, political, and social points of view. They can gain much by cooperating or lose much by quarrelling, while the great powers, through cooperation, can act as moderating influences. This study casts some light on these aspects and is intended as a beginning toward a more generalized study to be undertaken in the future.

The emergence of India and Pakistan as two nations in the Indian subcontinent has ushered in a new phenomenon in Asia. Before 1947, they were a single country whose people struggled together for freedom from British rule. When the British decided to leave, the Moslem minority,

apprehensive of the Hindu majority, demanded a separate state, which they obtained after a bloodbath, the consequence of religious riots (East Pakistan, a former part of Pakistan, is now Bangladesh). The division of the country resulted in a complete breakdown in the social, economic, and political system of the country.

India now has about 850 million people, of which 10% are Moslem, of Pakistan's 150 million people, there are very few Hindus. The enmity between Hindus and Moslems in India has not ended as a result of the division of the country. These two groups have now become arch enemies, spending millions of rupees in defence preparation. Already they have fought significant wars resulting in loss of lives and resources.

The very existence of these two countries depends on their mutual cooperation and friendship. There are many ways through which this friendship can be brought about. This has to be brought about on a government level, on personal levels, and also through the auspices of other countries. One significant step in the right direction would be in the field of disarmament. This paper throws some light on this aspect. It is not intended to provide an easy solution, since conflict between nations is too complicated a matter to be solved easily. This is just a simple approach to conflict resolution taking into consideration the realities as far as possible.

Following Richardson (1960), we assume that there are three factors related to the arms race: namely, mutual suspicion and mistrust, cost of military expenditure, and grievances. Let us consider these factors for India and Pakistan in the context of their relationship and other internal and external variables.

INDIA

So far as India is concerned, there are two fronts to guard, namely, the borders with Pakistan and China. India is suspicious of both these countries. Thus, it can be assumed that the rate of change of its military expenditure will depend upon the military expenditure of Pakistan and China in the previous period. The lag in time period is appropriate since responses are never instantaneous, and there is always a time lag in intelligence reports. A time lag of 1 year is assumed. So we have the following relation:

$$\frac{dM_{1t}}{dt} = kM_{2(t-1)} + nM_{3(t-1)} \quad (1)$$