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**Research Report**

## Indo-Pakistan relations: Problems and prospects for a sustained rapprochement?

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## Indo-Pakistan Relations

### Problems and Prospects for a Sustained Rapprochement?

*Christian Wagner*

The first meeting between India's new prime minister, Manmohan Singh, and Pakistan's president, Pervez Musharraf, on the periphery of the United Nations' General Assembly on September 24, 2004, served to foster the rapprochement between both countries that started in April 2003. Although no spectacular initiatives were announced, the conciliatory tone of the two leaders' speeches before the General Assembly and the joint statement released after their talks underscored the will on both sides to carry on with the cooperation that has been set in motion. The new dialog offers the possibility of expanding economic and social relations, something that may in turn help moderate the Kashmir conflict, which has strained bilateral relations for 57 years. Both sides have developed a new flexibility in the question of Kashmir, even if a quick solution is not on the horizon. The success of this rapprochement will depend on the Pakistani government's ability to implement this change in foreign policy in the face of intense domestic opposition.

After the attack on the Indian Parliament in December 2001, relations between India and Pakistan quickly deteriorated. In the summer of 2002, both countries were again on the brink of war. However, India's efforts to exploit the international war on terrorism to put pressure on Pakistan for supporting Islamic militant groups were just as unsuccessful as Pakistan's attempts to brand human rights violations committed by the Indian security forces in Kashmir "state terrorism." Then Indian Prime Minister Behari Vajpayee's push for rapprochement one year before the 2004 parliamentary election marked the start of a new course in Indian policy. More than

anything, it was the personal ambition of Prime Minister Vajpayee that led to this change in direction.

After initial consultations in the summer of 2003, Indian and Pakistan put forward new initiatives in October and November 2003. Particular attention was given to an Indian proposal to establish a bus line between Srinagar, in the Indian-administered state of Jammu and Kashmir, and Muzzafarabad, in Pakistani controlled Azad Kashmir. Pakistan proposed a cease-fire along the line of control, which has since remained in force.

A first highlight in the rapprochement process was the 12th Summit of the South

Asian Association for Regional Cooperation (SAARC), January 4-6, 2004, in Islamabad. Against the backdrop of the thaw in Indian-Pakistani relations, the joint declaration issued by President Musharraf and Prime Minister Vajpayee announcing the start of negotiations over contentious bilateral issues for the following month received more attention than the Agreement on South Asian Free Trade Area, due to go into effect in 2006. In the declaration, Kashmir was called a bilateral problem, which marked a departure from Pakistan's previous position of advocating the internationalization of the dispute. At the same time, President Musharraf declared that terrorist activities launched from Pakistani territory against India would not be tolerated. The negotiations embraced eight areas: Security and peace, which also included a dialogue on confidence-building measures and the problem of Jammu and Kashmir, were handled by the foreign ministries. The defense ministries took up the situation on Siachen glacier, where the border has yet to be unresolved and skirmishes take place regularly. Additional talks were dedicated to the Tulbul Navigations Project, the border along Sir Creek, terrorism and drug trafficking, economic cooperation, and trade as well as the general strengthening of relations between the two countries.

With that, the contentious issues of the Kashmir conflict and bilateral ties between both countries became the subject of negotiations: first, the situation in Jammu and Kashmir and the issue of autonomy for the region; second, the question of Kashmir's future status; and third, the strengthening of Indian-Pakistani relations beyond the Kashmir question.

### **In Kashmir: The question of autonomy in Jammu and Kashmir**

Pakistan for a long time demanded the implementation of a referendum as proposed by several UN resolutions so as to

give the population of Kashmir the opportunity to decide who is to have ultimate sovereignty over the territory. The protests that erupted in Jammu and Kashmir in 1987 after fraudulent state elections escalated in the early 1990s to a bloody civil war. Pakistan criticized the massive human rights violations committed by Indian security forces, while India denounced Pakistan's extensive support for militant groups. With the state elections of 1996 and 2002 India restored the democratic process. After the split in the All-Party Hurriyat Conference (APHC), the most important umbrella organization for different Islamic opposition groups in Kashmir, Prime Minister Vajpayee's government began a dialog with the moderate forces. The Indian government wanted on the one hand to consolidate the state government of Chief Minister Mufti Mohammad Sayeed, and on the other hand to integrate the Kashmir opposition into negotiations on a possible solution. Pakistan demands an agreement that the Kashmiris can approve and supports Syed Ali Shah Geelani, the leader of Jamaat-e-Islami, who represents the radical wing of the APHC.

With release of political prisoners by India in early 2004 and the simultaneous start of talks between the APHC and former Interior Minister L.K. Advani the dialog in Jammu and Kashmir got underway. The new Indian government, led by the Congress Party dominated United Progressive Alliance, has continued the reconciliation process since coming to power in May 2004. However, the spiral of violence has yet to end. During the summer, Indian officials criticized both the increased infiltration of Islamic militants into Indian-administered Kashmir and moderate representatives of the APHC, but even high-ranking politicians, such as Chief Minister Sayeed, have remained targets of attack by radical groups.

## **What kind of status for Kashmir? The options for a solution**

For over 50 years, India and Pakistan have both claimed the formerly independent principality of Kashmir. Several UN resolutions, three wars, and various bilateral negotiations have yet to solve the conflict. Nevertheless, the once diametrically opposed positions have begun to change since the 2001-2002 crisis.

India no longer considers Kashmir a domestic issue, but rather a bilateral one. With its most recent proposals, the Indian government has let it be known that it could live with the partition of Kashmir along the present or a modified line of control. The construction of a security fence to stop the infiltration of Islamic militants from Pakistan but also proposals for a bus line running across the line of control, the expansion of trade and tourism in the region, and a relaxation of travel restrictions for the Kashmiris have made it clear that India has come to consider the line of control a de-facto border that should be made more porous for the region's inhabitants.

The situation in Pakistan is more complicated. After the recent war in Iraq, a debate emerged in Islamabad on the costs of the Kashmir conflict, with doubts being raised about the usefulness of a foreign policy focused almost entirely on India and Kashmir. President Musharraf is now pursuing a four-point strategy. It embraces, first, the recognition that Kashmir is disputed territory; second, that Kashmir occupies a position of great importance for bilateral relations with India; third, that all options unacceptable to the Indians, Pakistanis, and Kashmiris need to be excluded; and fourth, that the remaining possible solutions have to be discussed. This strategy may at first seem vague, but it should not be overlooked that Pakistan has backed off from its earlier demand for a referendum. However, the assassination attempt on Musharraf in December 2003, shortly after he publicly questioned the validity of past UN resolutions, shows that there is militant

opposition to his policy. At the same time, rapprochement with India and the gradual surrender of Kashmir calls into question the Pakistani military's self-perception. Due to the Indian threat, Pakistan's armed forces have come to receive up to 50 percent of state expenditures per year. That one of the would-be assassins belonged to Jaish-e-Mohammed, which operates in Kashmir and has ties to parts of the army and the intelligence agency, indicates the broad spectrum of opposition to Musharraf's course. Nevertheless, the new flexibility of both sides is to be considered a success. The strengthening of bilateral relations that now appears imminent also offers the possibility of defusing the conflict and reducing the threat of nuclear escalation during a crisis.

## **Beyond Kashmir: Expanding bilateral relations**

Kashmir overshadows bilateral relations between India and Pakistan in every way. Shortly after independence, both states were still each other's most important trading partner. The conflict brought contact between the two countries to a near complete standstill. A single border crossing bears witness to the reduction of relations between the neighboring countries to the bare essentials.

The most important element of the recent rapprochement is to be seen in the expansion of bilateral relations. Both sides' diplomatic missions are operating at full staff for the first time since the 2002 crisis, and new consulates have been opened in Bombay and Karachi. Relaxation of visa requirements should improve travel opportunities not only for artists but also for normal tourists. Students and business people also stand to benefit from greater access to both countries. Joint film festivals and working groups for combating film piracy, which affects the Indian film industry most of all, aim to deepen ties between the two countries. The cease-fire along the line of control is to be extended, and an

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additional hotline between the foreign ministries is to be installed. Furthermore, confidence-building measures in the nuclear field are set to expand. Even if Pakistan does not grant most-favored-nation status to India, the turnover recorded in smuggling and trade in Indian products via third countries to Pakistan indicate the potential greater economic cooperation could yield. The size of this shadow economy is estimated to be ten times the official trade of U.S.\$204 million. New border points are to be built, air traffic expanded, and the opening of bank offices in both countries made possible. Additional starting points for cooperation include joint water management, the strengthening of mobile telephone networks, and energy. In the course of the rapprochement, talks on building a natural gas pipeline from Iran to India have been revived. Islamabad now seems to be willing to offer security guarantees for such a project, and New Delhi appears less concerned about possible economic extortion on the part of Pakistan during a crisis.

Furthermore, the expansion of economic relations could reduce the dominance of the Pakistani military in relative terms and give economic matters greater weight in foreign and security policy decision-making. Islamabad's fear of Indian economic superiority has abated, as Pakistani products have proved capable of competing with the increasing number of imports from China.

## Perspectives

Indian-Pakistani relations have oscillated between the extremes of war and rapprochement. The United States, China, Russia, and the European Union have long made it clear that they see bilateral negotiations as the proper forum for resolving the Kashmir conflict. Boosting economic cooperation opens up the possibility for bilateral relations between India and Pakistan beyond Kashmir, something that also lies in the international community's

own interests, as is very well understood. The new flexibility of both sides in the Kashmir questions is to be welcomed in the hope that it will set in motion a lasting process of negotiations. In light of the fact that the conflict has strained bilateral relations for some 57 years, some tottering on the diplomatic high wire is to be expected in the future as well. India will continue to criticize Pakistan's inability to stop for good the infiltration of Islamic militants, while Pakistan will condemn the Indian human rights violations in Kashmir. Both countries will try to court the APHC factions closest to them so as to integrate the Kashmiris into the process of finding a solution.

The main burden of the rapprochement process, however, rests on the shoulders of the Pakistani government. With the gradual retreat from the idea of a referendum and the outlawing of Islamic groups agitating in Kashmir, Islamabad is, after Afghanistan, giving up another pillar of its foreign policy. The permanence of the Indian-Pakistani rapprochement will depend on the implementation of confidence-building measures in Kashmir and the expansion of economic cooperation. Should the next snowmelt in the Himalayas lead to an increase in infiltration and to new attacks, the recent rapprochement could quickly prove to be a mere interlude.