The US and South Asia

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THE United States has an opportunity to have a decisive and positive impact on South Asia over the next four years.[1] Washington is in a position to solidify a long-term relationship with India, edge Pakistan away from chaos, prevent another regional war, and address such important issues as the spread of nuclear weapons, terrorism and China's regional role.

India's stunning economic performance, its considerable 'soft' or cultural power, its skilled leadership, and its ability to function as a democracy while undertaking a myriad of internal economic, cultural, social and political reforms have made it Asia's third great power. India is also set apart by its professional military, which remains under firm civilian control, and by its new nuclear programme, which made India more important even as it made it less secure.

India's rise has implications for American policy. Some have argued that India is potential rival to China and could be part of a balance of power strategy that the United States might want to pursue vis-a-vis Beijing. However, the Bush administration should not expect India to do more than hedge its policies towards China. New Delhi will not place its armed forces at the service of American policies unless vital Indian interests are also served. The recently concluded 'Next Steps in the Strategic Partnership' initiative puts the relationship on the right path – a slow, but steady expansion of military and strategic cooperation between the two countries, with each making certain adjustments that allows the relationship to move forward.

Washington may find it harder to accommodate India's desire for a permanent seat on the UN Security Council. As India's interests, by and large, do not clash with America's, it should be supported for a permanent Security Council seat, especially if it can put the Kashmir conflict behind it. Easier to accomplish than changing the UN structure, would be support for India as a member of the G-8 group of developed states; while India has many of the world's poor, it is also one of the most dynamic economies in the world, and its democratic credentials equal or exceed those of other G-8 members.

Pakistan's stability, no less than India's emergence, has implications for America's wider Asian interests. Pakistan is also a nuclear weapons state, with plenty of home-grown Islamic terrorists, it has serious disputes with two of its four neighbours, and by 2025 it will be the world's fifth largest country. A failed Pakistan could be the single-most threatening development for American foreign policy within a decade; the Afghanistan case stands as grim reminder of the

price that America paid for neglecting a state that fell into the hands of radical Islamists.

Here there is a far more intrusive menu of recommendations, since Pakistan's problems are embedded in the fabric of its society and state.[2] Washington needs to press Pakistan on many fronts: it needs to ensure that Pakistan's enfeebled educational system is rebuilt; it should encourage, publicly and privately, the military to withdraw from politics, while building up the coherence of Pakistan's weakened political, judicial, and economic institutions. Present levels of aid may actually be inadequate, but any increase in economic aid must be linked to strict accountability, and any military assistance or sales to Pakistan must keep one eye on the conventional military balance between Pakistan and India. Above all, Washington should insist that General Musharraf cut the government's ties with the many sectarian and terrorist organizations that challenge directly the original 'idea' of Pakistan promulgated by Jinnah.

If there is another war between India and Pakistan it might be ruinous to both; if it escalated to the use of nuclear weapons it might be fatal to them as states. Over the last fifteen years the United States played a significant role in preventing the outbreak of war – and when war did take place (in Kargil in 1999), pressure from Washington ended it early. However, Washington should see its role as something more than the neighbourhood cop called in by one or both parties. As recommended by a recent Council on Foreign Relations Task Force, the U.S. needs to be more forward leaning.

In summary form, these are three things that the United States can do regarding the India-Pakistan conundrum. First, the United States should *not* take a position on the shape of a final settlement of the Kashmir dispute, but let such a settlement emerge after dialogue among the parties, including Kashmiris on both sides of the Line of Control (LoC). However, it should support the view that Kashmir is a human rights issue, not merely one of territory or international law. This approach would make a final settlement easier: Pakistanis can claim their struggle resulted in more humane treatment of the Kashmiri people, even if they do not join Pakistan or become independent; Indians will remove a blot on their democracy; and the Kashmiris, of course, will recover a semblance of normal life.

Second, besides continuing to encourage state-to-state dialogue, the efforts of private foundations, think tanks, academic groups, and American and regional research centres should be supported. One group that could be pivotal in

changing long-term perceptions in both states are the business communities in both countries, and their recent efforts at dialogue are to be strongly encouraged. This applies to other people-to-people exchanges, and New Delhi in particular should be encouraged to unilaterally increase the number of Pakistanis studying and working in India, as a way of circumventing Pakistani resistance to normal cultural and social ties.

Finally, Washington should also consult closely with its most important allies about Kashmir and other critical South Asian issues. Besides providing technical expertise in border monitoring and other confidence-building mechanisms, America and its allies should use their aid programmes to reward India, Pakistan, and various Kashmiri groups for progress in negotiations. It should also be given in such a way as to strengthen weak civilian and political institutions (especially in Pakistan), and western and Japanese firms should be encouraged to invest in plants and companies that do business in both countries, further strengthening regional economic ties.

The nuclear programmes of India and Pakistan were very long in development, and they are reliably reported to each have acquired, and perhaps deployed, more than forty nuclear weapons. These weapons are large enough to destroy or permanently cripple five or six major cities on each side. In strategic terms, India and Pakistan are in a state of MAD – mutual assured destruction.

South Asia's nuclear programmes present three different kinds of challenges to American policy. First, there is the ever-present possibility of a nuclear exchange between the two states. This could come about in several ways. It could be the end-point of an escalating conventional war; it could be the result of misunderstanding or bad intelligence, leading one side or the other to launch without cause; or nuclear war could come about as a result of a desperate last-minute attempt by one side or the other to punish the other. India and Pakistan are still developing nuclear doctrines and strategies suitable to their resources and the strategic threats that they envisage. All of this is reminiscent of the early years of the U.S.-Soviet nuclear arms race; in this regard each country is a 'developing' nuclear weapons power.

Second, there is conclusive evidence that Pakistan is the source for *proliferation* of nuclear weapons and missile technology. There is strong evidence of Pakistani nuclear assistance to Libya, Iran, North Korea, and perhaps other countries over a number of years.

Third, the region's nuclear programmes are important to the United States because of the risk that some fissile material or even assembled nuclear devices might fall

into the hands of non-state or terrorist groups. The chief problem here also is Pakistan, and the proximity of radical Islamist groups to a fledgling nuclear arsenal is cause for concern.

Together, these three linked nuclear problems present a grave potential threat to vital American interests, but Washington must cast aside any hope of coercing these states into abandoning their weapons, and adapt a two-part strategy.

The first part of the strategy is to encourage the two countries to join those international regimes that restrict the transfer of nuclear and missile technology, dual-use technology, and other technologies pertaining to weapons of mass destruction. These regimes (the Wassenaar Agreement, the London Suppliers Group, the MTCR, and America's Proliferation Security Initiative) are separate from the Non-Proliferation Treaty, which they are prohibited from joining as nuclear weapons states. Collectively, these regimes, plus national legislation, and international verification of the peaceful uses of technology could comprise a half-way house for India, and perhaps Pakistan, and a way of demonstrating their support for the widely accepted non-proliferation norms.

The second half of the strategy is a proportionate quid pro quo. American policy has linked adherence by these regimes to assistance in the areas of civilian nuclear power and space. This link should be broken, especially in the case of India, which has an excellent record on stopping onward proliferation. The next administration should end the pretence that India and Pakistan are not nuclear weapons states, and move actively to bring both into the tent of those states that disfavour proliferation. Pakistan has a special burden to unload, as it is still not clear exactly what technology was transferred by A.Q. Khan to Libya, Iran and North Korea – and its apparent cooperation in the search for al Qaeda elements does not relieve it of this responsibility.

The second Bush administration must neither exaggerate nor underplay the threat to American interests from radical Islam. Unlike Communism or Fascism, radical Islam does not control a powerful state and, now that Afghanistan has been liberated, not even a weak state from which it can launch attacks on America and American interests and allies. Nor should it believe that military power is a substitute for other instruments of power combating Islamic radicalism, especially in Asia, where it is not directly linked to Arab nationalism.

In South Asia, where more than one third of the world's Muslims reside, there are four critically important

Muslim communities, but each one requires a different strategy. In India, with the third largest Muslim community in the world, the best policy is to leave it to Indian democracy to accommodate Muslim demands as expressed in the Indian political system.

This is also largely the case in Bangladesh, whose democracy is functioning and whose economy has actually out-performed Pakistan's in recent years. Nonetheless, a far more active public diplomacy would be appropriate. Bangladesh actively cultivates its Islamic identity, and the second largest gathering of Muslims in the world – after Mecca – takes place during the annual conference of Tablighi Jama'at, the world-wide Muslim missionary movement. Bangladesh's active Islamic community should not be seen as a problem, but an opportunity to engage its clerics and intellectuals in a reasoned discussion of a wide range of issues, from economic development, to globalization, to the Arab-Israeli conflict.

Afghanistan, of course, is in the process of becoming a normal state. The chief problem in Afghanistan is establishing a balance between the authority of Kabul and the provinces, and holding the latter (often controlled by a regional warlord) to a minimal standard. Afghanistan runs a real risk of becoming a narco-state, a country dominated by warlords and the drug business. Here is where the Iraq intervention did great damage to the effort of the Karzai government, as well as other supporters of his regime, including Japan and many European governments. It is imperative that the level of American forces be kept high in Afghanistan, and that the process of training a new Afghan army be accelerated. It is also critical that the United States work closely with NATO, which is carrying an increasingly large share of the security burden.

As suggested above, Pakistan could far surpass the Taliban's Afghanistan as a threat to American vital interests. Here, Washington's aid and public diplomacy policies have been weak and possibly counter-productive. While the Pakistan regime has accommodated American concerns, it still has one eye on Afghanistan and the other on Kashmir – the United States needs to work towards a larger regional settlement not only involving Pakistan, India and Kashmir, but one in which Pakistan's role in Afghanistan is normalized. The latter might be declared a non-aligned or neutral state, or an international conference could be held to hammer out such a status. This will be very difficult, but without first steps, and some creative thinking, it is very likely that the situation will regress in years to come – and the present India-Pakistan rivalry be transported intact to Afghanistan.

Finally, American policymakers must not claim ownership of the problem of terrorism – Islamic or otherwise. India has been plagued by terrorism for decades, much of it from non-Muslim communities, Sri Lanka faces a severe threat from both Sinhala and Tamil terrorists, Nepal from Maoists, and even Pakistan from home-grown and imported radical Islamist groups. These states see terrorism in very different ways, and are reluctant to join America's 'war on terrorism' unless Washington sympathizes with their own particular struggle.

Until recently the terms 'energy' and 'South Asia' rarely appeared in the same sentence, but the prospect of rapid economic growth in the region, and the prospect of significant cooperation between and among regional states has changed the picture. India is one of the two major new energy consumers, China being the other. Neither country has large oil or gas reserves, and their unlimited exploitation of their huge coal reserves has grave implications for the environment and global warming. Both have turned to nuclear power, but have been handicapped by export controls imposed in the name of non-proliferation. Finally, both states have their eyes on the huge gas and oil reserves of Central Asia, and have begun to shape their diplomacies around energy as much as security.

India's energy problems could be eased by cooperation with its neighbours, but here the politics of distrust reigns supreme. Long discussed, and much to be hoped for, would be a pipeline that linked northern India with the gas fields of Iran and Central Asia. Such a pipeline might have to pass through Afghanistan and Pakistan, and American officials have promoted it, although they have disfavoured the inclusion of Iran. Given the instability of present-day Afghanistan, a pipeline is unlikely in the short run, but the regional states should be encouraged to treat it as an economic matter, not one of honour, prestige, or status.

This approach has one important precedent, the agreement between India and Pakistan on the allocation of Indus waters, embodied in a 1960 treaty. This agreement provides for technical consultations, experts meetings, and a system of appeal and grievance adjudication. The Indus Waters Treaty is a model for future regional cooperation, especially on energy, environmental concerns, and even the management of the region's impressive water resources.

On India's other flank, Bangladesh has discovered considerable quantities of natural gas, but is reluctant to sell it to its energy-starved neighbour, each Bangladeshi government

afraid to act for fear of being accused of selling-out to the Indians. This gas may be a wasting asset, since Indian firms have made huge new finds in the Bay of Bengal. Washington needs to rethink its role in such matters, and perhaps in collaboration with key allies, notably Japan, develop a regional arrangement whereby national sensitivities are accommodated in a regime that has its own built-in mechanism for adjudication and dispute management, one that is perhaps backed up (as was the Indus Waters Treaty) by the World Bank or some other international entity. Washington should also re-examine its current policy on cooperation with peaceful civilian programmes in India, discussed above in the context of non-proliferation policies.

Finally, Washington must come to a more refined understanding of China's role in South Asia. China is not only Pakistan's major military ally, it has become one of India's leading trading partners, and plays an important political role in Nepal, Bangladesh and Sri Lanka, where a Chinese economic and cultural presence is welcomed as a way of balancing the dominant India. And, of course, for years scholars, diplomats and journalists have speculated about the eventual rivalry, or even war, between Asia's two giant states. There is strong evidence that the Bush administration saw India as a 'balancer' of China, even after radical Islamist terrorism became America's number one foreign policy priority after 9/11.

Assuming an inevitable clash of titans would be as foolish as ignoring the likely rivalries between India and China; believing that the United States could play a major role in this balance, tilting it one way or another, is no less mistaken. As in dealing with any power with a self-image of a great state, India cannot be lined up against China unless it felt a genuine threat from Beijing.

The overwhelming evidence of recent years is that India sees China as an economic and political opportunity more than a strategic, civilizational, or economic problem. India does seek American military technology as insurance against a potentially threatening China, but more immediately, against an unpredictable Pakistan. The Congress party, which bore the deepest grudge against China after the 1962 war, was the first to undertake a major initiative towards China when Rajiv Gandhi visited Beijing in December 1988.

On China, Washington's policy should be one of wait and see, avoiding both naiveté and a narrow optic of realpolitik. There is also an opportunity for the United States to encourage India and China to collaboratively develop the lands of Southwest China and India's Northeast in a regional development initiative that would also include Burma and Bangladesh. Such an initiative would necessitate a rethinking

of American policy towards Burma, presently under sanctions because of human rights violations, but it would be a political 'paradigm shift', and may be the only way in which the economies of one of the world's poorest, most resource-rich, and densely populated areas can be opened up.

While the United States must necessarily deal with the 'big ticket' items of terrorism, nuclear proliferation, nuclear war, civil war and Islamic radicalism, my view is that the most effective way to deal with at least some of these problems is indirectly – through the expanded democratization of the region's politics and the liberalization of its economies, with both of these complemented by a quality programme of public diplomacy. The United States must, in effect, become a partner for those South Asian individuals, groups, and states that seek stability, order, social reform, and expanded democracy. This is one region of the world where American interests and ideological predilections converge with regional ambitions and aspirations.

Footnotes:

1. This is a shortened and revised version of a chapter in the recent Asia Foundation study, *America's Role in Asia*. Asia Foundation, San Francisco, 2004.
2. For a comprehensive discussion see Chapter 9 in Stephen Philip Cohen, *The Idea of Pakistan*. Oxford University Press, New Delhi, 2004.