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THE UNITED STATES AND THE SECOND NORTH KOREAN NUCLEAR CRISIS: EXPLAINING THE FAILURE OF THE SIX PARTY TALKS

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During the 1990s, the prevention of the proliferation of nuclear weapons became one of the central issues in international security. In the aftermath of 9/11, when international terrorists demonstrated their willingness to cause mass casualties, dealing with clandestine and incipient nuclear weapons programmes in 'rogue states' became a high priority due to the fear that such programmes might be a source of such weapons or nuclear materials for terrorists. The North Korean nuclear weapons programme had already become a major focus of concern, but the 'agreed framework' negotiated between the Democratic People's Republic of Korea (DPRK) and the United States in 1994 had frozen the nuclear programme in return for various forms of economic support and improved political relations. By the end of 2002, the 'agreed framework' had all but collapsed and North Korea resumed its nuclear activities, resulting in the accumulation of enough plutonium for about eight nuclear weapons two years later.

This sequence of events raises several important issues: Why did North Korea walk away from a settlement that clearly addressed concerns crucial to its national interest and economic survival? Why did the Bush administration fail to pursue obvious strategies to maintain the freeze on North Korea's plutonium programme, resulting in a situation where the nuclear threat from North Korea has become practical rather than theoretical, when it went to war with Iraq to prevent a similar outcome? How do we interpret North Korea's negotiating behaviour and what are the prospects of any future settlement of the nuclear issue?

The Origins of the Second North Korean Nuclear Crisis

The issue of the North Korean nuclear programme first developed into a full-blown nuclear crisis in the early 1990s, almost provoking surgical strikes on North Korean nuclear facilities. After the intervention of former President Jimmy Carter who met with Kim Il Sung in Pyongyang negotiations resulted in the so-called 'Agreed Framework' of 1994 that involved a 'freeze' of North Korea's plutonium programme. The 5 megawatt reactor at Yongbyon was shut

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down and about 8000 fuel rods from the reactor were put into sealed storage. Construction of two other reactors was suspended. In return North Korea was to receive regular shipments of heavy fuel oil and two light water reactors (to be supplied by the Republic of Korea) for the production of electricity. North Korea was to continue to participate in the nuclear non-proliferation treaty (NPT) and its nuclear materials would become subject to International Atomic Energy Agency (IAEA) safeguards. The United States and the DPRK were to normalise relations, culminating in the establishment of diplomatic relations.¹

Although a significant breakthrough, the implementation of the Agreed Framework was hampered by various problems, including substantial delays in the construction of the Light Weight Reactor (LWR) and irregular intervals in the shipment of fuel oil. One of the obstacles was the substantial opposition to the agreement in Congress on the part of many Republicans, who objected to the notion of giving in to North Korea's 'nuclear blackmail' and mistrusted Pyongyang's intentions. Nevertheless, on the face of it, the Agreed Framework was a resounding success. The freeze of the plutonium programme not only diffused a dangerous international crisis, but it prevented the accumulation by the DPRK of substantial amounts of plutonium, perhaps enough for 150 nuclear warheads.²

In addition to the Agreed Framework, the Clinton administration also embarked on negotiations to deal with North Korea's ballistic missile development and exports. It came close to achieving an agreement, but no deal was concluded in the end as the incoming Bush administration signalled its lack of support for such an arrangement, signalling a change in US attitudes to dealing with North Korea. Opinion on the Agreed Framework was divided. Some shared the view of its opponents in Congress that instead of acceding to what they considered to be blackmail the regime should be contained and isolated in order to hasten its collapse. However, contrary to wide-spread expectations the North Korean regime had not collapsed and proved to be much more resilient than many had believed. Moreover, a sudden collapse of the regime might itself have a catastrophic impact on the region and was therefore not necessarily desirable. This is why other officials supported the view that the Agreed Framework had successfully frozen North Korea's plutonium production since 1994 and that the United States should continue to use diplomatic efforts to restrain North Korean nuclear and missile

¹ For more details see Robert L. Gallucci, Daniel B. Poneman and Joel S. Wit, *Going Critical*, (Washington, DC, Brookings Institution 2004); James G. Strohmaier, *Extorting Cooperation: A Case Study of the Negotiation and Implementation of the 1994 U.S.-DPRK Agreed Framework*, unpublished Ph.D. dissertation, University of Kentucky 2003

² Wade L. Huntley, "Ostrich Engagement: The Bush Administration and the North Korea Nuclear Crisis". *The Nonproliferation Review*, Vol. 11. No.2, Summer 2004, pp.81-115

programmes. Secretary of State Colin Powell made statements in support of further diplomatic efforts, while President Bush openly voiced his doubts about attempting to engage North Korea in a difficult meeting with the Republic of Korea (ROK), President Kim Dae Jung.

On 6 June 2001 a policy statement was issued by the US government that indicated support for the Agreed Framework as long as North Korea fulfilled its conditions. The Bush administration even secured increased funding for the heavy fuel oil deliveries to North Korea. It also promised to continue to provide humanitarian food assistance. At the same time it rejected a continuation of the previous talks on missiles and instead stated that future talks should follow a broad agenda, including 'improved implementation of the Agreed Framework relating to North Korea's nuclear activities; verifiable constraints on North Korea's missile programmes and a ban on its missile exports; and a less threatening conventional military posture'.³ In return the United States would ease sanctions and take other steps to help the North Korean people. Gary Samore aptly described this approach as demanding more and offering less than the previous US government.⁴ Efforts by the North Korean government to revive the missile talks, including attempts to enlist Russian and European support, fell on deaf ears in Washington.

The events of 11 September 2001 had a profound impact on US national security policy in general and relations with North Korea in particular. The demonstration of the willingness of international terrorists to cause mass casualties raised the fear of the confluence on 'rogue states' that pursue weapons of mass destruction and sponsor terrorism and international terrorism. This was 'the axis of evil' described by President Bush in his 2002 State of the Union address. The President stated that the United States had the right to take pre-emptive action against threats, rather than wait until the US or its Allies were attacked with weapons of mass destruction. North Korea reacted strongly to its inclusion in the 'axis of evil', which it interpreted as a manifestation of Washington's desire to put pressure on North Korea in order to 'stifle' the regime.

During a visit to Pyongyang in April 2002 South Korea's National Security Advisor Lim Dong Won tried to persuade Kim Jong Il to receive a special envoy from the United States. North Korea decided to resume the bilateral dialogue with the US. The Assistant Secretary of State for East Asian and Pacific Affairs, James Kelly, was supposed to visit Pyongyang on 10 July, but due to clashes between North and South Korean naval forces the visit was postponed until October.

³ US White House, Statement by the President, 13 June 2001.

www.whitehouse.gov/news/releases/2001/06/20010611-4.html

⁴ Gary Samore, "The Korean Nuclear Crisis", *Survival*, Vol.45, No.1, Spring 2003, pp.7-24, p.11

Prior to Kelly's October trip to North Korea US intelligence issued a secret assessment according to which North Korea had started a clandestine programme to produce highly enriched uranium High Enriched Uranium (HEU), using centrifuge technology it had acquired from Pakistan in return for *Nodong* missiles. The information on which this assessment was based had come from a variety of sources. In 1999 Seoul informed Washington that North Korean scientists had visited Pakistan, and in March 1999 the Republic of Korea and the United States jointly prevented the purchase by North Korea of components for gas centrifuges in Japan. In 2001 a North Korean defector said that North Korea had been pursuing centrifuge technology for uranium enrichment for some time. Moreover, there was evidence that North Korea was seeking components such as certain types of aluminium types and equipment for uranium feed-and-withdrawal systems for which no other purpose appeared plausible.

The uranium enrichment programme was interpreted as a substantial breach of trust and evidence for the strong belief of the opponents of any accommodation with North Korea that the DPRK simply could not be trusted. Although technically not a breach of the Agreement Framework which was concerned only with plutonium, it was nevertheless incompatible with commitments under the Agreed Framework as it reaffirmed the North-South Declaration on denuclearisation (1992) which banned uranium enrichment and also the NPT.⁵ However the status of this programme and the location of any enrichment facility were unknown.

The provisional assessment of the CIA was that North Korea was constructing a uranium enrichment plant that would be able to produce HEU for two weapons annually once fully operational, possibly by mid-decade. The Republic of Korea and China were doubtful about the existence of an actual HEU programme. An analysis by experts from the International Institute of Strategic Studies in the United Kingdom, using the information that has come into the public domain, shows that, although no definite conclusions can be drawn, it seems unlikely that North Korea has an operational enrichment plant at present and may not have so for more than ten years. This tentative assessment is based on indication that North Korea is still seeking components for an enrichment plant, the difficulties of building other elements of the infrastructure required (i.e. a UF₆ feeder plant) given what is known about North Korea's nuclear facilities, and the technical difficulties of successfully operating a uranium enrichment plant based on centrifuge technology. More recent internal South Korean assessments seem to broadly concur with the judgement that North Korea is not yet very close to possessing the capacity for producing HEU.⁶ Thus Kim Taewoo from the

⁵ For details, see Strohmaier, *op. cit.*

⁶ Interviews in Seoul, July-September 2004

Korea Institute for Defense Analyses suggests that the Khan Research Laboratory may have provided North Korea with a number of P-1 and P-2 type centrifuges, 50 kg of UF₆ for calibration and technical information for the construction of enrichment stages and cascades. He concluded (as of the autumn of 2004) that North Korea most likely did not yet have any full-scale enrichment facilities or weapons-grade HEU, but that it might have laboratory-scale centrifuge facilities.⁷ Of course these conclusions are based on estimates given the available information and the actual state of the uranium enrichment programme in North Korea remains unknown.

Nevertheless, in the wake of summit meeting between Japanese Prime Minister Koizumi and Kim Jong Il on 17 September 2002 that signalled a degree of Japanese-North Korean rapprochement, the United States decided to confront North Korea about the clandestine uranium enrichment programme at the postponed meeting in Pyongyang that finally took place on 4-5 October 2002. Kelly met with Vice Foreign Minister Kang Sok Joo and other North Korean officials. He outlined the broad proposals, but then brought up the question of the clandestine uranium enrichment programme, stating that no progress could be made until the uranium programme was dismantled. According to the American version of events, the North Koreans initially denied the existence of the programme, but the next day, to the Americans' surprise, Kang admitted that the enrichment programme existed and claimed it was justified by the belligerence of the Bush administration and its various threats. Subsequently North Korea circulated versions of the meeting that differed substantially from that reported by Kelly. In November the DPRK ambassador to the United Nations stated that North Korea would be prepared to satisfy all security concerns the US might have, including those relating to the uranium enrichment programme, and the possibility of inspections of all North Korean nuclear facilities would be considered. Despite the presence of Korean speakers on the US delegation, there remains some uncertainty as to what precisely transpired.⁸ Later, in December, North Korea denied it had acknowledged the existence of a uranium enrichment programme, claiming that Kang had merely asserted North Korea's right to have such a programme. At a conference at Wilton Park in the UK on Northeast Asian Security in October 2004, the North Korean delegation first stated that the DPRK did not have a uranium enrichment programme as such. When pressed, the North Korean ambassador to the UK, Ri Yong Ho,

⁷ Taewoo Kim, "North Korean Nuclear Politics at the Crossroads", *The Korean Journal of Defense Analysis*, Vol. XVI, No.2, Fall 2004, pp.27-47, p.40

⁸ Daniel A. Pinkston and Phillip C. Saunders, "Seeing North Korea clearly", *Survival*, vol. 45, no.3, Autumn 2003, pp.79-102, see pp.81-82

categorically denied that North Korea had a uranium enrichment programme.⁹ North Korea accused the United States of violating the Agreed Framework because of the failure to deliver the light water reactor on time and to provide formal assurances that it would not threaten or use nuclear weapons against the DPRK.

The South Korean government was unwilling to abandon the 'sunshine policy' and make South Korean assistance to North Korea dependent on the abandonment of the enrichment programme. While Japan made normalisation of relations dependant on the resolution of the nuclear issue, leading to a breakdown in the talks, both Japan and the Republic of Korea were concerned that taking actions that would lead to the 'suspension' of the activities of Korean Peninsula Energy Development Organization (KEDO) would induce North Korea to retaliate by resuming nuclear activities frozen by the Agreed Framework. In the end the decision was that heavy fuel oil shipments would be suspended once the shipment that was already en route was delivered.

The calculation in Washington was that North Korea was too weak to retaliate against the suspension of Heavy Fuel Oil (HFO) and that pressure from the international community and the threat of sanctions would yield the desired result, i.e. dismantlement of the nuclear programmes. Moreover, the growing confrontation with Iraq over its alleged Weapons of Mass Destruction (WMD) was thought to put pressure on Kim Jong Il as well by signalling that a similar confrontation might be on the cards with regard to the North Korean nuclear programme.¹⁰ This turned out to be a major tactical misjudgement. First of all, it flew in the face of past experience with North Korean negotiating behaviour that was characterised by extreme brinkmanship in apparent defiance of practical realities and what outsiders might have calculated to be in the DPRK's best interest. As Scott Snyder has demonstrated, if North Korea judges the external environment to be unfavourable to the pursuit of its agenda, then it adopts a position of *kojip* (stubbornness or unyielding attitude) until the external environment becomes more favourable.¹¹ Secondly, North Korea drew precisely the opposite conclusion from the example of Iraq: "The Iraq war teaches a lesson that in

⁹ The author was present at this meeting. For further discussion, see Selig S. Harrison, "Did North Korea Cheat?", *Foreign Affairs*, Vol.84, No.1, January/February, 2005; Mitchell B. Reiss and Robert L. Gallucci, "Dead to Rights", *Foreign Affairs*, Vol.84, No.2, March/April, 2005, pp.142-145; Richard L. Garwin, "HEU Done It", *Foreign Affairs*, Vol.84, No.2, March/April, 2005, pp. 145-146; Selig S. Harrison, "Harrison Replies". *Foreign Affairs*, Vol.84, No.2, March/April, 2005, pp.146-148

¹⁰ Huntley, op. cit., p.96

¹¹ Scott Snyder, *Negotiating on The Edge – North Korean Negotiating Behaviour*, Washington, DC, United States Institute of Peace Press 2002

order to prevent a war and defend the security of a country and the sovereignty of a nation, it is necessary to have a powerful physical deterrent.¹² North Korea may also have calculated that the United States would be preoccupied with the Iraq crisis and could not afford to mount a similar confrontation in the Far East at the same time. On 12 December 2002 the DPRK announced that it was restarting the 5MW reactor and resuming construction of the 50MW and 200MW reactors.

The Escalation of the Crisis and ‘Ostrich Engagement’

These events occurred in the run-up to presidential elections in the Republic of Korea. During the election campaign, the GNP and its candidate Lee Hoi Chang were very critical of the ‘sunshine policy’. The candidate of the Millennium Democratic Party (MDP), Roh Moo Hyun, on the other hand was prepared to expand cooperation with North Korea even further. The question of relations with the United States was very much on the agenda, especially as a result of an incident where two Korean school girls were killed in a traffic accident by a US armoured vehicle. Roh refused to visit the United States prior to the election and called for the revision of the SOFA (Status of Forces Agreement) in order to put the bilateral relationship on a more equal basis. On 19 December Roh was elected by a narrow margin, partly due to the anti-American sentiment that affected parts of the electorate.¹³

It is tempting to speculate that Roh’s victory gave North Korea the sense that its hand had been strengthened. On 22 December, a mere three days after the election, North Korea ordered the IAEA to remove surveillance cameras and seals on the 5 MW reactor, the spent fuel storage pond and the reprocessing facility, and expelled the inspectors themselves on 27 December. It also announced that preparations to resume reprocessing would be completed soon. The action was justified on the basis of safety concerns relating to the handling of spent fuels from the reactor that had been unfrozen. However, it was clear that reprocessing 8000 spent fuel rods that had been removed from the reactor in 1994 would give North Korea about 25-30 kg of plutonium, enough fissile material for up to 8 nuclear weapons.

The reaction by the United States was surprisingly muted. Secretary of State Colin Powell was almost non-chalant about the prospect of North Korea, which was believed to have acquired enough plutonium for two nuclear weapons before the Agreed Framework, building more nuclear weapons: ‘What are they going to do with another two or three nuclear weapons when they’re starving, when they have no energy, when they have no

¹² KCNA, 18 April 2003

¹³ For an analysis of anti-American sentiment in the Republic of Korea, see Sung-han Kim, “Anti-American Sentiment and the ROK-US Alliance”, *The Korean Journal of Defense Analysis*, Vol. XV, No.2, Fall 2003, pp.105-130

economy that's functioning?'¹⁴ There was no longer any talk of pre-emptive strikes or any form of military pressure to be brought to bear. Instead of 'hawk engagement', the US administration responded with 'ostrich engagement' (see no evil).¹⁵ Even more surprisingly, those conservative pundits such as Charles Krauthammer and William Safire who derided negotiations with North Korea in 1994 and called for military action then now played down the North Korean threat and advocated doing nothing. Ivo Daalder and James Lindsay from the Brookings Institution noted acerbically: 'The Bush administration and its hawkish supporters have found their match in Kim Jong Il's North Korea.'¹⁶

Pyongyang signalled its interest in entering into discussions with the United States, but the Bush administration did not want to enter into negotiations with North Korea 'under duress', and thus responded by initiating steps designed to gradually bring the pressure of the international community to bear through the mechanisms of the IAEA and the UN Security Council. The IAEA Board of Governors passed a resolution on 6 January 2003 that called on the DPRK to allow the return of inspectors and the restoration of monitoring equipment. This was described as the last chance for North Korea to restore the freeze; failing that there was the prospect that DPRK non-compliance would be reported to the UN Security Council. The US also offered to 'talk to North Korea about how it will meet its obligations to the international community', a softening of its previous refusal to have discussions with North Korea before it abandoned its nuclear weapons programme.

North Korea seems to have perceived the US response as a further escalation of its pressure tactics. The American attitude to the nuclear issue seemed to be of one piece with its general hostility to the DPRK as symbolised by its inclusion in the 'axis of evil'. Political support for the Agreed Framework was vanishing both in Washington and Pyongyang. On 10 January the DPRK announced that it was formally withdrawing from the NPT in order to be free from all obligations in relation to safeguards. Technically withdrawal from the NPT is subject to a 90-day notice period. North Korea declared that the required notice had already been given in March 1993 when it stated its intention to withdraw from the NPT. At the same time it sought to reassure the international community that it would not actually build nuclear weapons: 'Though we pull out of the Treaty, we have no intention to produce nuclear weapons and our nuclear activities at this stage will be confined only to

¹⁴ Ivo H. Daalder and James Lindsay, *America Unbound*, (Washington, DC, Brookings Institution 2003).

¹⁵ This phrase was coined by Wade Huntley, see Huntley, op.cit.

¹⁶ Ivo Daalder and James Lindsay, "Where Are the Hawks on North Korea?", *American Prospect*, 1 February 2003

peaceful purposes such as production of electricity.¹⁷

The DPRK views (IAEA) from quite a different perspective. The role of the IAEA is, in effect, to verify compliance with the obligations under the NPT. This is viewed by the United States as a purely technical task. To require North Korea to submit to IAEA inspections is therefore simply to ask the DPRK to comply with the obligations that it has signed. North Korea, however, sees the IAEA as an instrument of the hostile policy of the US towards the DPRK. Adopting the position that it has not acknowledged the existence of a highly enriched uranium programme and claiming that no hard evidence has been produced that it does exist, it considers the resolution by the IAEA Board of Governors that calls for its abandonment through verifiable means as part of an American conspiracy to strangle the North.¹⁸ This is yet another example in which the IAEA has been used to brand North Korea a criminal country by alleging violation of international treaty obligations. Thus the activities of the IAEA are viewed as politically motivated, that the IAEA acts on instructions from Washington and uses intelligence fabricated by the United States. The withdrawal from the NPT is explained as a response to the hostile policy of the US and its nuclear threats against the DPRK. Thus it is alleged that the US has violated the negative security assurances embodied in the framework of the NPT which state that nuclear states may not threaten the use of nuclear weapons against a non-nuclear state that has ratified the NPT. The war against Iraq is cited as an example of how the United States abuses international organisations, and that the attempt to use inspections to bring about disarmament does not help to avert war, but rather brings it about.¹⁹ On the basis of Article 10, section 1 of the NPT North Korea claims it has the right to withdraw from the NPT if its national interests are severely threatened. Such a threat exists because of the nullification of the Geneva Agreed Framework as a result of KEDO's cessation of heavy fuel oil supplies, and the hostile policy of the US including the threat of pre-emptive nuclear attacks.²⁰

Seeing the US as the source of the problems, the DPRK sought bilateral talks with the United States to deal with the nuclear issue, but Washington demurred because it did not want to be seen to have been blackmailed into negotiations. Instead the Bush administration proposed multilateral talks, in order to increase the pressure on North Korea to accept the dismantlement of its nuclear programmes and shift the onus for dealing with North Korea on the regional states. Thus in late January the US proposed

¹⁷ IISS, *North Korea's Weapons Programmes – a Net Assessment*, (Basingstoke, Palgrave 2004), p.19

¹⁸ KCNA 10 January 2003

¹⁹ KCNA 7 April 2003

²⁰ KCNA 28 December 2003

privately a set of multilateral talks involving the five permanent members of the UN Security Council plus the EU and four regional states (the ROK, the DPRK, Japan and Australia). North Korea rejected the idea out of hand, insisting on direct bilateral talks with the United States.

Clearly Pyongyang did not want a set of talks where it was confronted by an array of countries hostile to its position. It perceived the United States as the source of external threat, and therefore a deal could be made only with Washington.

The US approach to the issue was fundamentally flawed. While it was in line with the moral absolutism of the Bush administration, it was based on false premises and would be unable to deliver any results. Not all parties in the proposed multilateral talks could be counted on to put pressure on North Korea. While China did not want a nuclear-armed DPRK, it was unclear to what extent it would use its considerable leverage as North Korea's largest trade partner and supplier of aid to achieve compliance with the demands of the international community. China did not want the North Korean regime to collapse and preferred the continued existence of two Koreas with the North acting as a buffer state. This does not mean that China was necessarily happy with the Kim regime, but it wanted the DPRK to engage in economic reform along the lines of the Chinese model.²¹ The Republic of Korea took the nuclear issue very seriously, because of its direct ramifications for South Korean security, but Roh's version of the 'sunshine policy' was one of engagement with North Korea that did not really have any place for 'sticks' along with the 'carrots'. There were deep divergences between the Bush administration and the Roh government on how to approach the issue of the North's nuclear programmes. The Bush team adopted a surprisingly relaxed approach that belied its bellicose rhetoric. While it wanted a nuclear-free DPRK, it did not see the current situation as a crisis or a development that was so alarming that everything had to be done to prevent the reprocessing of plutonium, which was the attitude that had dominated the perspective of the Clinton administration. The Roh government on the other hand sees the suspension of the Agreed Framework as a serious crisis, which could result in North Korea having something of the order of 8 nuclear weapons and could raise tensions between the US and the DPRK to such an extent that the United States might take military action against North Korea. There is also a profound difference with regard to strategic objectives. The Bush administration was unsure that the nuclear crisis could be resolved without regime change in the North, and therefore adopted a policy of isolating,

²¹ Andrew Scobell, "China and Inter-Korean Relations: Beijing as Balancer", in Samuel Kim (ed.), *Inter-Korean Relations*, (Basingstoke, Palgrave 2004), pp.81-96

containing and transforming the North.²² The ROK government on the other hand was and remains convinced that the only chance of transforming the DPRK is through a policy of engagement. In this context the nuclear issue has to be resolved with some urgency, as it threatens to derail the policy of engagement.²³ The paradoxical result was that both countries adopted contrary policies, neither of which had any chance of achieving their objectives. There was no prospect that the Bush administration's goal of isolation and containment of North Korea could be achieved given that its regional partners resolutely refused to implement such an approach. Moreover, multilateral talks with North Korea had no chance of success due to the divergent objectives of the participants and the unwillingness of the Republic of Korea and China to come up with the appropriate mix of sticks and carrots to induce concessions from the North Korean side. The policy of the Roh government in Seoul, on the other hand, was flawed for the same reason, namely that despite the rhetorical affirmations of the seriousness of the nuclear problem, it was neither able nor willing to devise any instruments that would have a serious chance of dealing with it.

Tensions increased once more in February 2003 when North Korea announced that it was putting its nuclear facilities for the production of electricity on a normal footing, which presumably meant it was restarting the 5MW reactor at Yongbyon. Satellite observation detected very heavy activity at the spent fuel facility, indicating that North Korea might be moving fuel rods for reprocessing. On 12 February 2003 the Board of Governors of the IAEA found North Korea in violation of its NPT safeguard obligations and referred the matter to the UN Security Council. The US deployed additional bombers and stealth aircraft to the region. The DPRK responded with a warning that it might launch a first strike in response to a build-up of US forces in the region, and North Korean fighter planes harassed a US RC-135 reconnaissance plane. During the *Foal Eagle* exercises that were conducted jointly by the US and the ROK, the United States deployed a number of F-117A stealth fighter bomber to South Korea and 2 long-range bombers to Guam.²⁴

²² Haksoon Paik, "What is the Goal of the U.S. Policy toward North Korea: Nonproliferation or Regime Change?", Nautilus Policy Form Online, 7 April 2005, www.nautilus.org

²³ Chung-in Moon, "The North Korean Nuclear Problem and Multilateral Cooperation: The Case of the Six Party Talk", *Whitebook on the Korean Economy*, Korea Institute for International Economic Policy, Seoul 2004; Jong-Yuan Bae and Chung-in Moon, "The Bush Doctrine and the North Korean Nuclear Crisis," *Asian Perspective (Special Issue on the Bush Doctrine and Asia)* Vol. 27, No. 4, (2003) pp. 9-45; Chung-Hoon Lee and Chung-in Moon, "The North Korean Nuclear Crisis Revisited: The case for a Negotiated Settlement", *Security Dialogue* Vol. 34, no. 2 (June 2003), pp. 135-151

²⁴ See IISS, op. cit.

Pyongyang Bows to China's Pressure: the Beginning of Multilateral Talks

The next move on the diplomatic front came from China, after Secretary of State Powell visited Beijing in February. China was concerned that tension between the DPRK and the United States was rising. On the one hand, China wanted to avoid a collapse of the DPRK under US military and economic pressure (i.e. it opposed US ambitions for regime change in North Korea). After all, China would have to deal with many of the social and economic consequences. At the same time it wanted to avoid instability or even a military conflagration in its backyard. China was under strong American pressure to use its influence with Pyongyang, which in private discussions it always claimed was minimal. China's role in the diplomacy vis-à-vis North Korea became part of a complex diplomatic game. By rejecting bilateral talks with North Korea and its general approach to the nuclear issue, Washington had considerably reduced the available policy instruments at its disposal. It was looking to Beijing to inject new momentum into the process, i.e. get the North Koreans to see sense. Reliance on China was problematic for several reasons. One, it was unclear how much influence Beijing had in Pyongyang. Two, Chinese and US objectives for the outcome of the process were not wholly congruent. Three, seeking favours from Beijing could have an impact on the situation with Taiwan which was the dominant issue in Sino-US relations.

Extensive shuttle diplomacy by China's Vice Premier Qian Qichen resulted in Kim Jong Il's agreement for North Korea to take part in three-party talks that were held on 24-25 April 2004 in Beijing. China temporarily halted oil supplies to the DPRK for 'technical reasons', putting pressure on Pyongyang to cooperate. At the same time Russia and China prevented action by the UN Security Council against North Korea in response to the IAEA report on 9 April. After consultations with Tokyo and Seoul Washington agreed to the three-party talks. The Bush administration was determined not to talk to the North Koreans directly, whereas Beijing and Pyongyang saw the talks as a means of establishing a direct dialogue between the United States and North Korea.

During the three party talks the DPRK delegation made a concrete proposal called a 'bold initiative'. It was based on the concept of four stages of simultaneous steps to be taken by the United States and North Korea, resulting in the dismantlement of North Korea's nuclear weapons programme. In the first stage North Korea would declare its intention to dismantle nuclear weapons and HFO shipments would be resumed. In the second stage inspections of North Korea's nuclear facilities would take place, and the United States and the DPRK would sign a non-aggression pact. In the third stage, other issues would be resolved – there would be an agreement on missiles, political relations between the DPRK, the US and Japan would be

normalised. In the final stage, once the light water reactor was completed, North Korea would finally dismantle its nuclear programme.

The United States rejected the North Korean proposal out of hand. The head of the US delegation James Kelly restated the position of the Bush administration that only after complete, irreversible and verifiable (CVID) disarmament would any political and economic agreements be possible. The North Korean delegation had come to Beijing expecting direct bilateral talks with the Americans, who were under strict instructions not to participate in such a meeting. The Chinese tricked the US delegation into an informal bilateral meeting by arranging for the two delegations to be in the same room at the same time. The Chinese were frustrated by the behaviour of both the Americans and the North Koreans. The chief delegate of the DPRK delegation, Li Keun, informally told Kelly that the DPRK already had one or two nuclear weapons and had completed reprocessing the 8,000 spent fuel rods from the 5 MW reactor, even though North Korea had denied these facts to the Chinese. There was also a hint that North Korea could make more weapons or transfer them. The talks broke up in failure after one formal meeting and a day earlier than scheduled.

On 12 May 2003 the DPRK proclaimed the nullification of the North-South Declaration on Denuclearization, and there were indications that the reprocessing of spent fuel rods had begun. In July 2003 North Korea told the United States privately that it completed the reprocessing of the 8,000 fuel rods. Intelligence assessments indicated that some reprocessing had most likely occurred, but it could not be confirmed that reprocessing had been completed.

Given the past experience with North Korea's missile proliferation and the statements at the Beijing meeting the prospect that North Korea might be tempted to proliferate nuclear materials and technology emerged as the most serious threat posed by the nuclear programme. In June 2003 the Bush administration launched a Proliferation Security Initiative (PSI) as an international effort to interdict shipments of items related to WMD. North Korea was the immediate target of this initiative, but it was unclear how ultimately the transport of plutonium which could be carried in a small suitcase could be prevented. This is not to say that is not important and indeed it is gaining international support, but it cannot entirely mitigate the dangers of proliferation from a state like North Korea.²⁵

In early July Russia and China once again prevented action by the UN Security Council against the DPRK. While China was engaged in the resumption of diplomacy. Pyongyang was offered extra food and oil deliveries as an inducement to accept participation in the new talks which involved six parties, namely the United States, Russia, China, Japan, North Korea and

²⁵ Thomas D. Lehrman, "Rethinking Interdiction: The Future of the Proliferation Security Initiative", *The Non-Proliferation Review*, Summer 2004, Vol.11, No.2, pp.1-45

South Korea. The various parties came to the talks with different agendas. China, Russia and South Korea intended the talks to provide a means of establishing a bilateral dialogue between the US and the DPRK. The United States had accepted the principle that there should be a bilateral meeting with North Korea on the margins of the conference, but it wanted to maintain the multilateral framework and enlist the support of the other regional states to put pressure on North Korea. Japan wanted progress on the issue of kidnapped Japanese citizens as well as the nuclear issue.

The Six Party Talks: Staking out the Positions

The first of the Six Party Talks was held in Beijing on 27-29 August 2003. As expected, North Korea proposed once again a series of simultaneous steps beginning with the exchange of a US security assurance and a North Korean pledge to give up its nuclear weapons and eventually leading to disarmament. The DPRK delegation hinted that it might accept a freeze on its nuclear activities as a first step. The US stuck to the principle of ‘dismantlement first’. Although the US delegation did not present a detailed counterproposal to the DPRK, it suggested that North Korean disarmament could take place in several phases, leaving the door open to some ‘rewards’ before complete, irreversible and verifiable disarmament had taken place. Nevertheless, security assurances and the resumption of heavy fuel oil deliveries could only be discussed after some disarmament had occurred. Moreover, the US also made it clear that full diplomatic normalisation would require more than the dismantling of nuclear programmes; other issues such as ballistic missiles, biological and chemical weapons and conventional forces would need to be addressed.²⁶

The South Koreans proposed a three-stage process which was to be a compromise between the North Korean and the US approach. The first stage would consist of simultaneous declaration of security assurances and commitment to nuclear disarmament, followed by sequential actions that would involve the implementation of disarmament in different stages, reciprocated by inducement on the part of the US and other parties to the talks. After a resolution of all of the issues, nuclear, missiles, other WMD and conventional forces, full normalisation of relations with North Korea and the US and Japan could take place. However, due to the attitude of some of the other parties, this proposal did not gain any traction.

The paradoxical feature of these talks was that there was a great deal of common ground regarding the shape of any final agreement. The disagreement was primarily about the modality of the disarmament process. North Korea was not willing to relinquish its tangible assets without some

²⁶ Joseph Kahn, “Korea Arms Talks Close With Plan for a New Round”, *New York Times*, 30 August 2003

down payment, while the United States had adopted the principle that it would not be seen to be blackmailed into negotiations and reward illicit behaviour, thereby completely restricting its freedom of manoeuvre in the discussions. In addition, however, the issue of the HEU programme remained an insurmountable obstacle as North Korea denied the US allegations about the existence of such a programme. In private conversations the North Koreans told the Americans that Kelly had misunderstood what Kang said in October 2002. Such a denial, however, meant that the programme was not on the table for inclusion in any disarmament deal, and without it there could be no such deal. True to form, the North Koreans again issued threats; this time they said they would declare their nuclear status and conduct a weapons test if there was no solution. This behaviour did nothing to improve North Korea's bargaining position and only hardened the American stance.

There was no joint final communiqué but the Chinese Ministry of Foreign Affairs issued a statement as chair of the talks that summarised some general principles that all parties seemed to agree to, including the need to resolve the North Korean nuclear issue through dialogue, the denuclearisation of the Korean peninsula and the need to continue the six party talks.

Despite the lack of progress the United States was content with outcome of the talks in so far as a clear message was sent to North Korea. The North Koreans reacted negatively. The delegation issued a statement at Beijing airport prior to leaving to the effect that North Korea had no interest in future talks.²⁷ The Ministry of Foreign Affairs in Pyongyang issued a statement on the talks that said: 'The six-party talk was nothing but empty discussions. We came to realize that there are no other alternatives but self-defence capability and nuclear deterrence capability unless the U.S. changes its hostile policy.'²⁸ Nevertheless, North Korea's chief delegate, Vice Foreign Minister Kim Young Il, stated: 'The denuclearisation of the Korean peninsula is our ultimate goal, and possessing nuclear weapons is not our goal.'²⁹

As China and the Republic of Korea made efforts to achieve the resumption of the talks, North Korea indicated a lack of interest. On 2 October 2003 Pyongyang made a public announcement to the effect that it had completed the reprocessing of spent fuel rods from Yongbyon and that the plutonium would be used to enhance its nuclear deterrent force. However, these claims could not be independently confirmed.

Some progress was made at the Asia-Pacific Economic Cooperation (APEC) summit in Bangkok. In separate conversations with the Chinese President Hu Jintao and the President of the Republic of Korea Roh Moo Hyun President Bush expressed his willingness to join in a multilateral written

²⁷ Moon (2004) op. cit., p. 25

²⁸ KCNA, 30 August 2003

²⁹ Moon (2004), op. cit., p.26)

security guarantee to North Korea if the DPRK agreed to dismantle its nuclear weapons programme. This indicated some movement in the US position.

On 4 November 2003 KEDO formally suspended the light water reactor project for one year, which was not unexpected given that the entire Agreed Framework was in effect in suspension. China's efforts to convene another round of the Six Party Talks in December ran into difficulties as various public statements reemphasized the differences between North Korea and the United States. China's initial draft was rejected and the US proposed its own text, supported by Japan and the Republic of Korea. On 6 December the North Korean Foreign ministry issued the following statement:

'A package solution based on the principle of simultaneous action is the core issue to be agreed upon between the DPRK and the US, being the key to solving the nuclear issue. This is our consistent claim. The DPRK advanced a productive proposal to put into practice measures of the first phase if the U.S. found it hard to accept the package solution all at once. These measures are for the U.S. to delist the DPRK as a sponsor of terrorism, lift political, economic and military sanctions and blockade on it and for the U.S. and neighbouring countries of the DPRK to supply heavy oil, power and other energy resources to the DPRK in return for its freeze of nuclear activities.'³⁰

But simultaneous action was precisely what President Bush was not going to accept.

The Road to the Suspension of the Talks

In view of the lack of progress, there was some shift of policy in Washington. This may have been the consequence of more intense lobbying on the part of Seoul, coupled with the politically risky commitment to send some South Korean troops to Iraq. It may also have been helped by the forthcoming presidential election in the US which meant that some of the potentially controversial foreign policy areas were given to Powell in order to diffuse any attacks by Kerry. Whatever the reason for the shift, at the next round of the Six Party Talks Undersecretary of State Kelly for the first time presented a detailed US proposal for the resolution of the nuclear crisis. It involved some concession to the concept of simultaneous action, in that the US was willing for fuel shipments to be resumed and a provisional guarantee not to attack North Korea. It also offered talks on lifting US sanctions. In return, the DPRK would have to freeze its nuclear activities within 3 months, to be followed by complete dismantlement. This proposal involved significant elements of a proposal that had been developed by the Ministry for Foreign Affairs and Trade in Seoul previously, thereby narrowing the differences

³⁰ KCNA, 6 December 2003

between Seoul and Washington about how to handle talks with the DPRK.³¹

During the two hour bilateral meeting between the US and the DPRK the North Korea delegation discussed the proposal, but insisted on 'freeze for compensation' and, characteristically, threatened to test a nuclear weapon if the US would not accept their proposal.

After the talks the North Korean Foreign Ministry issued a statement to the effect that some common ground had been reached at the talks in Beijing but stressed that there were still 'big differences', in particular with regard to the issue of whether North Korea had a secret uranium enrichment programme. Moreover the time frame was characterised as unrealistic. On 30 June the North Korean ambassador to Russia stated that the DPRK wanted 2 million kilowatts in energy compensation before freezing its nuclear programme.

In July the Under Secretary of State for Arms Control and International Security, John Bolton, visited Seoul and affirmed in a lecture at Yonsei University that the US was not interested in a temporary freeze of North Korea's nuclear activities. Instead he invited North Korea to follow the example of Libya which had given up its support for international terrorism and its WMD programmes in return for lifting of sanctions and a return to the international community. It was clear that the US still required CVID as the final outcome of the process, even though this had been rejected by the DPRK.

Although the participants of the Six Party Talks agreed to hold a fourth round in September 2004, North Korea soon began to send signals that it was backing away from holding another round so soon, even though US Secretary of State Powell and DPRK Foreign Minister Paek Nam Sun met in Jakarta at the ASEAN regional forum, the highest level encounter since the crisis began. On 25 July 2004 the Foreign Ministry called the US offer a sham, and after the passage of the North Korea Human Rights Act in the US Congress on 27 July 2004 the Ministry questioned the usefulness of the Six Party Talks. There was a widespread view that North Korea had decided to postpone the resumption of the talks until after the US Presidential election in November 2004, an interpretation that North Koreans vigorously denied.³² Instead they said that they would not attend the talks unless the United States abandoned its hostile stance towards North Korea.

Pyongyang did not yield many clues as to real reason for its decision to stall the six party process. For over a year there were conflicting messages, and the participating governments appointed new representatives to the talks without any clear signal as to if and when they would resume. One school of thought suggested that North Korea had decided that as economic relations

³¹ Interviews in Seoul, July 2004

³² Personal discussions with North Korean officials in UK, October 2004

with China and the Republic of Korea continued, whereas relations with the US remained tense, it needed to at least partially remove the ambiguity over its nuclear programme in order to deter the United States. However in many respects Pyongyang's behaviour was similar to that in the past – by continuously ratcheting up the threat, completing the reprocessing of the fuel rods from the reactor, threatening the resumption of missile tests, claiming to have a working nuclear deterrent and stopping the 5 MW (e) reactor to extract fuel rods it seemed to try to increase its leverage while at the same time demanding the resumption of dialogue with Washington on a bilateral basis. Reports from the US Defense Intelligence Agency that North Korea might be preparing a nuclear test and could have missiles capable of delivering nuclear weapons to the United States contributed to the growing atmosphere of crisis.³³

By June 2005 this game seemed to have come full circle. During the meeting in Pyongyang to celebrate the 2000 unification summit involving a sizeable South Korean delegation Kim Jong Il arranged an impromptu meeting with the ROK Unification Minister Chung Dong Young in which he indicated a willingness to return to the Six Party Talks in July 2005 and even give up nuclear weapons and medium and long-range missiles provided that US ceased its hostile attitude and respected North Korea rather than despising it.³⁴ After the meeting it became clear that now the government of the Republic of Korea had been successfully enlisted in North Korea's diplomatic campaign. Foreign Minister Ban Ki Moon for example stated that statements by US Secretary of State Rice and Under-Secretary of State Paula Dobiasky that North Korea was an 'outpost of tyranny' was 'regrettable' as they might prevent Pyongyang from rejoining the six party talks, and he questioned the intention of US diplomacy towards North Korea.³⁵ Even when North Korea rejoins the talks, the structural impediments to an agreement remain, so that neither the United States nor the DPRK are likely to achieve their objectives.

Conclusion

The fundamental reality underlying the nuclear crisis, the dynamic that drives it is the fact the North Korean state under the Kim regime is not sustainable. Without a transformation of the political system and the country's economy it cannot survive indefinitely, but such a transformation will mean the end of the current regime. The nuclear programme has been developed as an asset that

³³ The CIA has been consistently hawkish on North Korea – it was responsible for the (false) reports of nuclear facilities at Kumchang-ri, and recently the Director testified that North Korea had the capability to strike at the US with nuclear weapons, a judgement disputed by most experts

³⁴ *Korea Herald*, 21 June 2005

³⁵ *Chosun Ilbo*, 21 June 2005

can address North Korea's security problems and elicit cooperation from concerned countries, such as South Korea, Japan, China and the United States to mitigate the economic crisis. From the viewpoint of these countries the critical question is how the decline of North Korea is to be managed. After playing with the idea of a North Korean collapse and rapid unification, the Republic of Korea has come down firmly on the concept of the 'sunshine policy' that is designed to develop a level of economic integration between North and South that will ultimately result in economic and political reform, leading eventually to the end of the division of the Korean peninsula. The Bush administration rejected the premises underlying the sunshine policy and was deeply sceptical about the possibility of engaging North Korea in a meaningful way. Instead it sought to confront the Kim regime and deal with it by containment and isolation with the purpose of bringing about regime change. The political philosophy on which the foreign policy of the Bush administration was based was incompatible with the realities on the ground in North East Asia. None of the key players in the region behaved in a manner compatible with US policy. Rather than adapt to the circumstances, the Bush administration stuck to its position and thus let the situation drift. In other words, compellence failed quite spectacularly simply because the United States lacked effective means to implement it. The result was the worst of all possible worlds from the US perspective, because North Korea moved from a theoretical nuclear capability to a more convincing practical capability, while at the same time continuing to receive economic support from China and South Korea and the prospects of exerting any real pressure on the DPRK continued to diminish. Moreover the United States became dependent on China for the success of its policy to such an extent that spillover into other areas became noticeable. US behaviour may have strengthened Kim Jong Il internally as the image of a nuclear threat from a superpower is a powerful means to legitimize the high degree of internal political control and repression. Furthermore, the possibility of achieving the complete elimination of nuclear weapons and intermediate range missiles from the Korean peninsula has become remote as North Korea claims the status of a nuclear power and is looking for an agreement that involves a nuclear freeze rather complete dismantlement.

From Pyongyang's point of view the Bush administration exhibited a hostility towards the DPRK that in conjunction with the new US national security doctrine and its implementation in Afghanistan and Iraq fostered the image of a real and present threat. This threat appeared to be so urgent that the development of a real nuclear defence capability seemed to override other political and economic considerations. The Kim regime interpreted the attempt of the US government to use the Six Party Talks to rapidly eliminate all military and civilian nuclear facilities from North Korea as part of its larger

strategy to bring down the regime itself.³⁶ Abandoning the Agreed Framework as its benefits seemed to be less real after the suspension of the heavy fuel oil shipments, Pyongyang moved to increase the size of its bargaining chip quite dramatically. However, Pyongyang was also trapped in fundamental misperceptions arising from its own world view. It clearly has exaggerated the US threat as there are neither good military nor diplomatic options for the US to put pressure on North Korea. Moreover the US administration did not react to North Korea's tactics of intimidation and brinkmanship in the way that the Kim regime had expected. If the US found North Korea incomprehensible, the DPRK found Washington to be immovable. Pyongyang now finds itself in a situation where it has no idea how to cash in its bargaining chip and it has lost the substantial benefits that were to accrue from the 'Agreed Framework'. North Korea could continue to ratchet up the military threat, but it runs the risk at some point of going beyond the limits acceptable to China and South Korea, triggering substantial sanctions. China has indicated that it might change its view on sanctions if North Korea were to conduct a nuclear test, for example.

Despite various protestations about the need to resolve the North Korean nuclear issue, it is clear that there is a drift towards the de facto acceptance of North Korea's nuclear arsenal. This might be unproblematic if it results in a stable deterrence relationship on the Korean peninsula. However the nuclear problem is only a symptom of a deeper underlying problem, namely the unsustainability of the North Korean regime. Over time this problem will get worse rather than better. Consequently it is to be expected that Pyongyang will seek additional ways to stir up the crisis. Even though clearly all sides are deterred from taking military actions, this level of brinkmanship is inherently risky and the possibility of a crisis escalating to a devastating military conflict cannot be excluded. Moreover, if North Korea in the future acquires the capability to target the continental United States with nuclear weapons, the strategic calculus will change dramatically. Consequently the nuclear issue cannot be ignored, and the United States must develop a more realistic policy to deal with it, possibly through bilateral discussions with North Korea complementary to the Six Party Talks which could become a more wide-ranging security forum for North East Asia. Indeed, the nuclear issue cannot be dealt with in isolation from the larger issue of the future of the Korean peninsula itself. This however requires political leadership on the part of the United States, the willingness to abandon preconceptions and move forward with bold initiatives that have so far been lacking. ■

³⁶ KCNA, 4 December 2004; also based on discussions with North Korean officials at Wilton Park, UK in October 2004

PAKISTAN AND THE FUTURE OF NON-PROLIFERATION

Brigadier Naeem Ahmad Salik*

Preamble

In the recent times there has been a discernible shift in the anti-proliferation policies from non-proliferation to counter proliferation. It is commonly believed that this change has come about as a consequence of the events of 9/11 and the concerns of the international community about the perceived efforts on the part of international terrorist organizations to gain access to Weapons of Mass Destruction (WMDs). However, this is only partially true as 'Counter proliferation' has been part of the US policy since the early 1990s, though kept on a low key for years.¹ Past few years have been very eventful and in a way fateful for the future of non-proliferation both from the point of view of substantive changes in the priorities of US anti-proliferation policy as well as efforts to move away from multilateral to unilateral policies or those based on restrictive multilateralism built around 'coalitions of the like minded'.² The Geneva-based Conference on Disarmament the primary UN negotiating body on arms control and disarmament related issues had been for years rendered ineffective by differences amongst some of the major powers. However, instead of making efforts to break this logjam at CD, the non-proliferation agenda has been shifted to the Security Council. The United Nations Security Council (UNSC) Resolution 1540 passed in April 2004, was the first manifestation of this approach. The problem in this approach lies in the structure of the Security Council itself, which does not allow a level playing field to all member states, is dominated by the P-5 and is not a truly representative body.³

Pakistan's non-proliferation policies have been largely driven by its own security imperatives. High ideals or utopian goals such as universal

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¹ Robert G. Joseph, "WMD: A Proliferation Overview", in Stuart E. Johnson & William H. Lewis eds. "Weapons of Mass Destruction: New Perspectives on Counter Proliferation", (Washington DC: National Defence University Press, 1995). Also see Mitchell Reiss and Harald Muller eds., Working Paper No. 99, Woodrow Wilson Center for Scholars, (Washington DC, January 1995).

² See a highly critical article by two Democratic Senators, Carl Levin and Jack Reed, "Toward a More Responsible Nuclear Strategy", *Arms Control Today*, January/February 2004.

³ Statement by Pakistan's Permanent Representative to the UNSC, Ambassador Munir Akram, *The News*, (Islamabad), 24 April 2004.

disarmament did not play any significant role. From the mid 1960s onwards a clear linkage started emerging with India's nuclear programme and policies. Given the fact that Pakistan was lagging far behind India in terms of nuclear development, its non-proliferation efforts were basically aimed at retarding India's nuclear programme. The proposal of a South Asian Nuclear Weapon Free Zone presented before the United Nations General Assembly in the aftermath of India's first nuclear test in 1974, was besides other considerations based on the expectation that it would bring to bear greater international restrictions on India thereby providing an opportunity for Pakistan to do some catching up. Subsequently, Pakistan's policies were tightly coupled with those of India. Pakistan's often repeated pronouncements of its willingness to sign the NPT simultaneously with India and making its signatures to the CTBT contingent upon India's signatures are cases in point. Such a policy was easier to devise and implement, and it did not require any ingenuity and provided a convenient shelter to Pakistan to hedge behind when subjected to international pressure. But the downside of such a policy is that Pakistan's policy has been defensive to the extent of being apologetic unlike India, which has been asserting its sovereign right to have access to nuclear technology. Consequently, Pakistan has been unable to articulate an independent and convincing rationale for its nuclear capability. This direct linkage with India's nuclear programme and policies has created an action-reaction syndrome which has the potential to fuel a nuclear arms race in South Asia, barring a significant improvement in Indo-Pak relations.

Current Challenges to the Non-proliferation Regime

The existing non-proliferation regime is built around a complex web of freely negotiated multilateral arms control and disarmament treaties such as the Nuclear Proliferation Treats (NPT), the Chemical Weapon Connection (CWC), Biological Weapons Connection (BWC), the Comprehensive Test Ban Treats (CTBT) (which has been frozen in its tracks since 1999, when the US Senate refused to ratify it) and export control arrangements such as the Nuclear Supplies Group (NSG), the Zangger Committee, the Wassenaar arrangement, the MTCR and the Australia Group etc. While Chemical Weapon Connection (CWC) and BWC have helped eliminate whole categories of WMDs, the NPT with its associated verification and safeguards arrangements anchored in the International Atomic Energy Agency (IAEA) has played the most significant role in curtailing the proliferation of nuclear weapons. This Treaty, which entered into force in 1970 for a period of 25 years and was subsequently extended indefinitely in 1995, has near universal membership but the three de-facto nuclear states India, Pakistan and Israel still remain outside its purview while efforts are being made to bring North Korea, which has opted out of it, back into its fold.

The non-proliferation regime with NPT as its centrepiece has had a mixed record of successes and failures. On the positive side it has succeeded in restricting the number of nuclear weapon states to eight including both the de-jure and de-facto nuclear states contrary to some predictions of around 30 nuclear-armed states by the end of the 20th century.⁴ On the negative side not only has it failed to resolve the dilemma with regard to the status of the three most important nuclear hold outs, it has also faced problems of non-compliance or deliberate violations of its obligations by the regime insiders. Currently there is a widespread perception that the non-proliferation regime is under serious threat both from within and without with all kinds of pessimistic scenarios emerging with regard to its future. For instance, there are serious concerns and doubts about Iran's nuclear ambitions and it is generally feared that Iran would break out of the treaty once it has developed enough confidence in its uranium enrichment capabilities. The cascading effect, of such a development, in the Middle East cannot be ruled out. Similarly, it is not very difficult to presume that in the event of failure of six party talks and/or Democratic People's Republic of Korea's (DPRK) overt demonstration of its nuclear capability, countries like Japan and South Korea, which already possess the technological wherewithal, would in all probability follow suit. This negative perception has been further cemented by the acrimonious and fruitless NPT Review Conference held at New York in May 2005, which highlighted the deep fissures amongst the ranks of states party to the NPT. Basically the regime is faced with two types of challenges i.e. political and technical. The political challenges are related to determination of the status of the regime outsiders without unravelling the regime itself as well as to the present impasse with regard to DPRK, while the technical challenges pertain to the insiders failing to comply with or deliberately trying to circumvent their treaty obligations.

It is generally viewed that the May 1998 nuclear tests by India and Pakistan constituted the most serious challenge to the regime thus far. However, many Western analysts tend to ignore the fact that India's first nuclear explosion of 18th May 1974 had and carried equally serious ramifications. According to Marvin Miller and Lawrence Scheinman, 'India acquired a nuclear weapon capability under the cover of an ambitious nuclear power programme that received considerable support from the major nuclear suppliers, particularly Canada and the United States, until India detonated a so-called peaceful nuclear explosive (PNE) in 1974.'⁵ In fact that particular event

⁴ George Bunn, "The Nonproliferation Treaty: History and Current Problems", *Arms Control Today*, December 2003.

⁵ Marvin Miller and Lawrence Scheinman, "Israel, India and Pakistan: Engaging the Non-NPT States in the Nonproliferation Regime," *Arms Control Today*, December 2003.

served as a wake up call to the international community and led to the initiation of a variety of measures to strengthen the regime and led to the tightening of export controls through the establishment of arrangements such as the NSG.⁶ Equally significant are the implications of Israel's undeclared nuclear arsenal, in fuelling the nuclear ambitions of some of its neighbouring countries. Similarly, the Iraqi efforts to clandestinely develop a nuclear weapons capability in violation of its obligations as a state party to the NPT, Iran's failure to fully comply with its safeguards agreement with the IAEA and Libya's ill conceived attempt to acquire a military nuclear capability have posed very serious challenges to the regime from within.

Should that bring us to the conclusion that the regime is indeed in danger of an imminent breakdown or is about to collapse? On the contrary, the regime has successfully weathered many of these challenges. For instance Iraq's nuclear ambitions were successfully laid to rest by the systematic and sustained effort by the UNSCOM and UNMOVIC inspectors in the aftermath of the 1991 Gulf War. IAEA has successfully unearthed the hitherto undeclared aspects of Iranian nuclear programme by gradually expanding the scope and sweep of its safeguards and inspections regime in that country. Libya has been successfully persuaded through diplomatic efforts by the US and the UK to finally abandon its WMD related programmes and now the IAEA is doing the mopping up job. This is indeed an impressive list of successes and has effectively reigned in the nuclear ambitions of the states, which have long been regarded as states of most serious proliferation concerns to the international community. The only hard nut yet to be cracked is North Korea but it is no more a technical problem but a political problem. Despite the anticipation of a painfully slow and grinding negotiating process in the six party talks currently underway, one can still hope that an amicable solution acceptable to all concerned parties will ultimately be found to the DPRK's problem as well.

The problem of proliferation with regard to regime insiders such as Iraq, Iran, North Korea and Libya has two distinct dimensions. Firstly, there is an anomaly in the NPT itself, which according to the provisions of its Article-IV allows members states access to nuclear technology for peaceful purposes. This provision allows the acquisition/development of reprocessing as well as enrichment technologies as long as the IAEA is in the know of it and it remains subject to verification/inspection mechanisms. However, a determined proliferator can continue to legitimately develop all the elements of the nuclear fuel cycle until it has developed enough confidence in its

⁶ Ibid.

expertise and then using the escape clause it can quit the treaty.⁷ The second dimension is the existence of an international black market of nuclear equipment and technologies, which has recently come to the limelight but has, in fact existed for many decades. This problem however, is a manifestation of the loopholes and weaknesses in the export control mechanisms and has led to the recent unfolding of aggressive interdiction policies such as the US led Proliferation Security Initiative (PSI).⁸ At the moment neither India nor Pakistan have joined the PSI. One of the clauses of the Indo-US Defence Agreement signed on 28th of June 2005 during Indian Defence Minister's visit to Washington stipulates enhancement of capabilities 'to combat WMD proliferation'. This effectively means cooperation in America's counter-proliferation policies, but it has not been specifically stated as to whether or not this would entail Indian participation in PSI as well.⁹ Pakistan on its part has chosen to stay out of the PSI due to concerns about its possible infringement with existing international laws such as the 'Law of the Sea Treaty' and 'the International Civil Aviation Protocols'. Additionally, both India and Pakistan are as yet out of the non-proliferation regime and its associated technology control arrangements such as the NSG and Missile Control Regime (MTCR) and would have suspected that PSI could be used to undermine interests. In India's case with the signing on 18th of July 2005 of the nuclear energy cooperation agreement with the US¹⁰ the situation is likely to change. The US has also made a commitment to work with its allies to ease the NSG strictures against India.¹¹ This could create a situation wherein India may find it easier to join the PSI.

Pakistan's Policies towards the Non-proliferation Regime

Pakistan has for decades been in the eye of the storm and its nuclear programme has remained at the centre of one controversy after the other since the mid 1970s. It has suffered from a series of nuclear and missile related sanctions for over two decades. Pakistan's track record however, indicates that it has consistently tried to make positive contributions towards the cause of non-proliferation by actively participating in multilateral negotiations towards

⁷ An Interview with Mohammad El Baradei, "Curbing Nuclear Proliferation", *Arms Control Today*, November 2003. Also see article by ELBaradei in the 16th October 2003 issue of *The Economist*.

⁸ See a critique of PSI by Brahma Chellaney, "Bush's PSI-counter-proliferation versus non-proliferation", *The Daily Times* (Lahore), 24 April 2004.

⁹ "India, US sign framework for defence cooperation", *The Hindu* (New Delhi), 30 June 2005,
<<http://www.thehindu.com/2005/06/30/stories/2005063004261200.htm>>

¹⁰ Indo-US Joint Statement, *The Hindu* (New Delhi), 20 July 2005.
<<http://www.hindu.com/thehindu/nic/indousjoint.htm>>

¹¹ *Ibid.*

this end. It is a party to the Biological as well as Chemical Weapons Conventions, made useful contributions in the formulation of the CTBT, has expressed its willingness to participate in the negotiations leading to the finalisation of Fissile Materials Cut Off Treaty and despite certain reservations played its due role in developing a consensus on the UNSC Resolution-1540.¹² However, its policies have been, conditioned by its complex security environment, which has been mainly impacted upon by India's ambitious nuclear, missile and now defunct chemical weapons programme. Describing Pakistan's Arms Control Policy, Rodney Jones says that:

...Over the years, Pakistan has developed sophisticated arms control positions and activities, despite sceptical receptions among some in the West. Pakistan has been specifically rebuffed by India, however, on a series of specific proposals for a South Asian nuclear free zone, simultaneous accession to the 1968 Treaty on the Non-proliferation of Nuclear Weapons (NPT), and even bilateral nuclear non-proliferation guarantees.¹³

Speaking at the National Defence College in May 2000, former Foreign Minister Abdul Sattar summarised Pakistan's policy as under:-

For the past decade or so, nuclear capability has been the bedrock of our defence and security policy...its sole purpose is to deter and prevent war. Unlike some other countries, Pakistan neither aspires to great power status or permanent membership of the Security Council nor nourishes any design for regional dominance...We support a global, non-discriminatory international regime of nuclear and missile restraints, voted for the CTBT, will participate in negotiations for Fissile Material cut-off Treaty (FMCT), and are prepared to strengthen our existing stringent controls against export of strategic weapons technology. Our policy of Minimum Credible Deterrence will obviate any strategic arms race...the idea of no-first-use of nuclear weapons needs to be expanded into a no-first-use of force, lest the former should be interpreted to sanction first use of conventional weapons.¹⁴

Echoing similar views, former Foreign Secretary Inam-ul-Haq in his address to the Conference on Disarmament at Geneva stated that, 'Instead of a triad of nuclear forces Pakistan seeks a triad of peace, security and

¹² See Statement by Pakistan's Foreign Office Spokesman Masood Khan, on 28 April 2004.

¹³ Rodney W. Jones, "Pakistan's Nuclear Posture: Quest for Assured Nuclear Deterrence- A Conjecture", *Regional Studies* (Islamabad), vol. XVIII, no.2, (Spring 2000), p. 26.

¹⁴ Abdul Sattar, Address at the National Defence College, (Islamabad), 24 May 2000.

progress.¹⁵ It may be pertinent here to give an overview of Pakistan's policies towards various elements of the non-proliferation regime.

Pakistan and the NPT

Pakistan along with India and Israel poses a dilemma for the non-proliferation regime with regard to determination of its status in relation to the NPT.¹⁶ It is indeed ironic that India and Pakistan who had been at the forefront of international efforts to prevent the proliferation of nuclear weapons in the 1950s and early 1960s, decided to refrain from signing the NPT, based on their respective perceptions of the evolving nuclear environment in and around South Asia. Both countries had voted positively for the resolutions sponsored by Ireland and Sweden between 1959 and 1961. These resolutions were enshrined in the General Assembly Resolution 1380 (xiv), 1576 (xv), 1664 (xvi) and 1665 (xvi). The two countries continued to express their anxiety over the dangers posed by nuclear proliferation and pleaded for the conclusion of an international agreement to restrict the entry of more countries into the nuclear club.¹⁷ Pakistan's concern, was voiced by President Ayub Khan in his address to the 17th session of the General Assembly saying that:

An aspect of disarmament which is of deep concern to Pakistan is the clear and present danger of the spread of nuclear weapons and the knowledge of their technology to states which do not now possess them...This imminent peril demands that the General Assembly give urgent consideration to conclusion of a treaty to outlaw the further spread of nuclear weapons and the knowledge of their manufacture.¹⁸

Pakistan continued to express its apprehensions about the possible spread of nuclear weapons and even showed concern about the proliferation of the technological know how, which could enable the recipients to produce nuclear weapons. India's growing nuclear potential including the acquisition of a French supplied reprocessing plant by the mid 1960s was a major cause of concern for Pakistan. After the conclusion of Partial Test Ban Treaty (PTBT) in 1963 both India and Pakistan pressed for an early conclusion of a CTBT and continued to take more or less similar positions at various fora like the UN and the precursor of the Conference on Disarmament at Geneva, the Eighteen Nation Disarmament Committee (ENDC). However, by 1965 Indian

¹⁵ Inam-ul-Haq, Foreign Secretary of Pakistan, Statement in the Conference on Disarmament, Geneva, 25 January 2001.

¹⁶ Miller and Scheinman, op. cit. Also see John Simpson, "The Nuclear non-proliferation regime; back to the future?", *Disarmament Forum- One* (2004), UNIDIR, Geneva.

¹⁷ B.M Kaushik and D.N. Mehrotra, *Pakistan's Nuclear Bomb* (New Delhi: Sopan Publishing House, 1980), p. 48.

¹⁸ Ibid, p. 49.

and Pakistani views about the nature of the proliferation problem had become widely divergent. Pakistan now seemed to be more perturbed by the possibility of India joining the nuclear club rather than the global spread of nuclear weapons. In his address to the 20th session of the General Assembly Pakistan's representative Mr Agha Shahi termed India's opposition to the NPT on the basis of its demand for an acceptable balance of mutual responsibilities and obligations of the nuclear and non-nuclear powers as a ploy to gain time for the fulfilment of its nuclear ambitions.¹⁹

By the time the NPT was opened for signatures in 1968 India's policy was aimed at downplaying the problem of horizontal proliferation because of its long-term nuclear objectives, whereas Pakistan had also moved away from idealistic goals to more pragmatic ones focusing on issues likely to impinge directly on its security. Pakistan's security concerns were forcefully articulated by Mr Zulfikar Ali Bhutto, a former Foreign Minister and the future Prime Minister of Pakistan, in a book published in 1969 as under:-

All wars of our age have become total wars;...it would be dangerous to plan for less and our plans should, therefore, include the nuclear deterrent...it is vital for Pakistan to give the greatest possible attention to nuclear technology, rather than allow herself to be deceived by an international treaty limiting this deterrent to the present nuclear powers. India is unlikely to concede nuclear monopoly to others and judging from her own nuclear programme and her diplomatic activities,...it appears that she is determined to proceed with her plans to detonate a nuclear bomb. If Pakistan restricts or suspends her nuclear programme, it would not only enable India to blackmail Pakistan with her nuclear advantage but would impose a crippling limitation on the development of Pakistan's science and technology.²⁰

Consequently, both India and Pakistan refused to sign the treaty. India's opposition to the treaty was more assertive and based on what it termed as the discriminatory nature of the treaty and the Chinese decision to stay out of it. India's refusal to sign the NPT made it politically suicidal for Pakistan to accede to the treaty. However, until its nuclear explosions in May 1998 in response to India's nuclear tests, Pakistan continued to express its willingness to accede to the NPT simultaneously with India. In the aftermath of India's nuclear explosion in 1974, Pakistan moved a resolution in the General Assembly in December of the same year calling for the establishment of a Nuclear Weapons Free Zone in South Asia. This resolution though

¹⁹ Ibid, p. 50.

²⁰ Zulfikar Ali Bhutto, *The Myth of Independence* (Karachi: Oxford University Press, 1969), p.153.

adopted by the General Assembly with an overwhelming majority could not be implemented in the face of strong opposition by India.

In contrast to Pakistan's preference for a bilateral and regional approach towards non-proliferation, India insists on a global solution to the problem. These distinct approaches were clearly discernible as far back as 1987 from the statements by the Pakistani and Indian delegates to an international Conference on Non-proliferation held in Islamabad. Pakistan's viewpoint, was articulated by Foreign Minister Sahibzada Yaqub Khan while explaining the reasons for the failure of the NPT to attract the threshold countries arguing that:

Although over 100 non-nuclear states have since acceded to the NPT, the majority of those countries which it was designed to attract have maintained their distance from the treaty. For these states, the inequalities of the treaty's obligations have become accentuated.Some of them see nuclear weapons as a status symbol that will enable them to establish domination over other regional states. Some are fearful of the threat to their security posed by one or more nuclear weapon states. Others are concerned about the threat to their security arising from the nuclear capabilities or intentions of neighbouring states, or from their overwhelming superiority in conventional weapons.²¹

On the other hand India's former Foreign Secretary Mr Rasgotra criticised non-proliferation as a myth created by the nuclear weapons powers to perpetuate their monopoly over nuclear technology. In his view, the interest of nuclear monopolists in the NPT is understandable but what baffles him is the unquestioned acceptance of the NPT by a large number of non-nuclear states.²² A third view, was presented by Rodney Jones commenting that:

Pakistan's policy expressed readiness to accept any of a list of specified bilateral or multilateral non-proliferation arrangements, or to consider any new proposals, provided only that India would join on equal terms, is a formally flexible position that deserves to be tested. The prerequisite is India's response in kind....India seems loath to accept a bilateral non-proliferation agreement with Pakistan. This is usually declaimed as implying, invidiously, some sort of 'equation' of India with much smaller and weaker Pakistan. If this argument is taken at face value, it would signify that India's aspirations for power and status overwhelm its willingness to pay any significant price to check proliferation by Pakistan.²³

²¹ Sahabzada Yaqub Khan, *Strategic Studies* (Islamabad), Summer and Autumn 1987, p. 16.

²² *Ibid*, p. 74.

²³ *Ibid*, Sahabzada, *op. cit.*, pp.84-86.

In the post-98 environment, Pakistan is obviously not in a position to revert back to its traditional stance on NPT and it is not possible for it any more to join the NPT as a non-nuclear weapon state. The NPT structure rooted in the realities of another era, is however, not flexible enough to accommodate the reality of nuclearisation of India and Pakistan as well as the ambiguous nuclear status of Israel. Given the very complex amendment procedure for the NPT and the fear that the Pandora's Box once opened would be difficult to close again, the challenge for the international community now is to find some innovative way to ensure some kind of an associate membership of the NPT for India and Pakistan and possibly Israel as well. As far back as 1993, before the NPT Review and Extension Conference and well before overt nuclearisation by India and Pakistan in May 1998, analysts like as Paul Doty and Steven Flank had suggested that:

The 1995 Conference might consider a one time admission of new nuclear weapon states (Pakistan, India and Israel) to the Treaty, in return for a strengthened prohibition against the transfer of weapons or technology to non-weapons states and for increased transparency for all nuclear programmes.²⁴

Such ideas are also being explored by analysts like Avner Cohen and Thomas Graham Jr. suggesting the formulation of an Additional Protocol to the NPT which would recognise the nuclear status of India, Pakistan and Israel by granting some sort of an associate membership to these countries in return for assumption of some of the obligations of the states parties to the NPT.²⁵ In a similar vein John Simpson highlighting the problem of the status of Israel, India and Pakistan has raised two questions. Firstly, whether they can be persuaded to act in the non-proliferation policy area as though they were recognised nuclear weapon states, and secondly, whether the NPT and the regime can operate indefinitely on the basis of a legal agreement that is patently at odds with the situation on ground i.e. that there are no additional nuclear weapons states beyond the NPT five and those outside can only enter the treaty as non-nuclear weapon states.²⁶ Next year's NPT Review Conference may provide an opportunity for exploring such initiatives provided adequate homework has been done beforehand.

²⁴ Paul Doty and Steven Flank, "Arms Control for New Nuclear Nations", in Robert D. Blackwill and Albert Carnesale eds., *New Nuclear Nations-Consequences for US Policy*, (New York: Council on Foreign Relations), p. 55.

²⁵ Avner Cohen and Thomas Graham Jr., "An NPT for non-members", *Bulletin of the Atomic Scientists*, (May/June 2004), Volume 60, No. 3, pp. 40-44.

²⁶ John Simpson., op. cit. p.10.

Pakistan's Policy towards CTBT

CTBT is unique amongst many arms control and disarmament treaties and agreements on which Pakistan took policy decisions on whether or not to join a particular treaty. However, none of these evoked the kind of animated and wide-ranging domestic debate that the CTBT did. For instance, though it gained public acceptability, the decision to stay out of NPT was taken by the government of Pakistan without any public discourse on the issue. Similarly, not many people in Pakistan knew of Pakistan's accession to the Biological Weapons Convention (BWC) or even the Chemical Weapons Convention (CWC). The CWC with its intrusive verification regime only became a subject of debate at the time of its ratification but even then the debate remained confined to statements by some scientists and some retired military officers who were concerned about the possible misuse of its verification provisions. This lack of informed debate on issues having serious national security implications can be attributed to many factors among them low literacy levels, weak and under developed national institutions and non-existence of a culture of public debate on security issues until the late 1980s.

Pakistan had been emphasising the need for a Comprehensive Test Ban Treaty since its signatures to the PTBT in 1963. However, in view of the ongoing nuclear arms race between the super powers and the frequent testing of newer weapon designs at the same time, the idea did not cut much ice. Later on, more concerned with India's growing nuclear potential, Pakistan even proposed a bilateral test ban agreement with India. Prime Minister Mohammad Khan Junejo in his address to the United Nations General Assembly in 1987 declared that:

....Pakistan does not wish to conduct a nuclear explosion... is prepared to go further and subscribe to comprehensive test ban in a global, regional or bilateral context. In June this year, I proposed to Prime Minister Rajiv Gandhi that Pakistan and India should conclude a bilateral nuclear test ban treaty. I look forward to a positive response. The conclusion of such a bilateral test ban agreement between Pakistan and India would serve to assure each other and the world that neither country has any intention of pursuing the nuclear weapons option.²⁷

Later on when the negotiations for a CTBT commenced in the Conference on Disarmament (CD) at Geneva around mid 1990s, Pakistan actively participated in the deliberations and made positive contributions towards its finalisation. However, India, which incidentally had co-sponsored along with the US, the Resolution in the UN General Assembly for initiation of negotiations for formulation of a CTBT, vetoed its approval by the CD.

²⁷ *Strategic Studies*, (Islamabad), Vol. X, No. 4, Summer & Autumn 1987; p. 159.

When the Treaty was moved to the General Assembly in the form of a resolution Pakistan voted in its favour. However, Pakistan could not sign the Treaty in view of India's refusal to do so. Pakistan's fears were vindicated when India conducted multiple nuclear tests on May 11 and 13, 1998, forcing Pakistan to respond by demonstrating its own nuclear prowess and to restore the strategic balance in the region. After the May 1998, tests Pakistan announced a unilateral moratorium on nuclear testing as was done by India. In a statement Foreign Secretary Mr Shamshad Ahmad suggested that 'Pakistan and India could formalise their unilateral moratoriums into a binding bilateral agreement.'²⁸

A botched attempt was made by the Sharif Government to develop a consensus on the issue by placing it before a joint session of both houses of the Parliament for debate in September 1998.²⁹ The purpose behind this move was ostensibly to strengthen the Prime Minister's hands by gaining the backing of the Parliament before his address at the UN General Assembly session. During the three-day debate prominent scientists such as Dr A. Q. Khan and Dr Samar Mubarakmand were invited to brief the legislators on the technical issues involved and the implications of signing the Treaty on the future of Pakistan's nuclear weapons programme.³⁰ The purpose for inviting the scientists was not really to educate the parliament members on the technicalities of the treaty but to alleviate their concerns with regard to government intentions and to convince them that it will not impinge upon Pakistan's nuclear capability. However, the debate remained directionless, confused and acrimonious. The opposition members staged a walkout of the Parliament even before the winding up speech by the Foreign Minister Two prominent parties the Pakistan People's Party and the Pakhtun Nationalist Awami National Party did not take part in the deliberations. Many members of the ruling party while eulogising the Prime Minister for initiating a debate on this key issue nevertheless opposed accession to the treaty. Some members even demanded the government to link the signing of the CTBT with the resolution of Kashmir dispute. The fact that the government which had made

²⁸ Statement by Mr Shamshad Ahmad, Foreign Secretary of Pakistan on "Indian Nuclear Doctrine: Implications for Regional and Global Peace and Security", at the Institute of Strategic Studies, Islamabad on 7th September 1999.

²⁹ Arms Control Association, *Arms Control Today*, News Briefs, August /September 1998. <http://www.armscontrol.org/act/1998_08-09/bras98.asp?print> Also see; Pakistan Television Corporation Limited, National News Bureau, English News Headlines, 1800 hrs dated 11th September 1998. <<file:///H:/The%20Government%20of%20PakistanENGLISH19ENG26-1998.htm>>

³⁰ "No Harm in Signing the CTBT: Qadeer," *Pakistan Link*, 25 September 1998, <<http://www.pakistanlink.com>>; quoted in Gaurav Kampani, *CTBT Endgame in South Asia*, Center for Non-proliferation Studies, January 2000.

known its decision to lay before the House a Draft Resolution seeking an authorisation to take appropriate decision on the issue in the best national interest but finally decided to drop this idea is a clear indication of the lack of consensus in the Parliament.³¹ In fact no substantive discussion took place on the subject matter of the treaty and it turned so unsavoury and embarrassing for the government that it was suddenly terminated after four days without reaching any conclusion.³² Minister of State for Foreign Affairs, Mumtaz Kanju responding to opposition members' accusations of a sell out by the government on CTBT, reminded them that in 1996 when CTBT was put to a vote in the UNGA, the Benazir Government had taken a decision to vote for it without taking the Parliament into confidence.³³

Despite his failure to gain the parliamentary support, Prime Minister Nawaz Sharif in his address to the UNGA in September 1998 hinted at Pakistan's readiness to sign the CTBT by the next General Assembly session provided a coercion-free atmosphere is created by lifting all sanctions imposed on Pakistan.³⁴ Unfortunately, the sanctions remained in force and Pakistan subsequently backed off from its earlier position. Foreign Secretary Shamshad Ahmed while briefing the newsmen at the conclusion of his two day talks with US deputy Secretary of State Strobe Talbott in November 1998 said that, 'Pakistan has told the US it will not sign the CTBT under duress or in a coercive atmosphere of sanctions.'³⁵

At this stage a statement attributed to Mr Strobe Talbott added fuel to the fire. While addressing a USIS organised Worldnet Dialogue, Mr Talbott was reported to have stated that, 'Obviously the CTBT should be verifiable...a monitoring mechanism would be required'. This statement was construed to mean by the Pakistani Press as an indicator that by signing the CTBT both Pakistan and India would automatically agree to open their nuclear facilities for international inspections.³⁶

From then onwards the government went into a defensive mode and various government ministers repeated statements to the effect that Pakistan

³¹ *The Hindustan Times*, 17 September 1998.

<http://www.defenselink.mil/pubs/prolif97/so_asia.html> Pakistan Television Corporation Limited, National News Bureau, English News Headlines, 1800 hrs dated 16 September 1998. <file:///H:\Eng 16.htm>

³² Umer Farooq, "To sign or not to sign CTBT a million-dollar question", *The News* (Islamabad), 24 December, 1999.

³³ *Associated Press of Pakistan, News Summary*, 16 September 1998. <file:///H:\The%20Government%20of%20Pakistan3.htm>

³⁴ Address by Prime Minister Nawaz Sharif to the 53rd Session of the UN general Assembly on 23 September 1998.

³⁵ "No CTBT signing under Duress- Shamshad", *The Nation* (Lahore), 7 November 1998.

³⁶ "CTBT signing to entail inspections of N-SITES: Talbott", *The Frontier Post* (Peshawar), 14 November 1998.

will not sign the CTBT unless coercive atmosphere is removed by lifting of sanctions.³⁷ Interestingly, at that time voices in support of signing the CTBT were emanating from unexpected quarters. General Aslam Beg, who is generally perceived to be hawkish in his views on national security issues stated at a public forum that, CTBT signing will not harm Pakistan's nuclear capability and went on to add that even if the FMCT is concluded the nuclear capability would not be affected.³⁸

Another interesting aspect of the debate was that many of the most vocal opponents based their arguments on hypothetical scenarios such as, hordes of international inspectors barging into any and every Pakistani nuclear facility they wished to, under the garb of CTBT verification mechanism, thereby raising public concerns about the negative consequences of signing the treaty. Many of them had not even bothered to read the text of the Treaty much less understanding it. At the same time some scientists and technical experts also expressed strong reservations about the negative ramifications of accession to CTBT. Sultan Bashir-ud-Din Mahmood, a senior serving nuclear scientist who is credited with the designing and construction of the Khushab Reactor and is known for his strong religious inclinations was among the most ardent critics of the CTBT. He believed that signing of the CTBT would be the first step towards the eventual denuclearisation of Pakistan, unless its nuclear status is recognised beforehand, failing which 'Pakistan would have to pay a very heavy price'. He went on to argue that after CTBT Pakistan will be asked to sign the FMCT followed by the NPT and finally asked to roll back its nuclear programme.³⁹ His public outburst cost him his job in the Atomic Energy Commission,⁴⁰ but this so called 'slippery slope' argument was taken up by many others as the most potent weapon against the proponents of the CTBT. Not that he was alone among the scientific community in his scepticism, a long serving former Chairman of Pakistan Atomic Energy Commission and a well respected scientist Munir Ahmad Khan also expressed his opposition on technical grounds. According to Munir Khan, 'Any claim that CTBT will not adversely affect the further development of Pakistan's nuclear capability is, therefore wrong. If it were so, the US and others would not insist on India and Pakistan signing the CTBT. ...CTBT is aimed at keeping the level of Indian and Pakistani arsenals to that of the mid 1960s.'⁴¹ Professor Khurshid Ahmed, a prominent leader of the Jamaat-i-Islami,

³⁷ See statements by PM Nawaz Sharif in *Frontier Post*, 5 December 1998; Minister of State for Foreign Affairs, Siddiq Kanju, *Dawn*, Karachi, 28 January 1999, and Foreign Minister Sartaj Aziz, *The News* (Islamabad), 30 January 1999.

³⁸ "CTBT signing not to harm nuke capability" Beg, *Frontier Post* 8 February 1999.

³⁹ "Scientist Warns against signing CTBT", *Dawn* (Karachi), 23 September 1998.

⁴⁰ Gaurav Kampani, op. cit.

⁴¹ Munir Ahmad Khan, "Let us face realities on CTBT," *The News* (Islamabad), 29 November, 1998.

accusing the government of trying to de-link the nuclear deterrence from India and the Kashmir issue, termed the CTBT as the only 'Gateway to total denuclearisation' and characterised the de-linkage as 'nothing short of a betrayal.'⁴²

In the early part of 1999, a new external factor appeared to have an impact on the CTBT debate besides the internal issues and the politico-diplomatic pressure being exerted by the US. Japanese Economic Affairs Minister on a visit to Pakistan announced that, 'Japan wants Pakistan should sign CTBT as it is necessary for overall peace in the region. It is only after it signs the CTBT that new loans and grants could be given for various welfare projects.'⁴³ This statement by a minister from a country, which had been the largest donor of economic assistance to Pakistan for many decades, was very significant at a time when Pakistan was in a dire economic situation owing to the sanctions imposed in the aftermath of its May 1998 nuclear tests. The anti-CTBT lobbies projected it as an attempt at economic arm-twisting of Pakistan by Japan at the behest of United States. They argued that we could not compromise on our vital security interests for the sake of an annual dole of \$ 500 million.

In the wake of Brownback Amendment entitled 'India-Pakistan Relief Act' easing some sanctions on India and Pakistan related to Agriculture, Rural Development, Food and Drug Administration and related agencies, Foreign Minister Sartaj Aziz speaking at the floor of the National Assembly, hinted at the possibility of Pakistan signing the CTBT even before September 1999. The Foreign Minister said that, 'there is already some good progress towards creating a conducive environment. It is worth mentioning that since last September, when Pakistan faced unjustified sanctions, the coercive atmosphere has eased.'⁴⁴ By May 1999, two new and critical developments had taken place. Firstly, the Vajpayee led coalition government in India had fallen making it uncertain that India will sign the treaty until after the new government was firmly in saddle towards the end of the year and secondly, Kargil Conflict had erupted across the Line of Control in the disputed Kashmir region. In this backdrop, Prime Minister Nawaz Sharif speaking at the National Defence College reiterated 'Pakistan's readiness to sign CTBT, in a pressure free atmosphere and said at the same time it could not remain unmindful of the changes in the region affecting its security.'⁴⁵

⁴² "CTBT only gateway to total denuclearisation; JI Leader", *The News* (Islamabad), 01 May 1999.

⁴³ "Loans only after Pakistan signs CTBT, says Japan", *The News* (Islamabad), 12 February, 1999.

⁴⁴ "Sartaj Hints at CTBT signing by September", *The Dawn* (Karachi), 19 March 1999.

⁴⁵ "Pakistan ready to sign CTBT, says PM", *The Dawn* (Karachi), 20 May 1999.

The ungainly manner in which the Nawaz government extricated itself from the Kargil Crisis and the consequent flak it drew from political opposition and general public alike, made its political position very precarious and it found itself in a situation wherein, it just could not afford to take yet another unpopular decision. The signs of change became visible when briefing the newsmen at the Pakistan High Commission at London after his meeting with British Foreign Secretary Robin Cook, Foreign Minister Sartaj Aziz reverted to the old theme by stating that Pakistan could not sign the CTBT unless sanctions are lifted.⁴⁶ Then on 17th August 1999, India announced what it termed as its 'Draft Nuclear Doctrine', which was seen as very ambitious and provocative by Pakistan. Speaking at the Institute of Strategic Studies, Islamabad on the subject of 'India's Nuclear Doctrine: Implications for Regional and Global Peace and Security', Foreign Secretary Shamshad Ahmad said: "...The very possibility that India may conduct further nuclear tests creates doubts in Pakistan regarding the advisability of our early adherence to the CTBT. If India does conduct further nuclear tests, this will once again oblige Pakistan to respond. However, he added that: ...Pakistan and India could formalise their unilateral moratorium into binding bilateral arrangement."⁴⁷

This statement by the most senior Pakistani diplomat was very significant from many points of view. Firstly, its timing on the eve of the forthcoming UNGA meeting where Prime Minister Sharif was expected to announce Pakistan's accession to the Treaty virtually ruled out that possibility. Secondly, it also made it manifestly clear that the de-linking of Pakistan's policy on CTBT from that of India, which had been effected, in the post May 1998 tests was also abandoned. At the same time reports appeared in the national press suggesting that besides security considerations domestic politics was now emerging as the most important reason for Sharif's dithering on the issue of signing the CTBT.⁴⁸ Shamshad's statement also pre-empted any decision by the Defence Committee of the Cabinet due to meet on 10th of September 1999 to deliberate upon the pros and cons of Nawaz Sharif's forthcoming visit to the UN and the issue of whether or not to sign the CTBT.⁴⁹ However, during the DCC meeting, the Prime Minister announced his decision to cancel his planned visit to New York which was a clear signal that Pakistan had decided not to sign the CTBT in the near future⁵⁰, despite Foreign Secretary's clarification that cancellation of Prime Minister's visit to

⁴⁶ *The News*, (Islamabad), 30 July 1999.

⁴⁷ *The Nation*, (Lahore), 8 September 1999.

⁴⁸ "Politics and Defence Worries Nawaz", *The Nation* (Lahore), 10 September 1999.

⁴⁹ "DCC discusses CTBT, defence matters today", *The Nation* (Lahore), 10 September, 1999.

⁵⁰ "CTBT signing unlikely as PM calls off US visit", *The Frontier Post* (Peshawar), 15 September 1999.

the United Nations had no direct bearing on Pakistan's decision on whether or not to sign the treaty before September 30, 1999.⁵¹

A few days later Secretary General of the Jamaat-i-Islami, Syed Munawwar Hassan warned the government in very strong terms against signing the CTBT, accusing the Prime Minister and his brother Shahbaz Sharif of becoming instrumental in the efforts to deprive Pakistan of its right to self defence. He also alleged that Nawaz Sharif in his July 1999 meeting with President Clinton had made a commitment to roll back the nuclear programme.⁵² Other Islamist parties also joined in the chorus.⁵³ Responding to queries by journalists, Chairman Joint Chiefs of Staff and Army Chief, General Musharraf expressed the hope that the government would take the decision about signing the CTBT in the best national interest. Denying that there was any pressure from Pakistan Army on the government not to sign the CTBT, he said that the armed forces strongly believed that any government decision in this regard would be in keeping with the best national interest.⁵⁴ While denying that Pakistan was adding new conditionalities to its position, Foreign Minister Sartaj Aziz in an address at the Woodrow Wilson Center said that Pakistan would not sign the CTBT until further easing of the US sanctions.⁵⁵ Despite India's decision not to attend the moot, Pakistan decided to attend the CTBT Review Conference due to be held at Vienna in October 1999, as an observer to signal its continued interest in the treaty.⁵⁶

The Second CTBT Debate

The US Senate rejected the ratification of CTBT on 14 October 1999, thereby adding a new element into the discourse on the issue and was frequently referred to by the opponents of the treaty. An unnamed senior official of the Pakistan government commented that 'for all practical purposes the treaty is dead as there is no chance for the US administration to get a two-third majority vote.'⁵⁷ President Clinton nevertheless, warned Pakistan and India not to see the rejection of the CTBT by the US Senate as a sign of lack of interest on the part of Washington, saying that, "Do not take yesterday's vote

⁵¹ "PM's not visiting UN has no bearing on CTBT: Shamshad", *The News* (Islamabad), 10 September 1999.

⁵² "Jamaat warns government against signing CTBT", *The News* (Islamabad), 21 September 1999.

⁵³ "Nawaz warned against signing of CTBT", *The Frontier Post* (Peshawar), 22 September 1999.

⁵⁴ "COAS hopes decision in national interest", *The News* (Islamabad), 01 October 1999.

⁵⁵ "Pakistan links CTBT signing to lifting of sanctions", *The Dawn* (Karachi), 02 October, 1999.

⁵⁶ "Islamabad to attend UN's CTBT moot", *The Dawn* (Karachi), 6 October, 1999.

⁵⁷ Quoted in *the News* (Islamabad), 25 November 1999.

as a sign that America doesn't care whether you resume nuclear testing and build up your nuclear arsenal. We do care. You should not do it."⁵⁸ In the meantime the military had taken over the reigns of the government in Pakistan on 12th of October 1999. In his address to the nation on 17th October 1999, Chief Executive General Musharraf gave a glimpse of his prospective policy stating that: "Pakistan has always been alive to international non-proliferation concerns. I wish to assure the world community that while preserving its vital security interests, Pakistan will continue to pursue a policy of nuclear and missile restraint and sensitivity to global non-proliferation and disarmament objectives."⁵⁹ However, in his maiden press conference, General Musharraf said that, he had more pressing issues than CTBT on his agenda.⁶⁰ A subtle shift in Pakistan's stance bringing in the regional stability as a new factor, was also discernible from the statement by Ambassador Munir Akram in the First Committee of the UNGA, in which while reiterating Pakistan's positive approach towards CTBT, he said, 'its disarmament policies are inevitably interlinked with its priority objective of promoting regional peace, security and stability.'⁶¹

Foreign Minister Abdul Sattar who took on the responsibility to steer Pakistan's policy on CTBT, in his first Press Conference reaffirmed Pakistan's moratorium on further testing amplifying that, 'in essence Islamabad would observe the spirit of the treaty as it had no plans to take provocative steps on nuclear issues in general and on CTBT in particular.'⁶² In a keynote address at the Institute of Strategic Studies, Islamabad, he outlined Pakistan's policy parameters in great detail stating that: 'We did not sign the CTBT only because India's opposition to the treaty raised suspicions about its intentions. Our apprehensions proved to be correct. On May 11 and 13, 1998, India conducted multiple nuclear explosions. Immediately, warmongers in New Delhi hurled threats against our country. It became necessary to demonstrate that, Pakistan too, possessed nuclear capability. However, having made that point Pakistan declared a moratorium on further testing.'⁶³

Commenting on the impact of the refusal of the US Senate to ratify the treaty and its repercussions on the future prospects of CTBT he said that,

⁵⁸ "US Warning", *Dawn* (Karachi), 15 October 1999.

⁵⁹ General Musharraf's address to the nation as reported in the national newspapers of 18 October 1999.

⁶⁰ Syed Talat Hussain, "Pakistan's new CTBT stand", *The Nation* (Lahore), 10 November 1999.

⁶¹ "Pakistan links disarmament to regional stability", *The Nation* (Lahore), 22 October, 1999.

⁶² "Pakistan to adhere to no first N-testing", *The News* (Islamabad), 9 November 1999.

⁶³ "Text of Foreign Minister's Address at Institute of Strategic Studies' Seminar on Pakistan's response to Indian Nuclear Doctrine", *The News* (Islamabad), 26 November, 1999.

‘The prospects of the treaty entering into force have dimmed because the US has rejected ratification. The world must hope that the Senate will reverse itself. But never before has it done so after having rejected a treaty.’⁶⁴

Referring to Pakistan’s positive vote for CTBT in the UNGA in September 1996 in a bid to convince the sceptics that signing of CTBT will not curtail Pakistan’s options to any future Indian nuclear tests, he argued that, if the earlier vote in favour of CTBT did not prevent Pakistan from responding to Indian nuclear tests in May 1998, signing of the treaty will also not in any way restrict Pakistan’s options to react to any more Indian tests. He also assured the audience that the government had no intention to take a hasty decision in favour or against signing the treaty in view of the importance of the issue adding that for any decision domestic consensus would be a pre-requisite.⁶⁵

Sattar’s speech shifted the emphasis from demanding a coercion free atmosphere before Pakistan could sign the treaty to the need to evolve a domestic consensus and thus triggered a renewed debate on the issue. At this moment a new factor entered the reckoning of the policy makers by way of imminence of India’s signing of the treaty in the near future, probably during President Clinton’s proposed visit to India in the beginning of 2000. The foremost question then was as to whether Pakistan should follow India’s lead or take the initiative and sign the treaty before India to gain some political mileage and probably some economic reprieve. Apparently, the government chalked out a strategy to take key political parties into confidence while debating the issue at various fora such as the Foreign Policy Advisory Group⁶⁶ (FPAG) – a disparate group of former diplomats, retired military officers, journalists and academics. However, as the issue was placed before the FPAG, two of its members Pervez Hoodbhoy, an academic and a pacifist and Nasim Zehra a journalist and security analyst, brought their differences into public through newspaper articles, thereby triggering a pre-mature public debate before requisite spadework had been done.⁶⁷ Dispelling rumours about Pakistan’s signing the CTBT on 15th January 2000, General Pervez Musharraf said that, ‘it was a sensitive issue and technical, domestic political and international diplomatic aspects had to be examined thoroughly.’ He urged the journalists to generate a debate on the issue so that the government could get a useful input. He also explained that any decision in this regard will be taken in

⁶⁴ Ibid.

⁶⁵ Ibid.

⁶⁶ “Advisory Group Discusses CTBT signing today”, *The News* (Islamabad), 20 December, 1999.

⁶⁷ Nasim Zehra, “Flawed Policy Moves”, *The News* (Islamabad), 24 December, 1999. Also see Pervez Hoodbhoy, “Seven good reasons to sign the CTBT now”, *The News* (Islamabad), 23 December 1999.

Pakistan's own national interest and that there has been no re-linking of the decision with India.⁶⁸

The wisdom of government's decision to initiate a public debate on an issue whose technicalities could not be comprehended by many analysts and the so called experts, in a society with low literacy rates and as politically and socially polarised as Pakistan is difficult to fathom. Dr Rasul Baksh Rais very aptly summed up the situation saying that, 'Like the nuclear programme, the subject of signing the CTBT has become unnecessarily politicised, which shows primacy of politics over all other issues that may concern our collective well being...the traditional attitude of our political rank and file in rejecting, whatever is proposed by the government, without looking at the merits of each case, creates policy gridlock, disabling us from pursuing a rational agenda of national interest.'⁶⁹

The debate raged on with both sides sticking to their guns and hurling accusations at each other. In a seminar held by Institute of Policy Studies at Islamabad, Foreign Minister Abdul Sattar said that, 'not signing the CTBT has identifiable costs but no benefits whereas signing has no identifiable costs even though the benefits too are more intangible than concrete.' However, General (Retired) Hameed Gul rejected the idea saying, 'there is a consensus against the treaty and the people would not tolerate signing it.'⁷⁰ Chief of Jamaat-i-Islami Qazi Hussain Ahmad warned the military government of dangerous consequences of the decision to sign the CTBT terming it an attempt to sabotage Pakistan's nuclear programme. He was particularly critical of Foreign Minister Sattar recalling that 'the man who had opposed the CTBT in the past was now acting like an American spokesman and issuing statements in favour of CTBT.'⁷¹ Sattar on his part in complete contrast with his style and tenor of avoiding political controversies criticised Qazi Hussain Ahmad for his unreasonable approach towards CTBT and retorted to his charges of treason by declaring that 'Nation cannot allow those to issue certificate of treason who had opposed creation of Pakistan.'⁷² A clear reference to Jamaat's opposition to the notion of a separate homeland for the Muslims of India in the 1940s and its known antipathy towards the founder of the nation. Such exchange of allegations are indicative of the efforts by various individuals and groups to claim a right to decision making on crucial national security issues.

⁶⁸ "No CTBT signing without consensus, says Musharraf", *The Nation* (Lahore), December 25, 1999.

⁶⁹ Rasul Baksh Rais, "One vote for CTBT", *The News* 25 December, 1999.

⁷⁰ "Sattar makes strong pitch for CTBT signing", *The News* (Islamabad), 5 January 2000.

⁷¹ "Qazi warns government against signing CTBT", *The News* (Islamabad), 12 January 2000.

⁷² "Opposition to CTBT signing baseless : Sattar", *The News* (Islamabad), 12 January 2000.

After this the debate continued for a while but remained inconclusive and gradually tapered off in the following months especially in view of the fact that India's expected signatures during Clinton's visit failed to materialise and with the advent of the Bush Administration it became a dead issue. Pakistan's current policy on CTBT can be summed up in three sentences as under:

- Pakistan was not the first to start testing.
- It will not be the first to resume testing.
- It will not stand in the way of implementation of this treaty.⁷³

Pakistan's Stance on FMCT

In the pre-98 period both India and Pakistan did not let the CD make any progress towards the finalisation of a Fissile Materials Cut-off Treaty. However, in the aftermath of their respective nuclear tests the two countries agreed to allow the negotiations at CD to proceed towards the formulation of an FMCT.⁷⁴ The readiness of the two South Asian neighbours to go along with the consensus on the issue did not take the negotiations very far in view of the new impediments created in its way by the emerging differences between the US and China on issues such as the BMD and the Prevention of an Arms Race in the Outer Space (PAROS). This treaty which would have recognised the special status of India, Pakistan and Israel while extending the net of international inspection and verification regime to various facilities in these countries has been in the deep freeze for last many years and any forward movement in this regard is not visible on the horizon as yet. However, when the logjam in the CD is broken and the deliberations commence for the formulation of this treaty, Pakistan will in all probability go along with the consensus of the members of the CD.

Policy on Export Controls

Pakistan has been much maligned as a consequence of the unearthing of the international nuclear black market involving some Pakistani nationals as well and was targeted by its detractors with all kinds of highly exaggerated accusations and insinuations. However, as a matter of state policy, Pakistan has never permitted the export of sensitive materials and technologies related to nuclear weapons and their delivery systems. Pakistan has implemented from time to time various Statutory Regulatory Orders (SROs) as well as various Ordinances to prohibit exports of such materials.

⁷³ Keynote Address by Foreign Minister Abdul Sattar at the Carnegie International Non-proliferation Conference, "New Leaders, New Directions", Washington, D.C. 18 June 2001.

⁷⁴ Ibid.

In the post 1998 environment this issue was given due consideration and efforts were made to strengthen the existing laws as well as to devise a new comprehensive legislation to make the system more effective, all encompassing and in line with the internationally recognised standards.⁷⁵ In the beginning of 2001 Pakistan established Pakistan Nuclear Regulatory Authority (PNRA). PNRA is entrusted with the responsibility of ensuring the safety of all civilian nuclear plants and to deal with any incidents causing radiation leakage. It is also responsible for licensing, re-licensing and registration of all nuclear plants. It also regulates the import licensing and safe disposal of all radiation sources and is already in the process of registering all medical facilities/clinics in the country, which operate x-ray machines or any other radiation sources. As a result of years of efforts, a Comprehensive Export Control Legislation was prepared, which after its passage by the two houses of the parliament⁷⁶ and assent by the President was promulgated as a law on 23rd September 2004. This legislation will have National Control Lists appended to it. These lists, which have been developed on the pattern of EU Control Lists, are in line with the internationally accepted standards. The lists have since been finalised and are going through the final stages of government approval procedure and are likely to be notified soon. Pakistan has also initiated dialogue with both NSG⁷⁷ and MTCR⁷⁸ to explore ways and means of enhancing cooperation to jointly work towards curbing the proliferation of sensitive equipment and technologies in mutually beneficial ways.

Portents of the Future

Pakistani leadership has stated on numerous occasions that Pakistan has been and will continue to be a responsible international player on issues related to non-proliferation of WMDs and their delivery systems. Pakistan is fully conscious of the obligations and responsibilities that come along with the status of a nuclear weapon power. Pakistan's nuclear policy is based on the twin pillars of 'restraint' and 'responsibility.' It is already a party to the BWC and CWC and will continue to participate in the international efforts to prevent the proliferation of nuclear weapons and their delivery systems. Pakistan is also willing to join any international treaty or agreement as long as it is freely negotiated in a multilateral setting, is non-discriminatory, universally applicable and does not impinge upon its national security interests.

Former Prime Minister Jamali during a visit to the Kahuta Research Laboratories (KRL), reiterated Pakistan's policy of 'Minimum Credible Deterrence' and while emphasising that non-proliferation was a declared

⁷⁵ Ibid.

⁷⁶ *Dawn* (Karachi), 19 September 2004.

⁷⁷ *The News* (Islamabad), 12 April 2005.

⁷⁸ *The News* (Islamabad), 01 June 2005.

national policy, the Prime Minister pointed out that: ...Pakistan had moved swiftly to investigate the reports of past nuclear proliferation by certain individuals and we were determined to root out the network completely....We had extended full cooperation to the IAEA in its efforts to investigate international proliferation and would continue to do so remaining within the bounds of national sovereignty and security.⁷⁹

In the recent past many major international players have shown better understanding of Pakistan's position and have shown greater degree of readiness to accept the nuclear reality in South Asia. For instance on a state visit to Pakistan in February 2004, the French Foreign Minister Dominique de Villepin stated at a joint Press Conference in Islamabad, said that, 'We acknowledge that Pakistan's nuclear capability is a reality. We must face reality.'⁸⁰ Similarly British Foreign Secretary, Mr Jack Straw during a visit to Islamabad in March 2004, expressed his satisfaction over the progress being made by Pakistani authorities on the nuclear proliferation issue and cooperation being extended by Pakistan to IAEA.⁸¹ More recently, in a briefing of the press conference at Washington by senior administration officials a senior official stated that, 'I don't want to comment on the formal diplomatic recognition of India and Pakistan as nuclear states. At the point you start setting off nuclear weapons, a certain amount of de facto recognition occurs.' He was responding to a query as to whether the decision to sell advanced conventional weapons to both India and Pakistan was part of a de facto recognition of India and Pakistan as nuclear weapon powers. He further elaborated by saying that, 'They tested seven years ago. The United States has to live in the world that exists, not the world that we might imagine, we wish for; and in the world that exists these extraordinary important countries have nuclear weapons and I don't know of a single official in any country on earth who has realistically suggested that those weapons might suddenly disappear at any time in the foreseeable future.'⁸²

Pakistani Foreign Minister Khurshid Kasuri on a visit to the US while dispelling the impression that the United States was pressing Pakistan to abandon its nuclear programme stated that, 'We have now moved to the next stage and are now seeking a new five-plus-three arrangement....We do not want more nuclear powers.'⁸³ It is not in our interest to have more nuclear powers.' Earlier Secretary Powell had told the reporters that, 'They both (India

⁷⁹ The *News* (Islamabad), 21 May 2004.

⁸⁰ The *Nation* (Islamabad), 29 February 2004.

⁸¹ The *Daily Times* (Lahore), 5 March 2004.

⁸² C. Raja Mohan, "Delhi Durbar: US, South Asia and the Nuclear Pragmatism", *Daily Times* (Lahore), 28 March 2005.

⁸³ The *Dawn* (Karachi), 21 May 2004.

& Pakistan) are nuclear powers and there is no question about that. They both have nuclear capability.⁸⁴

A June 2004 report entitled 'Universal Compliance – A Strategy for Nuclear Security' released by Carnegie Endowment for International Peace, terms the question of nuclear status of India, Pakistan and Israel as the 'Three-State Problem' and recommends that:-

Under the universal compliance strategy, the US would stop demanding that India, Israel and Pakistan give up their nuclear weapons and join the NPT as non-nuclear weapon states. Instead, the United States would lead a diplomatic initiative to persuade the three states to commit themselves politically to accepting the non-proliferation obligations accepted by China, France, Russia, the United Kingdom and the United States.⁸⁵

However, the report also recommends continued denial of nuclear commerce even of civilian power reactors to the three states⁸⁶, which would effectively mean accepting obligations without commensurate rights and becoming second grade members of the nuclear club. From the Pakistani perspective such reports commissioned by influential think tanks are a welcome development due to their potential to influence policies of major powers and in creating conducive environments for ultimate acceptance of Indian and Pakistani nuclear status. However, the imbalance in the rights and obligations inherent in the recommendations of the Carnegie Report was one of the reasons for India and Pakistan to veer away from the NPT in the 1960s when they were nowhere near any operational nuclear capability. It is hard to imagine that after having achieved and demonstrated their respective nuclear weapons capabilities these states will be inclined to accept such an arrangement. It is imperative, therefore, to think of a more equitable and innovative package if these hold-out states are to be brought into the fold of the NPT, by rising above the biases, removing the artificial barriers and accepting the reality as it exists on ground.

These ideas are indicative of the emerging contours of a more pragmatic approach in officialdom as well as academia and think tanks which is likely to lead to some workable arrangement to associate India, Pakistan and Israel with the non-proliferation regime, thereby, achieving universality of its adherence. In return the three countries could assume the obligations applicable to the Nuclear Weapons States especially the NPT Article-I, obligations. This will greatly strengthen the non-proliferation regime. Pakistan on its part while seeking recognition of its nuclear status and insisting on the

⁸⁴ Ibid.

⁸⁵ *Universal Compliance – A Strategy for Nuclear Security*, Carnegie Endowment for International Peace, Washington, D.C, 2004, p. 18.

⁸⁶ Ibid, p. 19.

principle of political parity with India, will continue to work in partnership with the other international players to prevent further proliferation of WMDs.

IAEA director General Mr Baradei has also expressed his conviction that unless India, Pakistan and Israel are brought into the fold of the non-proliferation regime it will remain incomplete and ineffective.⁸⁷ His support of the recently concluded US-India Nuclear Cooperation Agreement is a manifestation of his approach.⁸⁸ The US-India nuclear deal which would require adjustments in US non-proliferation laws and export control regulations for its successful implementation has not been opposed by any major nuclear power. Britain has in fact taken a cue from the US move and has already initiated legislative action to loosen export of dual use technologies to India. During a recent meeting between the Indian Prime Minister and the French President, France has also promised to help India in the nuclear field, and has hinted at a gradual dismantling of the NSG.⁸⁹ These developments, which are indicative of the fact that commercial interests of the major industrialised nations are ultimately going to gain ascendancy over their non-proliferation ideals, would be viewed with serious concern by Pakistan if they remain India specific. However, if they establish a new precedence and remove the taboo against cooperation in peaceful nuclear technology with NPT outsiders Pakistan could also be beneficiary in the longer run. Pakistan would, however, be expected to re-establish its credentials as a responsible nuclear power with both the ability and intent to safeguard its vital assets burying the ghost of AQ Khan permanently. It would also be asked to make similar commitments to the ones that have been made by India. However, a lot will depend on how successfully and smoothly the Indo-US agreement is implemented and how far the two sides keep up their promises and commitments. ■

⁸⁷ See El-Baradei's interview with "Arms Control Today", Arms Control Association Washington, D.C., November 2003.

⁸⁸ "UN atomic chief says supports US-India nuke deal", *Reuters*, 20 July 2005.

⁸⁹ "France to help India in nuclear field", *The Hindu* (New Delhi), 13 September 2005.

PAKISTAN-JAPAN ECONOMIC RELATIONS DURING AND AFTER THE SANCTIONS: 1998-2005

Dr Ahmad Rashid Malik*

Introduction

Economic relations, between and among states, are governed by aid considerations, trade promotion, and investment collaboration, irrespective of level of development of individual states. Such economic considerations strongly prevail in defining economic relations between and among developed states, or developed and developing ones. Sometimes or often, businessmen can not trade simply because there is not enough demand or they lack competitiveness, rather their trade target or expected profit is marred by government security, strategic or political behaviour toward other state or states. Similarly, aid can not be offered because that particular recipient country does not qualify for aid. Rather it is in dire need of foreign economic assistance, but strategic or political differences are pushing the aid donor to stop, cut off, suspend or decrease aid to a certain country over a period of time. Likewise, investors simply cannot go to a country, which follows entirely different course of strategic action, political attitude, or security plan that differs from home government policy. Therefore, aid, trade, investment or any other sort of economic collaboration, is badly affected, influenced or governed by security understandings, political interests, or strategic considerations between and among states. Nevertheless, economic interests are of paramount importance, while security or strategic alliances and political behaviour keep changing. Having argued so, let us try to move onto a theoretical literature, signifying the viability of a linkage between economic relations and security or strategic considerations, between and among states.

The Rationale

It must be argued here that Pakistan-Japan economic relations in the field of trade, investment, and economic assistance are largely the re-interpretation and reinforcement of both countries' larger security considerations and common commitments. The more they got convergence of security considerations, the more they got increased economic relations. Similarly, the more they got divergence of security considerations, the more they got drifted from mutual economic benefits. Bilateral relations in the backdrop of regional and global

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environment from 1998 through to 2005, between them strongly supported the above hypothetical assumption, based on facts and ground realities.

To further elaborate the above hypothetical assumption, we may describe this assumption in the light of the works of Keohane, Gilpin, and Lipson. The former two, maintained that security and trade are interlinked.¹ They argued that similar to security, trade is also a global issue and it can not be simply viewed in terms of national borders alone. The greater the degree of security, the greater the prospects of promotion of trade. We can also include investment and economic assistance and other means of economic cooperation between and among states in this category to see the much larger implications in terms of bilateral economic relations between two or more sovereign states that follow different course of security action within their respective national systems. Both Keohane and Gilpin are of view that security provides the environment under which trade can be conducted. While Lipson emphasizes the possibilities for strategic cooperation that fosters the development of rules, norms, and political institutions in the world economy. He maintains that security and economy lend themselves to quite different types of strategic interactions. According to this view, economic games often involve relatively simple coordination or mutually beneficial exchange. Security issues, by contrast, are inherently more conflictual and their equilibria less stable. Lipson says that typically, in economic and security affairs, there is an immediate and potentially grave loss to a player who attempts to cooperate without reciprocation, and the risk associated with inadequate monitoring of other's decisions and actions.² The decision of Pakistan to detonate nuclear devices led Japan and other donors to cut off economic assistance to Pakistan at once. This also ultimately resulted in the deterioration of bilateral trade, and the declining of much-needed foreign investment in the country. Nevertheless, the events of 11 September 2001 and global war on terrorism, once again brought Pakistan and Japan onto a common platform to combat common menace of global terrorism within the norms and values set forth by leading security players such as the United States and its Western allies and others. This, in turn, helped the promotion of economic relations between Pakistan and Japan after 9/11.

Japanese reaction to Pakistan's nuclear explosion came in the form of economic sanctions that badly affected the flow of trade between the two countries, suspension of economic assistance to Pakistan, lessening of investment, and an overall down fall in economic and bilateral diplomatic

¹ Robert O. Keohane, *After Hegemony: Cooperation and Discard in the World Political Economy* (New Jersey: Princeton University Press, 1984), p. 21, Robert Gilpin, *The US Power and the Multinational Corporations* (New York: Basic Books, 1975), p. 43.

² Charles Lipson, "International cooperation in economic and security affairs", *World Politics*, Vol. 27, No. 1 (October 1984), pp. 2-23.

relations. Hitherto, Pakistan-Japan economic relations were primarily promoted as a result of both countries' larger cooperation and their respective roles in the US-led global security system during the Cold War, right from the very beginning in the 1950s. However, the end of the Cold War, brought significant changes in Pakistan-Japan security paradigms in the 1990s. Pakistan's nuclear programme became an obstacle to increased Japanese assistance to Pakistan that also ultimately deteriorated bilateral trade and badly affected Japanese investment activities in Pakistan. This paper, therefore, makes an analysis of Pakistan's relations with Japan from 1998 through to 2005, to see sort of security paradigms that have negatively impeached upon the course of economic relationship and cooperation between the two countries during this period. Nevertheless, it has also been argued here, that both countries' larger cooperation with the United States in war against global terrorism after 9 September 2001, once again brought them closer onto a common platform and ultimately helped revive economic ties between the two countries. It is also pointed out here that the future course of Pakistan-Japan relationship can be promoted on these contemplations in the post 9/11 period.

The Strategic Divergence

Pakistan and Japan have developed a common understanding on anti-nuclear proliferation and always encouraged a ban on nuclear testing. This common understanding had been reflected in joint communiqués issued during 1957-1974.³ However, the lengthy Joint Communiqué issued in July 1983 did not even once mention any word related to 'anti-nuclearization' or 'disarmament'⁴, simply because Pakistan's greater cooperation was sought to combat the Soviet warm waters move as the former Soviet Union invaded Afghanistan that could jeopardize Japanese commercial interests in the Gulf, by blocking its sea-lanes and the supply of its over 85 percent energy requirements which passed through the Gulf.

Moreover, as a result of its general anti-nuclear policy, Japan reacted strongly against India's nuclear explosion conducted in May 1974, which resulted in the cutting off economic assistance to India. The Japan-Pakistan

³ See following Joint Communiqués: Pakistan-Japan Joint Communiqué, signed at Karachi on 27 May 1957. *The Japan Times*, (Tokyo), 29 May 1957. Pakistan-Japan Joint Communiqué, signed at Karachi on 2 November 1961, *Ibid.* 21 November 1961. Pakistan-Japan Joint Communiqué, signed at Islamabad on 23 August 1970. *Dawn*, (Karachi), 23 August 1970. Pakistan-Japan Joint Communiqué, signed at Tokyo on 11 December 1974. Government of Pakistan, *Foreign Affairs Pakistan*, Vol.1, No.7 (Islamabad: The Research Directorate, Ministry of Foreign Affairs, December 1974), pp. 49-51.

⁴ Pakistan-Japan Joint Communiqué, signed at Tokyo on 20 July 1983. The Government of Japan, Ministry of Foreign Affairs, Tokyo, 1983.

joint press statement expressed concern over India's nuclear explosion and 'affirmed the importance, both countries attached in preventing nuclear proliferation'.⁵ Whereas by the late 1970s, Pakistan's policy on nuclear weapons had been directed to seek a regional parity vis-à-vis India, Japan's anti-nuclear policy had been global. Japan found that non-proliferation was inextricably linked to the regional and global security environment. Japan's constitution renounces militarization. Japan opposes the possession, manufacturing, and transfer of nuclear weapons by any means. In this context, South Asia became a challenge for Japan's anti-nuclear policy and this was one of the main reasons behind the relative low level of economic coordination between Japan and South Asia unlike Japan's ungrudging cooperation with the region of South East Asia, which did not opt for nuclearization. Therefore, Japan viewed Pakistan's nuclear programme in the broader framework of its anti and non-proliferation regime. Japan signed the Nuclear Non-Proliferation Treaty (NPT) in 1976 and the Comprehensive Test Ban Treaty (CTBT) in 1996. Whilst Japan's spends simply 1% of its GDP on its defence, Pakistan spends around 5.3% of its GDP on defence, i.e., 29% of its national budget (as of 1996). This situation had created difficulties between the two countries.

Against this backdrop, Japan put enormous pressure on Pakistan to sign the NPT during Prime Minister Mian Muhammad Nawaz Sharif's visit to Tokyo in December 1992, as his disavowal about Pakistan's nuclear stand came amidst controversy.⁶ Consequently, as Pakistan refused to sign the NPT, a loan package of US\$ 465 million could not materialize until bilateral negotiations were held in Islamabad in February 1993 for the clarification of Pakistan's position over its nuclear programme to enable Japan to resume assistance to Pakistan. In fact, about a year earlier, Prime Minister, Benazir Bhutto's interview that was aired by NBC of USA in December 1991, added fuel to already growing controversy between Pakistan and Japan over the former's nuclear programme.⁷ Largely, this interview created doubts in the minds of the Japanese and they decided to review their Official Development Assistance (ODA) policy toward Pakistan by the 1990s. Although Pakistan assured Japan that it will freeze its defence spending for three years and had no intention in producing nuclear weapons⁸, it did not allow the Japanese to give a green signal to its policymakers to aid Islamabad. Japanese leaders pointed

⁵ Government of Pakistan, *Foreign Affairs Pakistan*, Ibid.

⁶ See also M. B. Naqvi, "PM's visit to Tokyo: Firmer relationship with Japan", *Dawn*, (Karachi), 27 December 1992. "Prospects for Japanese investment", *Ibid*, (editorial) 22 December 1992.

⁷ See also joint press conference of Minister of Finance Sartaj Aziz and Foreign Minister Sodium Kanji after their visits to Japan. *Ibid*. 22 December 1992.

⁸ *Dawn*, (Karachi), 18 December 1992.

out that they would take into account the recipients' involvement in nuclear weapons development if and when deciding aid programmes for them.⁹

In line with the principles of anti-nuclear policy, Japan does not offer economic assistance to countries that are involved in nuclear proliferation. Rather Japan puts sanctions against those countries, which are involved in nuclear proliferation. Japan preferred to see Pakistan economically strong without acquiring nuclear capability and accordingly assisted during the 1960s and then more significantly during the 1980s. Therefore, Japan demanded that Pakistan should come under the nuclear control regime, which also meant that in order to take benefits of Japan's aid and other blessings of economic cooperation, Pakistan should revise its nuclear policy and also cut down its military expenditures, failing which would lead to economic sanctions and other measures that would stop the course of economic relationship between the two countries. Japan sought greater transparency in Pakistan's nuclear programme, which was evident in bilateral discussions held in November 1993 and January 1995. Japan proposed that Pakistan, along with India, should sign anti-nuclear proliferation treaties to stop nuclear arms race in South Asia. Against this backdrop, Japanese Foreign Minister, Yukihiko Ikeda, made a visit to Pakistan in July 1997 – first visit by a Japanese Foreign Minister to Pakistan in ten years - to discuss the nuclear proliferation and disarmament issue with his counterpart, Gohar Ayub Khan.¹⁰ Ikeda's visit was a milestone in rediscovering new realities and challenges in matters of economic cooperation, bilateral diplomatic relations, and the growing security and defence concerns in the region' of South Asia.¹¹ But the outcome seemed to be bit discouraging as growing hostilities between Pakistan and India that aimed at seeking defence and security parity with each other.

Therefore, under such prevailing conditions, the probability of the stoppage of economic assistance and its adverse impact on trade and investment between the two countries was quite inevitable in the coming months. India's second nuclear tests on 11 and 13 May 1998, forced Japan to freeze existing loans and suspend new ODA loans to India at once.¹² Although

⁹ Kiichi Kamano, Economic Cooperation Bureau, Ministry of Foreign Affairs, Tokyo. *Ibid*, 9 December 1992.

¹⁰ See this discussion in Ahmad Rashid Malik, "Bilateral cooperation and nuclear diplomacy", *The Nation*, (Islamabad), 21 July 1997.

¹¹ Ahmad Rashid Malik, "After Ikeda's visit: N. proliferation and the big question of the national interest", *Ibid*, 31 July 1997.

¹² Comments by the Japanese Chief Cabinet Secretary, Kanezo Muraoka, on measures in response to the second nuclear testing conducted by India. Tokyo: Ministry of Foreign Affairs, *Announcements, Press Releases, Statements, and Comments*, 14 May 1998. Earlier, Japan only considered to take measures against India's nuclear testing on 11 May 1998 but did not impose measures immediately. Comments by the Japanese Chief Cabinet Secretary, Kanezo Muraoka, on measures in response to the second

Japan reacted strongly to India's nuclear testing, it could not find any guarantee for Pakistan against India's nuclear threat, during the next 18 days between 11-28 May before Pakistan exercised its nuclear option. At this point, Japan also worked out at various levels to persuade Pakistan to exercise restraint from conducting its own nuclear testing. In a very 'surprising' statement, Japanese Prime Minister, Ryutaro Hashimoto, joined the German Chancellor, Helmut Kohl, at the Group of Eight (G-8) Summit held at Birmingham, Great Britain, in May 1998, in a very sensational and irresponsible move, that 'we had an unconfirmed information that Pakistan has conducted a nuclear test'¹³ on 17 May (1998). Hashimoto further went on to declare that 'if this was confirmed, we could never forgive Pakistan's action'.¹⁴ Pakistan's Foreign Office, immediately denied such allegations. Nevertheless, such statements, appearing in the media on 17 and 18 May, undermined the sympathy and the support that Pakistan had gained from the international community against India's nuclear testing.¹⁵ Hashimoto also made a telephone call to Sharif that asked him to show maximum restraint. Hashimoto's special envoy, Seiichiro Noboru, who met with Sharif and Gohar at Islamabad, had also joined the G-8 Ambassadors Meeting held at Islamabad on 22 May regretted that Pakistan had not given assurances for restraint.¹⁶ As Pakistan could not seek any guarantee for its security against the Indian nuclear threat from the international community, Pakistan decided to keep its nuclear option open and eventually 'settled score' with India on 28 and 30 May 1998 respectively. Japan strongly reacted to Pakistan's nuclear testing. Japan's chief Cabinet Secretary, Kanezo Muraoka, in his comments stated that: 'Japan would not tolerate the Pakistani nuclear testing because it would exacerbate the crisis of nuclear disarmament and non-proliferation, which had already been affected by the Indian nuclear tests, and greatly harm the stability of the region'.¹⁷ Japan decided to quickly consider taking substantial measures and its reaction came in the form of economic measures adopted on 29 May 1998 as under¹⁸:

nuclear testing conducted by India. Tokyo: Ministry of Foreign Affairs, Press Conference by the Chief Cabinet Secretary. *Ibid.*, 12 May 1998.

¹³ See Dr Ahmad Rashid Malik, "Japan's reaction to India's nuclear explosion: What guarantees for Pakistan", *The Nation*, (Islamabad), 25 May 1998.

¹⁴ *Ibid.*

¹⁵ *Ibid.*

¹⁶ *Ibid.*

¹⁷ Comments by the Japanese Chief Cabinet Secretary, Kanezo Muraoka, on the nuclear testing conducted by Pakistan. Tokyo: Ministry of Foreign Affairs. *Ibid.*, 28 May 1998.

¹⁸ Comments by the Japanese Chief Cabinet Secretary, Kanezo Muraoka, on measures in response to nuclear testing conducted by Pakistan. Tokyo: Ministry of Foreign Affairs. *Ibid.*, 29 May 1998.

1. Grant Aid for new projects to be frozen except emergency and humanitarian assistance
2. New yen loans to be shelved off, &
3. Re-examine loans programme being offered by the International Financial Institutions (IFIs).

Japan also decided to maintain a strict control on transfer of nuclear related weapons of mass destruction to Pakistan.¹⁹ Japan also proposed a resolution at the UN Security Council to consolidate the international regime on non-proliferation²⁰, in addition to spearheading a meeting of G-8 and P-5 (veto powers) of virtually nine powers held at London on 11 June 1998, to tackle the situation, created by India and Pakistan nuclear testing.²¹

As a whole, nuclear testing, first conducted by India and later responded by Pakistan, created an unreceptive atmosphere for Japan in South Asia for the growth of economic relations. Security situation of Pakistan and that of Japan was entirely different. Unlike Japan, Pakistan did not have the privilege of having a nuclear shield. Japan's security treaty with the United States, provided it with having a nuclear shield. This meant that Pakistan had to build its independent and sophisticated defense system. During the fateful days from 11 through to 28 May there was no international guarantee or nuclear shield provided to Pakistan so that it should have defended itself against India's nuclear threat and blackmailing. Therefore, it was not possible for Pakistan to put off its nuclear programme because Japan will cut off its assistance to Pakistan. Although Japan's anti-nuclear policy and drive were non-discriminatory toward Pakistan, that was based on its anti-nuclear principles, Pakistan did not feel comfortable to comply with that policy and eventual pressure exerted on Pakistan, as this ran counter to its peculiar security situation in the wake of India's nuclearization.

Implications for Economic Relations

Pakistan's decision to go nuclear created a huge economic mess-up for its fragile and aid-led economy that largely depended on IFIs. It was feared that Pakistan would not be able to stand up economically unlike India because Pakistan's dependency on foreign aid was much higher than that of India particularly from 1971 through to 1998. Japan used to be one of the largest aid

¹⁹ Comments by the Japanese Chief Cabinet Secretary, Kanezo Muraoka, on measures in response to nuclear testing conducted by Pakistan. Tokyo: Ministry of Foreign Affairs. *Ibid.*, 29 May 1998.

²⁰ See statement of Foreign Minister Keizo Obuchi on the adaptation of a UN Security Council Resolution of a Joint proposal by Japan, Sweden, Costa Rica, and Slovenia. Tokyo: Ministry of Foreign Affairs. *Ibid.*, 7 June 1998.

²¹ Statement of Japanese Foreign Minister, Keizo Obuchi, to attend meeting of G-8 Foreign ministers on India and Pakistan, 10 June 1998. Tokyo: Ministry of Foreign Affairs. *Ibid.*, 10 June 1998.

donors to Pakistan, both for meeting fiscal gaps and development expenditures. Nevertheless, nuclear testing further created precarious economic situation for Pakistan. Japan's reaction against Pakistan's nuclear blast had negative implications for bilateral economic relationship, particularly in the field of economic assistance, debt relief, trade, and investment, that is explained as under:

Economic Assistance

The nuclear blast severely upset decades-long Pakistan-Japan bilateral economic assistance programme. Japan was the first country outside the Western orbit that immediately announced to cut off and freeze its ODA for the new programmes in Pakistan except those with emergency and humanitarian as well as grass roots grant aid programmes. But they affected the overall basic policies of Japan's ODA for Pakistan during 1998-2005. So efficient and effective utilization of ODA cannot be expected from Pakistan during this period. Rather the evaluation of the ODA should be seen from Pakistan's Development Plans and Poverty Reduction Strategy Paper (PRSP). Economic assistance blockade also have had negative impacts on Japanese investment in Pakistan and on bilateral trade as well. There is a need to slightly review Japanese economic assistance policy toward Pakistan to correlate the dynamics of Japanese economic assistance policy toward Pakistan which will help us to understand various different views and policies with regard to Japanese economic assistance to Pakistan during 1954-98 and afterwards.

Commercial-led Aid

Pakistan loomed quite prominent on Japanese economic assistance policy during the 1960s, when Japan commenced its economic assistance programmes for developing economies with a geographical and historical focus on Asia. The first assistance was offered to Pakistan in 1954 in the form of technical assistance in line with the Colombo Plan that was launched in 1951 to help developing countries to improve their economic infrastructure and the first yen loan was offered to Pakistan in 1961. This assistance was also the part of reparations that Japan agreed to pay to Asian countries under the San Francisco Peace Treaty signed on 8 September 1952. Pakistan and Sri Lanka (then Ceylon) were the only countries that waived-off all sorts of reparation claims to Japan, whereas all Asian countries, including India, did not waive-off reparation claims. So it was natural that Pakistan was given a priority in aid allocations by Japan's aid givers during this period. This phase of Japanese economic assistance was known as commercial-led assistance to promoting Japan's commercial and economic interests, particularly in Asia and to mend relations with Asian countries, soured by war. Japan's growth rate tremendously increased during the 1950s and the 1960s and it was realized that if other economies were not developed in Asia it would be difficult for Japan

to develop strong and asymmetrical economic relations with the rest of Asian countries. Pakistan's impressive growth rate together with its military alignment with the West, led Japan to extend generous assistance to Pakistan during 1961-70. During this period a total of US\$ 1.4 billion assistance was offered by Japan to developing countries, of which 18 percent was offered to Pakistan alone for the construction of 18 mega projects, both in West (now Pakistan) and East Pakistan (now Bangladesh). So much so, 80 percent of Japanese ODA, was only offered to Pakistan in 1964.²²

Decline of Aid

In addition to technical assistance and yen loans, commenced in 1954 and 1960 respectively, Japan's grant aid was started in 1970. Pakistan had been one of the largest beneficiaries of technical assistance and yen loans. However, Pakistan's independent actions in the 1970s such as termination of its SEATO membership, playing a greater role in the Regional Cooperation for Development (RCD), comprising Pakistan, Iran, and Turkey, by 1964 for regional cooperation instead of playing a role for anti-communist threat in South and West Asia, identifying with the Islamic and the Third World by becoming the champion of Group of 77 (under-developing countries), and the nationalization of industries, led Japan to revise its aid programmes such as technical assistance, yen loans, and grant aid for Pakistan in the 1970s. The oil embargo led by the Organization for Petroleum Exporting Countries (OPEC) in 1973 severely affected the Japanese economy. Prime Minister. Zulfikar Ali Bhutto, Libyan President. Mo'amar Al-Gadafi, and Saudi Arabian King, Shah Faisal were the forerunners of this oil embargo. Japan started supporting the Palestinian cause, recognized the Palestinian Liberation Organization (PLO), and cultivated strong diplomatic and political ties with the rest of the Middle Eastern countries. However, on the other hand, relations with Pakistan remained cool as no high-level visit also took place or economic assistance was offered to Pakistan during this period.²³

Strategic-led Aid

Strategic perspective dominated the agenda of the flow of Japanese ODA to Pakistan during the 1980s.²⁴ Contrary to the above mentioned period,

²² For accumulated amount see Alan Rix, *Japan's Economic Aid: Policy-Making and Politics* (New York: St. Martin Press, 1980) p. 32, MITI, *Keizai Kyoryoku No Genjo To Sono Mondaiten*, 1983), (in Japanese) & for 1970 Pakistan's figure see, Robert M. Orr Jr., *The Emergence of Japan's Foreign Aid Power* (New York: Columbia University Press, 1990), p. 70.

²³ See Ahmad Rashid Malik, "From twin-track to Pax Nipponica: Pakistan in Japanese diplomacy", in *Asian Profile*, Vol. 24, No.1 (February 1996), p. 18.

²⁴ N. S. Cooray, Ricardo Gottschalk, & Md. Shahiduzzman, "Will Japan increase aid and improve its allocation to help the poorer countries achieve the Millennium

Pakistan-Japan ties gained momentum once again in the 1980s, as Japan feared the disruption of energy supply from the Gulf as a result of the Soviet invasion of Afghanistan in December 1979. Japan offered generous economic and humanitarian assistance to Pakistan that could be termed as strategic aid. This type of aid was offered to those countries that could, in return, promote Japan's economic interests. As Pakistan became a frontline state to fight back Soviet aggression, Pakistan-Japan diplomatic relations as well as economic ties witnessed a greater degree of consolidation during this period.²⁵ and three high-level visits took place namely; President General Muhammad Zia ul Haq's visit to Japan in July 1983, Prime Minister Yasuhiro Nakasone's visit to Pakistan in April 1984, and Prime Minister Muhammad Khan Junejo's visit to Japan in July 1987.

Democracy & Free Market-led Aid

Transitional economies, along with the adaptation to free market economy and democracy, became the focal point of Japanese ODA's considerations in the 1990s. Pakistan was given a priority in receiving Japan's ODA, just prior to Pakistan's nuclear devise. Pakistan received US\$ 491.52 million in assistance from Japan in 1998 that made it the 5th largest ODA recipient after India, Thailand, Indonesia, and China respectively.²⁶ It was in the previous year, that US\$ 92.2 million ODA loan was offered to Pakistan that downgraded Pakistan's ranking to 10th largest recipient (See also Table below) Although Japan assisted Pakistan under democracy and free-market led aid programme for the developing economies in the 1990s, Pakistan's nuclear testing forced Japan that its aid might be used for nuclear purpose instead of stated objectives. As soon as Pakistan conducted its nuclear tests, Japan immediately decided to cut off economic assistance to Pakistan. Japan was the first country that acted so. Foreign Minister, Sartaj Aziz, made a visit to Japan in November 1998. Japan hoped that Pakistan must change its nuclear policy and show a positive attitude to have constructive exchange of views between the two countries.

Japan's Official Development Assistance for Pakistan during 1994-1998

(US\$ Million)

1994	1995	1996	1997	1998
271.04	241.0	282.20	92.2	491.54

Source: Tokyo: Ministry of Foreign Affairs, *ODA Annual Report 1999*.

Development Goals", *IDS Working Paper 243* (London: Institute of development Studies, March 2005), p. 5.

²⁵ *Ibid.*, pp. 19-21

²⁶ See Tokyo: Ministry of Foreign Affairs, *Japan's ODA Annual Report 1999*.

Japan's Official Development Assistance for Pakistan during 1999-2005

(US\$ Million)

1999	2000	2001	2002	2003	2004	2005
169.74	280.36	211.41	301.121	266.2	--	--

Source: Tokyo: Ministry of Foreign Affairs, *ODA Annual Report 1999*. Figures for 2004 and 2005, have not been finalized by Japanese Ministry of Foreign Affairs as of 11 October 2005.

Anti-terrorist-led Aid

21st century added yet another dimension in Japan's aid considerations to developing countries following attacks on the World Trade Centre at New York and the Pentagon in the United States on 11 September 2001. The question that a non-nuclear economic giant should not economically assist a relatively weaker economic state with nuclear power was put aside. Within six months after the 9/11, President General Pervez Musharraf made a visit to Tokyo in March 2002 (details are given in the later section). All the diplomatic moves between the two countries surrounded on the assumption to restoring aid to Pakistan. These events led Japan to gradually lift economic sanctions levelled against Pakistan after it detonated a nuclear device in 1998. The 9/11 proved a 'blessing in disguise' for Pakistan as the event ended the suspension of Japanese assistance to Pakistan in an incremental manner. Moreover, global terrorism accelerated the process of high-level diplomatic contacts between the two countries.

Bilateral Trade

Likewise economic assistance, Pakistan-Japan bilateral trade was also affected by economic sanctions imposed by Japan during 1998-2005 as a result of nuclear detonation conducted by Pakistan. Its exports to Japan largely fluctuated during the early 1990s. For instance, Pakistan's exports to Japan increased to US\$ 650 million in 1991 and slightly recovered to US\$ 608 million in 1996. For other years, during 1992-1995, exports slightly fluctuated but had shown an overall declining trend. In 1997 exports declined to US\$ 450 million and constantly lowered down to US\$ 289 million in 1998— a decline of US\$ 161 million or 64 percent decline from the preceding year in 1998. Pakistan's exports to Japan remained US\$ 300 million the following year. More significantly, Pakistan's exports to Japan steadily witnessed a discouraging trend up to 2004 when Pakistan's exports to Japan recorded as low as US\$ 155 million, which was, nevertheless, a very modest recovery during the past three

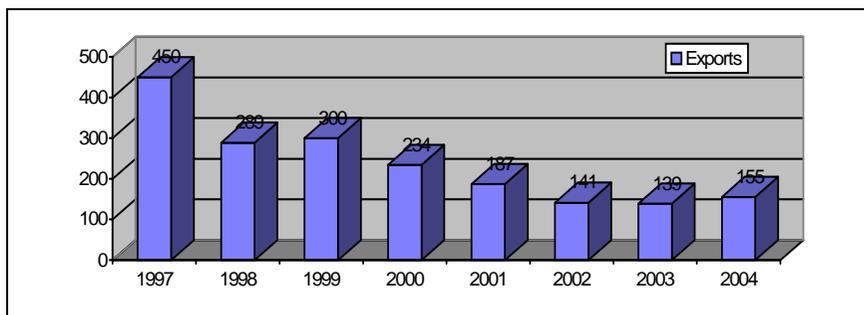
subsequent years, as exports were merely reduced to US\$ 141 and US\$ 139 million in 2001 and 2002 respectively.

Pakistan's trade with the industrialized world has also seen an overall downward trend during 1998-2004. This trend has also been reflected upon Pakistan's overall trade with Japan for the same period. During 1997-1999, Japan used to be Pakistan's 4th largest export market but then reduced to 10th largest market during 2000-04, among the industrialized countries. Interestingly, following the economic sanctions imposed by Japan, it ranked on the top of Pakistan's imports in 1999 amongst the industrialized countries. For other years, during 1997-2004, Japan ranked 2nd most important source of Pakistan's import requirements amongst the industrialized countries only after the United States. As far Pakistan's trade with Asia was concerned, Japan ranked the second most important destination for Pakistan's exports during 1997-99, ranked 4th largest market during 2000 and 2001 and 5th largest market during 2002 and 2004 and 7th largest export destination during 2003. Similarly, as far Pakistan's imports from Asia were concerned, Japan ranked top source of supply for Pakistan's import requirements during 1997-2001, it was only during 2002-2004, that it ranked 2nd largest import destination for Pakistan in Asia after China.

As far Japan's share of Pakistan's global exports was concerned, a discouraging picture also emerged on this scene. Japan's share of Pakistan's global exports declined from 10 percent in 1990 or 6 percent in 1997, 3.4 percent in 1998 to as low as 1.1 percent in 2004 in spite of the fact that there had been tremendous increase in Pakistan's exports during 1990-2004 that was recorded around 64 percent. However, Pakistan's exports to Japan witnessed a downward trend during the same period, particularly during the period of economic sanctions from May 1998 through to April 2005. Pakistan's exports stood around US\$ 5.5 million in 1990 but increased to US\$ 13.5 billion in 2004. The declining trend of Japan's share of Pakistan's exports began in 1992 when it started questioning Pakistan's nuclear programme and delayed loan package (see subsequent section) during Sharif's visit to Japan. Moreover, following economic sanctions, Japan's share of Pakistan's global exports declined from 6 percent in 1998 to merely 1 percent in 2004. The 9/11 events did not constitute any negative implication for Pakistan's overall global exports. Rather there was a modest increase in Pakistan's global exports. In 1998, Pakistan's exports recorded US\$ 8.4 billion and exports to Japan stood around US\$ 289 million that was 3.4 percent of Pakistan's total global exports, whereas in the previous year, Japan's share of Pakistan's global exports stood 5.6 percent.

Pakistan's Exports to Japan during 1998-2004

(US\$ Million)

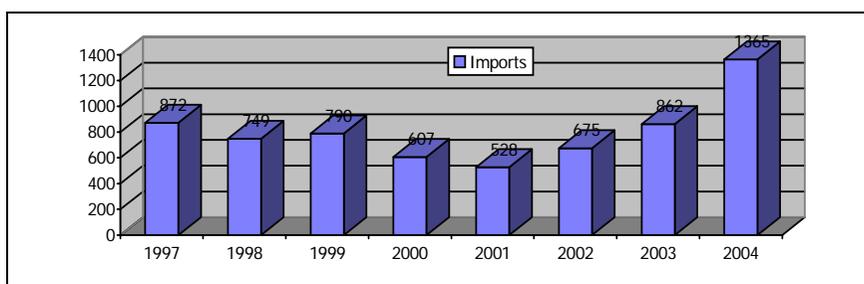


IMF: *Direction of Trade Statistics* (Various issues).

Similar to Pakistan's exports to Japan during period under review, Japan's share of Pakistan's imports, also witnessed a declining trend. For instance, Japan's, share of Pakistan's global imports stood as high as 16 percent in 1991 but that steadily declined up to 1996. Nevertheless, a much more discouraging trend occurred in 1997 – a year before the nuclear blast – when Japan's share of Pakistan's imports declined to 7.5 percent. During 1997-99, Japan's share of Pakistan's imports stood around 8 percent, which was a 100 percent decline as compared to 1999. After 1999, Japan's share of Pakistan's imports shrunk to 5.5 percent in 2000 and 5.1 percent the following year but slightly recovered to 6 percent and 7 percent in 2003 and 2004 respectively as a result of high-level visits exchanged between the two countries in 2000 and 2002. Pakistan's imports from Japan increased after 2001. For instance, Pakistan's imports from Japan were recorded US\$ 528 million in 2001 but continuously increased to US\$ 675 million and US\$ 862 million in 2002 and 2003 respectively and reached as high as US\$ 1.365 billion in 2004 – a level recorded some 13 years ago in 1991.

Pakistan's Imports from Japan during 1998-2004

(US\$ Million)



IMF: *Direction of Trade Statistics* (Various issues).

Therefore, economic sanctions had severe implications for overall trade decline between the two countries because bilateral trade was not conducted under a common security perception but in a hostile environment. This trend persists even today. Moreover, there had been a number of other complex circumstances and factors beyond bilateral context as well that hindered the growth of trade between the two countries, which are as under:

- I. East Asian economic crisis that occurred in 1997 further pushed down the already declining trade between the two countries.
- II. Economic stagnation and deflation in Japan on export side, was also a contributing factor in the decline of trade between the two countries.
- III. A surge of petroleum imports from the Middle East, reflecting high prices, also resulted in less buying from Pakistan.
- IV. Pakistan-Japan bilateral trade also depended upon Japan's ODA to Pakistan. During May 1998 – April 2005, no ODA was sanctioned to Pakistan. Therefore, business activities, largely conducted by Japanese transnationals, were badly affected as they sat idle to look forward for the resumption of ODA to Pakistan.
- V. The rise of China is another factor that is indirectly affecting bilateral trade between Pakistan and Japan. China has emerged as one of major trading partners of Pakistan and swiftly replaced Japan. China is also ahead of Japan in signing the Free Trade Agreement (FTA) with Pakistan.

Entering Free Trade

The resumption of ODA would help strengthen bilateral trade, which also means that irritants, at government and external level, have been removed, and now the private sector got the opportunity to play its role. Nevertheless, the present volume of bilateral trade does not commensurate with the level of friendship, understanding, and mutual goodwill, Pakistan's growing potential, and Japan's economic strength. FTA and Preferential Trade Agreement (PTA) are essential tools to promote bilateral trade under the World Trade Organization (WTO) umbrella. These would determine the future course of trade and commerce relations between and among countries. Both Pakistan and Japan economic relations would also largely depend on the signing and implementation of FTA and PTA. Pakistan has already signed PTA with China, United States, and with the South Asian Association for Regional Cooperation (SAARC), and the Economic Cooperation Organization (ECO) to reduce tariff by 10 percent in five years. Regional FTA in South Asia will be working from July 2006. Japan's Foreign Minister, Nobutaka Machimura, at the Fourth Asian Cooperation Dialogue (ACD) Ministerial Meeting, held on 4-6 April 2005 at Islamabad, pointed out that Japan was willing to sign PTA and

FTA with Pakistan and Japanese Government asked its private sector to prefer Pakistan for Foreign Direct Investment (FDI) activities to other destinations.²⁷ This is absolutely a very positive development, which the private sector, in both countries, was longing for. With PTA signing, Pakistan can get a better market access in Japan. So does Japan in Pakistan. Prime Minister Shaukat Aziz suggested the setting up of a Study Group, when he met with Japanese Minister for Economy, Trade, and Industry, Shoichi Nakagawa, in January 2005, to make suggestions for PTA and FTA between the two countries. Similarly Pakistan's Commerce Minister, Humayun Akhtar Khan, proposed a Joint Study Group on PTA and FTA between the two countries to work for bilateral market access. Pakistan is already pursuing this strategy with Singapore, Malaysia, Indonesia, and Thailand. If Japan gives a positive nod to this proposal, this would help promote Pakistan's trade with Japan.

Investment

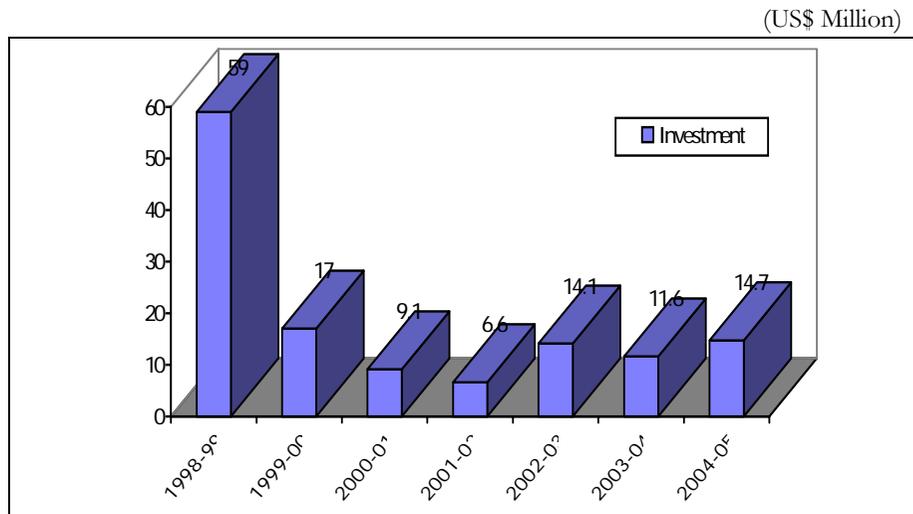
Investment is one of the core areas of Pakistan-Japan bilateral economic relations. No doubt there are a number of factors responsible for a slow or active response by Japanese investors, whether or not undertaking direct or portfolio investment in Pakistan. Nevertheless, the implications for the nuclear explosion cannot be ruled out for the decline of Japanese FDI in Pakistan in subsequent years. Further, there is a geographical bias in Japanese overseas FDI activities. By the early 1990s, the bulk of Japanese FDI, i.e., over 42 percent were just destined for the United States. Asia's share was not more than 17 percent where the major chunk was invested in the Four Asian Tigers (Taiwan, Hong Kong, Singapore, and Malaysia) and other ASEAN economies. South Asia, as a whole, did not get more than 1 percent of Japan's total FDI. In addition to these above factors and reasons, the nuclear blast badly affected the flow of Japanese FDI to Pakistan and the aftermath of which is even realized today, analysis of which is given as under:

A major fraction of Japanese investment in Pakistan has been Direct and a small fraction has been in the portfolio investment (shares in stocks). The big surge in Japanese FDI was recorded during 1995-96, when Japanese FDI reached US\$ 95.4 million or 7.2 percent of Pakistan's total FDI. This investment was mainly made in the power sector, which also ran into difficulties in the later years. However, during the next couple of consecutive years, a slump occurred in Japanese FDI, when the volume decreased to US\$ 43.5 million and US\$ 16.5 million during 1996-97-1997-98 respectively. However, during 1998-99, an encouraging sign occurred when Japanese FDI increased to US\$ 59 million – the fiscal year when Pakistan carried out nuclear explosion. Thus Japanese share of Pakistan's FDI increased to as high as 12 percent at this point and ranked it the second largest FDI partner after the

²⁷ *Business Recorder* (Islamabad), 8 April 2005.

United States. In the subsequent years after 1999 onward, downtrend perpetually persisted with a quite meager upward trend following the deepening of diplomatic understanding and convergence of strategic and security views after 9/11. During 1999-00 – 2000-01, Japan ranked as Pakistan 5th largest FDI partner but its ranking slightly enhanced to 5th during 2001-02 – 2004-05. Similarly, Japan's share of Pakistan's FDI, also greatly declined from 12 percent in 1998-99 to 2.4 percent in 2004-05. An Agreement on Promotion and Protection of Investment was signed in April 2002, which came into effect in May same year. This Agreement was intended to enhance the level of Japanese FDI in Pakistan. But so far modest improvement has been made. Pakistan is planning to attract over US\$ 3 billion FDI during 2005-06 against US\$ 1.5 billion FDI last year.²⁸ As Japanese private sector seemed satisfied over the resumption of Japanese ODA for Pakistan and its encouraging growth rate, it is expected that Japanese FDI would greatly be enhanced in Pakistan in the near future.

Japan's Foreign Direct Investment in Pakistan during 1998-99 - 2004-05



Islamabad: Government of Pakistan, Board of Investment, *Foreign Direct Investment: Country-wise*. (Various Years).

The Convergence of Strategic Concerns

Contrary to fears that Pakistan's nuclear explosion would decrease its diplomatic interaction with Japan, it appeared that there had been more high-level diplomatic exchanges during 2000-05 than any time before, probably fearing that such differences could further largely deteriorate strategic

²⁸ See the statement of Dr Abdul Hafeez, Pakistan's Federal Minister for Privatization and Investment, *The Pakistan Observer*, (Islamabad), 11 August 2005.

environment. Diplomatic coordination is quite essential for the promotion of economic relations but this could only be achieved under a common security environment.

The Aftermath of 9/11

The post 9/11 events created a common security environment between Pakistan and Japan. Moreover, diplomatic relations between the two countries have been influenced by several external factors but mutual goodwill and enthusiasm cannot be ruled out. The bottom line of high-level exchanges after 9/11 revolved round the following parameters:

- The Nuclear issue
- Economic ties, &
- Combating global terrorism

As bilateral views largely converged following the 9/11 events, diplomatic as well as economic cooperation regained momentum in Pakistan-Japan bilateral relations after 11 September 2001 onward. Prior to 9/11, Japanese Prime Minister, Yoshiro Mori's visit to Pakistan on 20-21 August 2000, was regarded a diplomatic breakthrough in Pakistan-Japan relations, soured by nuclear device, carried out by the former. The visit was the first by a Japanese leader to Pakistan in ten years. Mori's visit was largely in line with Japan's realization to expand economic ties with South Asian countries including Pakistan, along with deepening political understanding and promoting cultural exchanges and resuming dialogue with Pakistan, on the issue of non-proliferation and the CTBT. The decision to visit Pakistan was part of conclusion based on the G-8 Kyushu-Okinawa Summit, held at Okinawa, Japan, on 21-23 July 2000.²⁹ Mori's talks with Pakistani leaders centered on these points, besides restoration of democracy in Pakistan. This meant that future course of Pakistan-Japan relationship will be influenced by the nuclear issue, economic reforms, and democratic form of government in Pakistan. The question of bringing Pakistan out of the vicious debt trap was also discussed and Japan promised to bail out Pakistan from debt trap at IMF level. Musharraf assured Mori that Pakistan would not be the first to conduct nuclear test again which led Japan to provide additional yen loans to Pakistan, completion of the Kohat Tunnel project, and also taking into account, Pakistan's economic situation and debt repayment condition. It was realized that such diplomatic contacts would help resolve economic measures erected by Japan and also avoid Pakistan becoming isolated as a result of nuclear blast and toppling of democracy.

²⁹ See G-8 Statement on Regional Issues, Kyushu-Okinawa Summit, Japan, 21 July 2000.

<http://www.mofa.go.jp/policy/economy/summit/2000/documents/state_r.html>

The 9/11 events put additional political and economic pressure on Pakistan. The event helped converge Pakistan-Japan security linkages once again. Following 9/11, within two weeks, Japanese Senior Vice Minister, Seiken Sugihara, made a visit to Pakistan on 25-28 September 2001 to convey Japan's support to Pakistan's cooperation with the United States in war against terrorism. Japan offered emergency economic assistance to Pakistan that included US\$ 14.5 million refugee assistance, US\$ 25.5 million budgetary support, and US\$ 550 million debt rescheduling facility (with Japan being the biggest creditor), under the Paris Club Agreement of January 2001. (Final debt rescheduling of US\$ 4.5 billion was made in March 2003). Japan also decided to support Pakistan at the IFIs to alleviate economic difficulties and poverty reduction. These measures, however, were not part of lifting of economic sanctions against Pakistan. But these measures were a step toward the lifting of economic sanctions.

In order to combat global terrorism, Musharraf asked the Japanese Prime Minister Junichiro Koizumi to offer the following assistance and support to Pakistan in view of changes that emerged after the 9/11 events³⁰:

1. Lifting of economic sanctions
2. Debt reduction (later changed into debt rescheduling)
3. Resumption of budgetary support, &
4. Market access

Japan's economic sanctions against Pakistan lasted for three years and three months. Japan made an official statement on 26 October 2001 to discontinue economic sanctions against Pakistan.³¹ More detailed discussions were held between Pakistan's Finance Minister Shaukat Aziz and Koizumi in November 2001 in Tokyo. Aziz conveyed the Japanese leaders Pakistan's appreciation of the discontinuation of economic measures (against Pakistan levelled by Japan). Pakistan's breaking off ties with the *Taliban* regime, support to the United States in war against terror, and nuclear self-restraint (moratorium on nuclear tests) together with command and control nuclear assets, led Japan to finally lift economic sanctions against Pakistan to overcome its economic sufferings. The visit of leaders of Japan's ruling party coalition to Pakistan on 3 November 2001 was in the same direction of Japan's recognition of genuine needs of Pakistan and support to combat terrorism. This visit was followed by another Japanese delegation visit to Pakistan, led by Foreign Minister, Makiko Tanaka, on 23 November 2001.

³⁰ Telephone conversation between Japanese Prime Minister Junichiro Koizumi and President General Pervez Musharraf (lasted 30 minutes) on 17 October 2001, reviewing the 9/11 situation.

³¹ Announcement by the Chief Cabinet Secretary on discontinuation of measures in response to nuclear testing conducted by India and Pakistan. Tokyo: Ministry of Foreign Affairs. *Op. Cit.*, 26 October 2001.

As the refugee matter loomed large on terrorism horizon particularly after 9/11, Japan's Prime Minister's Special Representative for Afghanistan Assistance, Sadako Ogata, made a visit to Pakistan on 7-9 January 2002, prior to the International Conference on Reconstruction Assistance to Afghanistan held in Tokyo³² on 21-22 January 2002 (under the Bonn Accord of December 2001), which showed the significance Japan attached to Pakistan in resolving the refugee issue to bring about peace and combat terrorism. Pakistan was one of the attendants of the Conference with its Finance Minister Aziz as representative of the Government of Pakistan. The Conference realized that terrorist debacle to world over was the result of disengagement of the West and international organizations after the Soviet withdrawal in Afghanistan in 1988. At the Conference, Japan pledged US\$ 5 billion for Afghanistan's reconstruction over the next two and a half years.

The Strengthening of Bilateral Ties

Consequently, all such events paved the way for the recovery of ties between Pakistan and Japan. As outline of future course of ties was already set up by Mori, Musharraf's four-day official visit to Japan on 12-15 March 2002 was a follow up in this direction but was heavily loaded with the task related to combating terrorism.³³ The Musharraf-Koizumi talks focused on security issues and cooperation. They agreed on the establishment of Security Dialogue to discuss disarmament, non-proliferation, terrorism and regional situation besides Policy Dialogue on Economic Cooperation.

With regard to the former Dialogue, Japan's Maritime Self-Defense Forces (SDF) decided to provide fuel and drinking water to the Pakistani navy ships participating in war against terrorism in the Indian Ocean under Operation Enduring Freedom-Maritime Interdiction Operation (OEF-MIO). Pakistan agreed to provide information concerning the case of Dr. A.Q. Khan, when Japanese Foreign Minister, Yoriko Kawaguchi, made an official visit to Pakistan on 10-12 August 2004. It was, in this context, that Japan supported Pakistan's membership on the ASEAN-Regional Forum that eventually led Pakistan to become a member in 2004.

As for Policy Dialogue on Economic Cooperation, talks were held between Kawaguchi and Pakistani leaders and officials for the resumption of Japanese new yen loans for Pakistan with a view to supporting socio-economic development of Pakistan. The visit of Shoichi Nakagawa, Japanese Minister for Trade, Industry, and Commerce, to Pakistan on 7 January 2005, was

³² Japan, United States, European Union, and Saudi Arabia were the Co-Chairs of Conference in which 58 countries participated. Hamid Karzai participated as Chairman of the Afghan Interim Administration.

³³ Dr Ahmad Rashid Malik, "Pakistan-Japan Economic Ties", *The Nation*, (Islamabad), 25 March 2002.

intended to remove the remaining impediments in improving economic and commercial relations. The Joint Business Dialogue held its meeting at Karachi in February 2005. The commitment toward close security cooperation and economic partnership between the two countries was reinforced during Pakistan's Foreign Minister, Mian Khurshid Mehmud Kasuri's official visit to Japan that was undertaken on 21-24 February 2005.

A major development in bilateral relations took place when Koizumi made a two-day official visit to Pakistan on 30 April – 1 May 2005 – a first visit by a top Japanese leader in five years to Pakistan. He held talks with Pakistani leaders on issues such as trade, investment, economic assistance, and nuclear proliferation, proposed UN reforms and question of Japan's permanent membership on the UNSC, and Pakistan-India composite dialogue.³⁴ The Joint Declaration comprehended importance of Pakistan as a frontline state fighting against terrorism and suggested that both countries tackle the menace of terrorism as they realized the view that 'terrorism remains one of the most serious issues confronting the international society' and both countries expressed their determination to continue counter-terrorism cooperation along with other countries particularly in Asia to 'ensure security, stability and prosperity of Asia'.³⁵ At present, both countries' cooperation against terrorism can be evidenced by the provision of fuel and fresh water by the Japanese Maritime SDF to Pakistan's naval vessels participating in OEFMIO in the Indian Ocean. It was believed that exchange of information and capacity building will further enhance their cooperation in the area of security.

Both countries agreed to enhance cooperation in various economic areas. Therefore, on the economic side, a major breakthrough was made with regard to the resumption of Japanese new yen loans assistance to Pakistan. Negotiations were underway between the leaders of two countries over the last couple of years and it was on this occasion that Japanese Prime Minister himself announced the resumption of new yen loans for Pakistan, being suspended for the last six years.

Aziz's visit to Japan on 8-11 August 2005, further helped deepen ties between the two countries notably in the economic field as well as developing greater understanding on global issues.³⁶ At this point in time, Pakistan fully recognized Japan's increasing global role and Pakistan decided to soften its stand regarding Japan's permanent membership status on the UNSC.³⁷

³⁴ Dr Ahmad Rashid Malik, "Koizumi's visit to Pakistan", *Ibid.*, 1 May 2005.

³⁵ *Dawn*, (Islamabad), 2 May 2005.

³⁶ Dr Ahmad Rashid Malik, "PM's Visit to Tokyo", *The Nation*, (Islamabad), 7 August 2005.

³⁷ Dr Ahmad Rashid Malik, "Japan's UNSC bid", *Ibid.* 2 June 2005. The same article also appeared in *The Bangladesh Observer*, 12 June 2005, *The New Age* (Dhaka), 8 June 2005.

Therefore, increasing diplomatic interactions since 9/11 have been largely strengthening ties between the two countries on global security affairs and consolidating economic ties.

The Future

Japan is cornerstone of Pakistan's economic interests and both countries are each other's time-tested economic partners. Nevertheless, economic relations between them can only be promoted under a common security and strategic contemplation as common security environment is a *sine qua none* for the smooth promotion of both countries' economic ties. At no point in time, Pakistan-Japan economic relations were promoted purely on economic considerations - even prior to Pakistan's nuclear programme initiative. Rather both countries' economic relations have been subservient to regional and global security and strategic considerations, as events have suggested during 1998-2005. In this sense, it is quite intricate to promote bilateral trade and investment between the two countries or to seek Japanese economic assistance for Pakistan under a hostile security environment. Therefore, Japan's reaction to Pakistan's nuclear testing had severe economic implications. The suspension of economic aid to Pakistan greatly damaged bilateral trade and adversely impacted upon Japanese investments in Pakistan. The impact was even realized at the international financial institutions and fora as Japan exerted additional pressure on them in matters related to loans and aid offering destined for Pakistan.

Differences over the strategic and security issues such as Pakistan's nuclear explosion were only emasculated after both countries developed a common stance toward the issue of global terrorism in the wake of terrorist attacks in the United States on 11 September 2001. Japan wanted Pakistan to play a much greater role to combat global terrorism under US command. This eventually led Japan to lift economic sanctions it levelled against Pakistan. In this context, the future of Pakistan-Japan economic relationship would also largely depend on both countries' common security and strategic choices and their respective roles in the US-led security move. ■

NUCLEAR RISK PREVENTIVE APPROACHES IN ADVERSARIAL INDO-PAKISTAN SCENARIO

Zafar Nawaz Jaspal*

India and Pakistan have active nuclear weapons programmes. Both states had rejected UN Resolution 1172—which urges India and Pakistan in conjunction with other states that have not yet done so, to become party to the Nuclear Non-Proliferation Treaty (NPT) and the Comprehensive Test Ban Treaty (CTBT) without delay and without conditions.¹ Significantly, so long as the global nuclear environment remains similar to what it is now, India and Pakistan would not move in the opposite direction towards denuclearization. It is, because India's traditional stance that the status of nuclear weaponry is a global rather than a regional problem determines the direction, level, and patterns of the future nuclear policy of both India and Pakistan.

As long as the Indian decision makers perceive that the existing nuclear weapons states (NWS) either will not or cannot move towards deeper stockpile reductions that will ultimately lead to nuclear abolition, India will not countenance the prospect of rolling back its own nuclear programme.² Regrettably, trends indicate that the Russian Federation and the United States have been re-emphasizing the role of nuclear weapons in their strategic doctrines.³ This prevalent international strategic environment, therefore, indicates that India would not alter its nuclear policy in the near future.

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¹ The UNSC resolution 1172, passed soon after the South Asian nuclear tests, had, among other things, condemned the tests as well as urged India and Pakistan to immediately stop their nuclear weapon development programmes, to refrain from weaponization or from deployment of nuclear weapons. Resolution 1172 (1998), adopted by the Security Council at its 3890th meeting on 6 June 1998. <<http://www.un.org/Docs/scres/1998/sres1172.htm>>

² Ashley J. Tellis, *India's Emerging Nuclear Posture: Between Recessed Deterrent and Ready Arsenal* (US: RAND, 2001), p. 21.

³ Former Chairman of the US Senate Armed Services Committee, Mr. Sam Nunn argued that “the US-Russian agreements such as the Moscow Treaty don't seek a complete dismantlement of their nuclear arsenals, sending a bad message to the rest of the world.” Quoted in I-wei J. Chang, “Nuclear Terrorism Realities”, *The Washington Times*, 28 June 2004.

Similarly, Pakistan would not succumb to any pressure for denuclearization as long as India maintains its nuclear weapons arsenals.

The United States has been pressurizing and asking India and Pakistan to exercise nuclear restraint and ultimately end their nuclear weapons programmes. In the aftermath of 11 September 2001, however, Washington placed its South Asian non-proliferation issues on the back burner, because of its perceptions about India's strategic worth and Pakistan's need for countering terrorism. Consequently, the US ended nuclear sanctions against India and Pakistan. The US non-proliferation objectives in South Asia would remain secondary to other perceived political, strategic and commercial goals in the near future.

The future of South Asia would remain overshadowed by the nuclear peril. The nuclear arms race between India and Pakistan not only undermines the nuclear non-proliferation efforts in South Asia but also in international politics. India and Pakistan are not parties to the NPT and, therefore, all their nuclear facilities are not subject to International Atomic Energy Agency (IAEA) safeguards. Many security analysts have expressed their apprehensions that the nuclear programmes of both states are prone to serious risks. For instance, their nuclear facilities—power stations, research reactors and laboratories—are vulnerable to acts of sabotage and blatant terrorist attacks that could cause the release of dangerous amounts of radioactive materials. There is also a danger of theft of nuclear weapons and radioactive material. To be precise, the ongoing war against terrorism and the detection of an international underworld nuclear network have lent new urgency to the task of preventing the acquisition of such weapons by irresponsible groups.⁴

The positive development in the prevalent scenario is that India and Pakistan revived their stalled talks on nuclear Confidence Building Measures (CBMs) on 19 June 2004, after a hiatus of almost four years and four months. The main objective of these talks was to build mutual trust that would reduce nuclear related risks in South Asia. They discussed the possible ways and means for establishing and sustaining strategic stability, responsible stewardship, CBMs, crisis management and risk reduction measures in their hostile strategic environment. Admittedly, the outcome of 19-20 June talks is encouraging. But, at the same time, one could not confidently make a claim that the ongoing peace process between New Delhi and Islamabad is not reversible. It is because India-Pakistan relations have been based on deep mistrust and fear. In both states, the adversary is painted as black as possible.

⁴ The detection of the international underworld nuclear network disclosed that Iran, North Korea and Libya had been engaged in developing their clandestine nuclear weapons programmes. In their pursuit of nuclear weapons know how, they benefited from the multinational nuclear Mafia, which included the citizens of both developed and underdeveloped worlds.

This sort of an attitude overshadowed the confidence building measures that New Delhi and Islamabad initiated from time to time. On numerous occasions, both sides did not honour them. For instance, during *Operation Brasstacks*, CBMs that were in place during the crisis were not only not used, but were thought to have been deliberately misused by both sides in an attempt to deceive the other.⁵ Despite the existence of a hotline between the directors general of military operations (DGMOs) of both countries, little information was coming across to Pakistan. Lack of information made many Pakistanis suspicious of the exercise. When a senior Pakistani military official specially asked—through the DGMO channel—why the Indian troops were carrying first-and second-line ammunition, the Indian DGMO merely expressed his ignorance about this fact and stated that he did not know that live ammunition was being issued for the exercise.⁶ Instead of restoring confidence, the CBMs had been used to take advantage against each other. Thus, mutual trust had been conspicuously missing. Moreover, these ongoing CBMs have nothing to do with either states' military buildup or strategic postures.⁷

The nuclear debate in India and Pakistan indicates that strategic thinking in both states is strongly committed to use strategic nuclear assets as instruments of retribution in case nuclear deterrence fails between them. They, therefore, may well opt for operational nuclear forces and increase their fissile material stockpiles. The mating of nuclear warheads with delivery systems and placing them on hair-trigger alert would increase the chances of accidental, unauthorized or inadvertent nuclear use. Therefore, the subject—nuclear risks in South Asia—has attracted great attention from strategic analysts. For example, US officials and American media have called South Asia the most dangerous place on earth. Deputy Secretary of State, Richard Armitage, told reporters on 11 October 2001 that Kashmir “is the most dangerous place in the world.”⁸ Raju G.C. Thomas argued, “The periodic warnings by the West

⁵ Kanti P. Bajpai, P.R. Chari, Pervaiz Iqbal Cheema, Stephen P. Cohen, and Sumit Ganguly, *Brasstacks and Beyond: Perceptions and Management of Crisis in South Asia* (New Delhi: Manohar, 1995), p. ix.

⁶ *Ibid.*, pp. 54-55.

⁷ On 13 June and 4 July 2004, India successfully test-fired its Brahmoose and Agni missile, respectively. Before India's ballistic missile and cruise missile tests, Pakistan successfully test-fired Hatf V, Ghauri-1 ballistic missile—for the second time in a week on 4 June 2004. Moreover there was an upward spiral in the defence spending allocations in both states' 2004-05 budgets. India's budget for 2004-05 proposed an allocation of Rs770 billion for defense sector against the revised budget allocation of Rs603 billion during the fiscal 2003-04, denoting a massive increase of 18 to 23 per cent or according to some estimates 27.69 per cent. See “Pakistan terms raise unusual: Indian defense budget” *Dawn*, 9 July 2004. See also “India's defense allocation”, *Dawn*, 11 July 2004.

⁸ “Kashmir Most Dangerous Place: US”, *The Times of India*, 12 October 2001.

that India and Pakistan are on the brink of nuclear war may compound the dangers of nuclear war and become a self-fulfilling prophecy.”⁹

Whether a nuclearized South Asia is the most dangerous place on earth is a debatable argument. The works of McGeorge Bundy and Kenneth Waltz suggest that nuclear weapons ensure greater peace in conflict-ridden regions.¹⁰ But one cannot underestimate the risks of nuclear catastrophe due to escalation from freedom movement in Indian held Kashmir to conventional war and to nuclear exchanges.¹¹ In addition, loose nuke or fissile materials falling into the wrong hands, problems of command and control structures, etc pose severe challenges to South Asian security.

India and Pakistan in particular and South Asia in general, are exposed to nuclear Armageddon and nuclear terrorism. Who is to blame for the continued tensions between the two neighbours? There is enough literature available on this issue. Moreover, scholars have written a lot on the causes of South Asian nuclearization. But the immediate question is as to how the nuclear risks are avoided? What are the nuclear risks preventive approaches? These questions do attract the attention of many strategic analysts. The available literature indicates that they are debating and emphasizing on nuclear weapons competition, nuclear doctrines, and the horrendous consequences of the failure of nuclear deterrence between India and Pakistan. There are some interesting studies, which recommend a few strategies for addressing this problem.

The following study is an attempt to illustrate Nuclear Risk Preventive Approaches in an Adversarial Indo-Pakistan Scenario. The Preventive Approaches are categorized into four parts and each part supplements one another. The first part analyzes the unilateral undertakings, which are primary barriers against the nuclear-related risks. The second part focuses on the nuclear risk reduction measures, which require close collaboration for reducing the security dilemma in the subcontinent. The third and fourth sections carefully assess the positive impact of the participatory role of the regional and international communities in the nuclear risk preventive setup between India and Pakistan.

⁹ Raju G.C. Thomas, “Whither Nuclear India?” in D. R. Sar Desai and Raju G. C. Thomas, *Nuclear India in the Twenty-First Century* (New York: Palgrave-Macmillan, 2002), pp. 4-5.

¹⁰ McGeorge Bundy, *Danger and Survival: Choices About the Bomb in the First Fifty Years* (New York: Random House, 1988). Kenneth N. Waltz, “The Spread of Nuclear Weapons: More May Be Better”, *Adelphi Paper*, No. 171 (London: International Institute for Strategic Studies, 1981).

¹¹ On a number of occasions the Delhi government had adopted coercive diplomacy against Pakistan. It threatened Pakistan that it could adopt hot-pursuit (and later on a pre-emptive strike) tactics against Pakistan for countering the freedom movement in the Indian held Kashmir.

Preventive Approaches

Safeguarding nuclear arsenals is a major task for all the NWS in general, and those which possess the largest number of weapons and a huge amount of nuclear radioactive material, in particular. Nuclear material's smuggling history reveals that a great deal of nuclear material, equipment, and component for nuclear weapons programmes have been, and are being, smuggled from the United States and Russian Federation in the past. An early example of the illicit acquisition of nuclear material was the smuggling of enriched uranium to Israel between 1962 and 1965. About 100 kilograms of highly enriched uranium disappeared from a factory in Apollo, Pennsylvania, owned by the Nuclear Materials and Equipment Corporation.¹² Moreover, in January 2003, Japanese officials admitted that their pilot plutonium reprocessing plant at Tokai-mura "lost" 206 kilograms of weapons-usable plutonium (roughly 40 crude bombs worth) over the previous 15 years.¹³ Where this material might have gone? The British, meanwhile, have experienced similar losses at their plutonium reprocessing plant at Sellafield. There, 19 kilograms of separated plutonium went missing in 2003, and another 30 kilograms of separated plutonium were unaccounted for in 2004.¹⁴

In the aftermath of 11 September 2001, there has been a spate of news reports, which suggest the existence of a far more active nuclear black market. The resurgence in nuclear trafficking enhanced the efficacy of nuclear risk preventive approaches in an adversarial Indo-Pak scenario. Though as part of a well-considered nuclear policy, India and Pakistan have implemented stringent measures to ensure that their nuclear weapons are not used, either intentionally or by accident, except under properly authorized circumstances. Consequently, not a single nuclear related accident has happened in Pakistan's nuclear installations, till the writing of these lines. Nevertheless, the series of revelations confirmed that a few Pakistani scientists, including Dr Abdul Qadeer Khan, were guilty of nuclear weapons related technologies' trafficking.¹⁵ The record of Indian nuclear industry also reveals incidents of

¹² Frank Barnaby, *The Role and Control of Weapons in the 1990s* (New York: Routledge, 1992), p. 64.

¹³ These reported losses were in addition to the 70 kilograms of plutonium Japan previously conceded remained unaccounted for at a plutonium-based fuel fabrication plant it was operating. Henry Sokolski, "After Iran: Back to the Basics on "Peaceful" Nuclear Energy", *Arms Control Today*, April 2005.

¹⁴ Ibid.

¹⁵ In November 2003, Moammar Gadhafi's decided to renounce Libya's weapons of mass destruction programme and opened his country's weapons laboratories to international inspection. The Libyan government gave a package of documents to the U.S. officials. Experts from the United States, Britain and the International Atomic Energy Agency analyzed the documents. These experts concluded that bomb designs and other papers turned over by Libya had yielded evidence of Pakistani-led trading network in transferring nuclear know-how to Libya. Moreover,

accidents and trafficking. These nuclear trafficking incidents could be avoided by taking adequate measures, such as the government of Pakistan initiated debriefing programme of its scientists. It did not spare any person, who was at any time associated with the nuclear programme of Pakistan.

On 28 April 2004, in its 4956th meeting the UN Security Council adopted a non-proliferation resolution by which it decided that all States would refrain from supporting by any means non-state actors that attempt to acquire, use or transfer nuclear, chemical or biological weapons and their delivery systems. The Council according to the unanimously adopted resolution 1540 (2004) under Chapter VII of the UN Charter, also decided that all States would establish domestic controls to prevent the proliferation of such weapons and means of delivery, in particular for terrorists' purposes, including by establishing appropriate controls over the related material and adopt legislative measures in that respect. In response to it, Pakistan Parliament legislated the Export Control on Goods, Technologies, Material and Equipment related to Nuclear and Biological Weapons and their Delivery Systems Act, 2004—in September 2004. The purpose of this Act is to further strengthen controls on export of sensitive technologies particularly related to nuclear and biological weapons and their means of delivery. Salient elements of the Export Control Act include:

- a) Controls over export, re-export, transshipment and transit of goods, technologies, material and equipment, including prohibition of diversion of controlled goods and technologies;
- b) Wide jurisdiction (also includes Pakistanis visiting or working abroad);
- c) Envisages an authority to administer rules and regulations framed under this legislation which also provides for the establishment of an Oversight Board to monitor the implementation of this legislation;
- d) Comprehensive control lists and catch all provisions;
- e) Penal provisions: up to 14 years imprisonment and Rs. 5 million fine or both, and on conviction offender's property and assets, wherever they may be, shall be forfeited to the Federal Government.

The prevalent nuclear risk avoiding arrangements by India and Pakistan seem adequate. But the nuclear risk's problem is dynamic and the nuclear risk avoiding mechanism requires continuous up-gradation. Therefore,

on 20 February 2004, Malaysian police reported that the former head of Pakistan's nuclear programme, Dr Abdul Qadeer Khan, sent enriched uranium to Libya in 2001 and sold nuclear centrifuge parts to Iran in the mid-1990s. "Malaysian police report implicates Dr A.Q. Khan", *Dawn*, 21 February 2004. See also, Thalif Deen, "New US plans for nukes hypocritical, say experts", *Dawn*, 13 February 2004.

Delhi and Islamabad need reform and improvement in their nuclear related arrangement in order to meet the new challenges and threats. Moreover, they have to improve the security of warhead transportation and storage sites, as well as develop a modern accounting and warhead-tracking system. In this regard, certainly, India and Pakistan need assistance from the developed world.

National Preventive Approaches

The National Preventive Approaches are the main barriers against the nuclear capability mismanagement or risks. They collectively ensure the safety and security of nuclear capabilities of the State. The following discussion prescribes those approaches, which India and Pakistan ought to take unilaterally. Their unilateral initiatives would effectively do away with many nuclear risks.

National Command Authorities: Institutionalization

The establishment of a credible command and control systems is an important element of nuclear risk reduction. On 2 February 2000 Pakistan announced its National Command Authority (NCA). The NCA comprises Employment Control Committee, Development Control Committee and Strategic Plans Division.¹⁶ The Chairman and Vice Chairman of the NCA are the head of the state and head of the government, respectively. The Strategic Plans Division is the secretariat of NCA. The apex Employment Control Committee would be chaired by the head of state and include the head of the government, i.e. Prime Minister (vice-chairman), minister of foreign affairs (Deputy Chairman), and other members are minister of defense, minister of interior, Chairman of Joint Chiefs of Staff Committee (CJCS), services chiefs, Director-General of Strategic Plans Division and technical advisers and others, as required by the Chairman.¹⁷ The Development Control Committee's Chairman is head of the state, Vice Chairman is head of the Government and Deputy Chairman is CJCS. The members are services chiefs, head of concerned strategic organizations i.e. scientists and Director General Strategic Plans Division as a secretary. On January 6, 2003, the NCA headed by President General Pervez

¹⁶ As the names suggest the Development Control Committee deals specifically with the planning and development of nuclear forces, while the employment Control Committee deals with what can be defined broadly as "nuclear strategy" including targeting policy and the conduct of nuclear operations. The Strategic Plans Division is a secretariat of the NCA.

¹⁷ According to the 2 February 2000 announcement the Chief Executive (head of the government) would chair the apex Employment Control Committee, and minister of foreign affairs was the deputy chairman. See "National Command Authority formed", *Dawn*, 3 February 2000.

Notably, in the beginning of 2003, the NCA was chaired by the head of the state-President Pervez Musharraf instead of the head of government-Prime Minister Mir Zafarullah Jamali. According to the new NCA arrangement the Prime Minister is Vice Chairman.

Musharraf announced that an "unanimous decision" would be taken for using nuclear weapons. It was made clear that no individual, including the president of Pakistan, is authorized to use nuclear weapons.¹⁸ This arrangement thwarts the possibility of any irrational decision by an individual.

On 4 January 2003 India publicly announced a formal nuclear command structure under civilian control.¹⁹ This made public a set of political principles and administrative arrangements to manage its arsenal of atomic weapons. Although the broad outline of India's nuclear doctrine was already known, the nature and chain of its command and control over the nuclear weapons had remained unclear. The Indian Cabinet Committee on Security (CCS), however, did not announce all. Missing from its statement is the actual composition of the NCA at its political and executive levels.

The CCS also mentioned that it had reviewed and approved the arrangements for alternate chains of command for retaliatory nuclear strikes in all eventualities. This is a reference to a situation in which the prime minister may be incapacitated during a crisis. But the CCS did not reveal how the power to press the nuclear button would move down to the political chain in the event of such a contingency.

Importantly, the acute problem—technological backwardness—exists in the process of succession within the command authority. India and Pakistan lack the ability to install uninterruptible communications channels between different levels of succession. The need is that both states should rectify these drawbacks in their command structures. In addition, the negative statements by the Indian and Pakistani leadership must be avoided, because such statements escalate bilateral crises and constitute a form of verbal brinkmanship. This poses a serious challenge to the deterrence stability between India and Pakistan.

Finalization and Declaration of Nuclear Doctrines

On 17 August 1999 an officially constituted advisory panel of the Indian National Security Council released India's draft nuclear doctrine.²⁰ Significantly, the approval from the Indian parliament is awaited while Pakistan's nuclear doctrine has yet to be announced. Admittedly, some of the

¹⁸ "NCA to decide on use of N-weapons", *Dawn*, (Islamabad) January 7, 2003.

¹⁹ C. Raja Mohan, "Nuclear Command Authority comes into being", *The Hindu*, January 5, 2003. <<http://www.thehindu.com/stories/2003010504810100.htm>>, Josy Joseph, "India sets up Strategic Forces Command", *Rediff. Com*, January 4, 2003, <http://www.rediff.com/news/2003/jan/04nuke1.htm> and see Kerry Boyd, "India Establishes Formal Nuclear Command Structure", *Arms Control Today*, January/ February 2003.

²⁰ Text of the Draft Report of National Security Advisory Board on Indian Nuclear Doctrine, announced on 17 August 1999 (New Delhi: Government of India, August 17, 1999).

salient features Pakistani nuclear doctrines are known.²¹ But these known features do not serve the real purpose, i.e. understanding the nuclear policy of India and Pakistan. In simple terms these arrangements do serve some purposes, but they are insufficient for sustainable and durable nuclear stability in the region. Therefore, it's imperative that both India and Pakistan should make clearer declarations, linking their doctrines to realistic and rational strategic objectives.

Personnel Reliability Programme

Nuclear weapons shall not be subject to loss, theft, sabotage, unauthorized use, unauthorized destruction, unauthorized disablement, jettison, or accidental damage. Therefore, only those personnel who qualified personnel reliability programme (PRP) would be allowed to perform duties associated with nuclear weapons, and they shall be continuously evaluated for adherence to PRP standards. In addition, procedural controls, such as the two-man rule (no single employee is left alone in a sensitive area), decrease the chances of nuclear mishaps. Scott D. Sagan wrote, "individual military officers certainly have become mentally unstable; but psychological testing under the military's PRP and the two-man rule system (under which two people are required to be involved in all nuclear weapons operations) are designed to ensure that no unstable individual could ever gain control of a US nuclear weapon."²² The important qualification standards of PRP are the following:

1. Physical competence, mental alertness and technical proficiency commensurate with duty requirements.
2. Evidence of dependability in accepting responsibilities and effectively performing in an approved manner; flexibility in adjusting to changes in the working environment.
3. Evidence of good social adjustment, emotional stability, and ability to exercise sound judgment in meeting adverse or emergency situations.
4. Positive attitude towards nuclear weapon duty.

Any of the following traits or conduct should be grounds for the disqualification or decertification of individuals from the PRP standards:

1. Alcohol Abuse—individual(s) diagnosed as alcohol-dependent.
2. Drug Abuse.

²¹ For details regarding India and Pakistan nuclear doctrines features see Zafar Nawaz Jaspal, "Assessment of Indian and Pakistani Nuclear Doctrines", in Pervaiz Iqbal Cheema and Imtiaz H. Bokhari, eds., *Arms Race and Nuclear Developments in South Asia* (Islamabad: Asia Printers, 2004).

²² Scott D. Sagan, *The Limits of Safety: Organizations, Accidents, and Nuclear Weapons* (Princeton: Princeton University Press, 1993), p. 250.

3. Any individual found to have been involved in the unauthorized trafficking, cultivating, processing, manufacturing, or sale of any narcotic or dangerous drug, shall render an individual ineligible for PRP duties.

Importantly, India and Pakistan's armed forces employ a rigorous clearance procedure and the officers who are appointed at sensitive posts require medical clearance to prove that they have no psychiatric problems. These procedures remove the risk of unstable civilian or military officers getting control of a nuclear weapon. However, the Western analysts expressed their reservations about the PRP arrangements of India and Pakistan. It is important, therefore, that India and Pakistan improve their PRP standards, by rectifying the drawbacks, which had been pointed out by neutral observers.

Check on the Employees

Without the assistance of the employee(s) of nuclear facilities, theft of nuclear material from the facilities is very difficult. The nuclear trafficking in the former Soviet Union reveals the involvement of the employees in the theft cases. In 1992, for example, an employee of the facility stole approximately 1.5 kilogram of highly enriched uranium from the Luch Scientific Production Association in Podolsk, Russia.²³ William C. Potter and Elena Sokova wrote: "...sources of material for the ten cases in 1992-1995 varied from nuclear submarines fuel storage sites to research institutes to fuel fabrications facilities. In the majority of cases, the material was stolen by an employee of the facility acting alone and motivated by dire economic circumstances."²⁴

New Delhi and Islamabad must take precautionary measures to avoid or disrupt the nexus between the employees of nuclear facilities/research institutes and organized criminal groups—more inclined today to accept the risk of nuclear trafficking because of the promise of financial gain. Since last year, the Government of Pakistan has started scientists' debriefing programme. Despite public opposition, the government is continuing the process of debriefing. This would prevent the nuclear scientific community in Pakistan from transferring nuclear weapons' know how to other potential nuclear proliferates. Similar programme is missing in India. Therefore, it seems essential that the Indians would take appropriate measures in this regard.

Transparency Mechanism: Maintenance of Data

India and Pakistan should maintain a nuclear weapons register in addition to the one maintained by International Atomic Energy Agency. The register

²³ William C. Potter and Elena Sokova, "Illicit Nuclear Trafficking in the NIS: What's New? What's True?", *The Nonproliferation Review*, Vol. 9, No. 2 Summer 2002, p. 113.

²⁴ *Ibid.*

would deter the employees' involvement in theft incidents. The nuclear weapons register maintains the following data/information:

- Weapons holdings.
- Nuclear weapons storage sites and facilities.
- Military stocks of fissile material.

Though no country in the prevalent international environment would voluntarily share information regarding its defensive infrastructure with the other nations, yet countries do share information regarding their weapons on a reciprocal basis. The data maintenance record would be used for extending bilateral transparency and confidence-building mechanisms related to nuclear weapons and fissile material holdings between India and Pakistan. Admittedly, there is a serious reservation regarding the credibility of sharing data between the adversaries. The encouraging factor in this context is the 1991 Agreement on the non-attack of nuclear facilities. By virtue of the Agreement both sides exchange lists of nuclear facilities on the first business day of each year.

Radiation Surveillance Mechanism

A few nuclear facilities in India and Pakistan are located close to populated areas.²⁵ The location of the nuclear facilities in close proximity to populated areas is a major risk factor, exposing the public to the dangers of radiation. The nuclear disasters such as the one at Chernobyl in former Soviet Union manifest the need for a strict radiation surveillance mechanism. Regrettably, radiation surveillance mechanism is missing in both India and Pakistan. It was reported in the press that the government of Pakistan had planned to set up a project worth of Rs160 million for establishing monitoring mechanism under the aegis of the Pakistan Atomic Energy Commission to minimize the threat of radiation leaks and nuclear terror in the country.²⁶ This would definitely, enhance radiological surveillance at the national level. To be precise, it would fill the gap created by the absence of an early warning system that can keep tabs on radiation leaks from the country's nuclear facilities and also help contain the damage resulting from a nuclear accident. Similar arrangements ought to be institutionalized in India.

Establishing trained Units to Deal with Nuclear Smuggling

The theft and smuggling of nuclear weapons or their essential ingredients to terrorist organizations is an important risk. Well-organized terrorist groups could potentially make at least a crude nuclear bomb if they could get enough of the necessary plutonium or highly enriched uranium (HEU). The amount of

²⁵ In Pakistan, for example, Kanupp is located near Karachi and the KRL near Rawalpindi/Islamabad.

²⁶ "Nuclear surveillance system", *Dawn*, (Islamabad) 6 July 2004.

material needed for a bomb is small—4 kilograms of plutonium, an amount smaller than a soda can—and about three times that amount of HEU is potentially enough for a nuclear weapon.²⁷

Both India and Pakistan, therefore, should have at least a small unit of law enforcement officers capable of investigating nuclear smuggling cases. These officers would have the training and equipment to distinguish between, for example, intensely radioactive cesium and weapon-usable plutonium, or between relatively innocuous low enriched uranium and weapon usable highly enriched uranium.²⁸

Bilateral Preventive Approaches

Like National Preventive Approaches, which require unilateral undertakings, the Bilateral Preventive Approaches that need close collaboration, are viewed as an important mechanism for the process of nuclear risk reduction. It is because unilateral steps are widely viewed as essential, but insufficient. India and Pakistan, therefore, would sincerely engage in cooperative arrangements to build trust, control their nuclear competition and reduce the security dilemma. The current developments in the Indo- Pakistan relations indicate that the environment is suitable for practicability of the Bilateral Preventive Approaches. As it was mentioned earlier, that peace process has been started between India and Pakistan and the first round of talks on NCBMs held in New Delhi. The talks were held in accordance with the agreement reached between the foreign secretaries of India and Pakistan on 18 February 2004. The officials of both states discussed both pending issues and new developments in the subcontinent's strategic environment on 19 and 20 June 2004.

The New Delhi talks have manifested that Prime Minister Dr Manmohan Singh government would carry on the peace process between India and Pakistan, which was initiated by former Prime Minister A P Vajpayee's government. The outcome of 19-20 June 2004 talks was encouraging. It would play a vital role in establishing strategic stability in the region. On 19 June 2004 after the first round of discussion in Delhi, officials of both India and Pakistan expressed optimism about the outcome of the talks. They said the talks were cordial and constructive, adding that they were looking to advance the peace process. A joint statement issued after the first round of talks stated that they "identified areas of convergence." It added that "they also exchanged views on their respective security concepts and nuclear

²⁷ Matthew Bunn, "A Detailed Analysis of Urgently Needed New Steps to Control Warheads and Fissile Material", in Joseph Cirincione, ed., *Repairing The Regime: Preventing The Spread of Weapons of Mass Destruction* (New York: Routledge, 2000), p. 74.

²⁸ Ibid. pp. 103, 104

doctrines, and agreed to elaborate and work towards the confidence-building measures.”²⁹

On 20 June 2004, second round of discussion took place between India and Pakistan. The officials of India and Pakistan discussed/agreed on the following issues:

1. A dedicated and secure hotline would be established between the two foreign secretaries, through their respective Foreign Offices to prevent misunderstanding and reduce risks relevant to nuclear issues.
2. They decided to work towards concluding an agreement with technical parameters on pre-notification of flight-testing of missiles, a draft of which was handed over by the Indian side.
3. Each side reaffirmed its unilateral moratorium on conducting further nuclear explosions unless, in exercise of national sovereignty, it decides that extraordinary events have jeopardized its supreme interests.
4. They would continue to engage in bilateral discussions and hold further meetings to work towards implementation of the Lahore Memorandum of Understanding of 1999 reached between the then Prime Ministers Atal Bihari Vajpayee and Nawaz Sharif.
5. They would continue to engage in bilateral consultations on security and non-proliferation issues within the context of negotiations on these issues in multilateral fora.
6. They recognized that the nuclear capabilities of each other, which are based on their national security imperatives, constitute a factor for stability.
7. They would be committed to national measures to reduce the risks of accidental or unauthorized use of nuclear weapons under their respective controls and to adopt bilateral notification measures and mechanisms to prevent misunderstanding and misinterpretations.
8. They declared that they would be committed for working towards strategic stability and reiterated that they were conscious of their obligation to their peoples and the international community.

²⁹ “India-Pakistan push for security”, *BBC News*, 19 June 2004, <http://news.bbc.co.uk/2/hi/south_asia/3821121.stm>, accessed on 19 June 2004.

But the durability of strategic stability between India and Pakistan demands more bold CBMs between the antagonist neighbours. The following discussion would indicate the possible areas where the bilateral cooperation is essential and possible.

Implementation of Lahore Memorandum of Understanding

In February 1999, during the Lahore Summit the Memorandum of Understanding (MoU) was signed by Indian Foreign Secretary K. Raghunath and Pakistani Foreign Secretary Shamshad Ahmad. According to the MoU, both India and Pakistan had approved confidence-building measures for improving their security environment. Seven of the eight points enlisted in the MoU directly addressed nuclear reduction for the first time. The issues decided upon were:

1. The two sides shall engage in bilateral consultations on security concepts, and nuclear doctrines, with a view to developing measures for confidence building in the nuclear and conventional fields, aimed at avoidance of conflict.
2. The two sides would undertake to provide each other with advance notification in respect of ballistic missile flight tests, and shall conclude a bilateral agreement in this regard.
3. Both are fully committed to undertake national measures to reduce the risk of accidental or unauthorized use of nuclear weapons under their respective control. The two sides further undertake to notify each other immediately in the event of any accidental, unauthorized or unexplained incident that could create the risk of fallout with adverse consequences for both sides, or an outbreak of nuclear war between the two countries, as well as to adopt measures aimed at diminishing the possibility of such actions, or such incidents being misinterpreted by the other. The two sides shall identify/establish appropriate communication mechanism for this purpose.
4. The two sides shall continue to abide by their respective unilateral moratorium on conducting further nuclear test explosions unless either side, in exercise of its national sovereignty, decides that extraordinary events have jeopardized its supreme interests.
5. The two sides shall conclude an agreement on prevention of incidents at sea in order to ensure safety of navigation by naval vessels, and aircraft belonging to the two sides.
6. The two sides shall periodically review the implementation of existing CBMs and where necessary, set up appropriate consultative mechanism to monitor and ensure effective implementation of these CBMs.

7. The two sides shall undertake a review of the existing communication links (e.g. between the respective Directors-General, Military Operations with a view to upgrading and improving these links, and to provide for fail-safe and secure communications.)
8. The two sides shall engage in bilateral consultations on security, disarmament and non-proliferation issues within the context of negotiations on these issues in multilateral fora.³⁰

The technical details of these measures were to be worked out by experts of the two sides before mid 1999, with a view to reaching bilateral agreements, however it never moved beyond the signing ceremony. In fact, the Kargil Conflict undermined the process of NCBMs, which was initiated in the post May 1998 nuclear weapon tests. The official dialogue process between the belligerent neighbors would be revived and the measures listed in the MOU could be pursued, sincerely.

In the June 2004 New Delhi agreement both sides agreed that they would continue to engage in bilateral discussions and hold further meetings to work towards implementation of the Lahore Memorandum of Understanding of 1999 reached between then Prime Ministers Atal Bihari Vajpayee and Nawaz Sharif. Simple agreeing isn't enough. Therefore, both sides need to implement it as soon as possible.

Increase the Strategic Warning Time: Bilateral Agreement

The "Strategic Warning Time" term denotes the time interval between the emergence of a nuclear threat and one's ability to respond to it. So far the world has sought to bring it as close to zero as possible. In India-Pakistan case we need to fix it to a reasonable interval, say forty minutes, so that a

³⁰ "Text of document signed at Lahore" *Dawn*, 22 February 1999. Text of the Lahore Declaration, 21 February 1999. <<http://www.ipcs.org/documents/1999/1-jan-mar.htm>> See also Chris Gagne, "Nuclear Risk Reduction in South Asia: Building on Common Ground", in Michael Krepon and Chris Gagne, eds., *The Stability-Instability Paradox: Nuclear Weapons and Brinkmanship in South Asia*, Report No. 38 (Washington, DC: The Henry L. Stimson Center, June 2001), p. 52.

The MoU signed in Lahore was the result of nine months long parallel diplomatic dialogue facilitated by the US, which brought the two sides to the negotiating table. The US initiative primarily was to encourage India and Pakistan into taking five steps to help avoid a destabilizing nuclear and missile competition, reduce regional tension and bolster global non-proliferation. The main contours of the Talbott Mission broadly were: a) Declaring a voluntary moratorium on further testing. b) Further refrain from producing more fissile material. c) Observing a restraint in the development and deployment of missiles and aircraft capable of carrying weapons of mass destruction. d) Tightening export control on sensitive material and technology. e) Finally to engage in a direct, high-level frequent and above all a productive dialogue.

potentially disastrous situation can be defused through dialogue. For that, time is essential. This solution will imply putting a physical distance between the delivery vehicle and the warhead.³¹ Both states would place de-alerted warheads in storage sites at some distance from their launch vehicles. They would also allow placing the neutral observers at those sites, with authority only to count what went in and what went out. The increase in warning time, certainly, reduced likelihood of preemption success.

Non-deployment of Nuclear Weapons: Bilateral Agreement

The non-weaponized deterrence regime between India and Pakistan is transformed into a weaponized regime after their nuclear tests and both states' policies of weaponization. India and Pakistan had commissioned their short and intermediate range nuclear capable ballistic missiles to their armed forces. The deployment of ballistic missiles would pose severe consequential security risks given the relatively short distances between major population centres in India and Pakistan and the brief time required for missiles to travel such distances, i.e. three to eleven minutes.³²

The deployment of nuclear weapons compresses decision-making cycles for national leaders and battlefield commanders, reducing stability during times of crisis. Moreover, operational capabilities would create a hair trigger situation that would put societies under an acute psychological strain. Moreover, in an era of potential nuclear terrorism, the theft of a nuclear weapon from a storage site could spell an eventual disaster for a city, but the seizure of a strategic missile or group of missiles ready for immediate firing could be apocalyptic for entire nations.³³

Therefore, the non-deployment of nuclear weapons by India and Pakistan would be an effective strategy to avoid one of the biggest terrorist threats—which stem largely from the extremely high launch-readiness of tactical and strategic missiles. To be precise, it is critically important that India and Pakistan avoid going further down the nuclear road as a buildup of operational capabilities.³⁴ For achieving this objective they must sign a non-deployment of nuclear weapons agreement.

³¹ Shaukat Qadir, "Nuclear South Asia: reducing risks", *Daily Times*, 11 May 2002. <<http://www.dailytimes.com.pk/default.asp?date=5/11/02>>

³² Pakistan's geographical narrowness or lack of strategic depth and the Indians' commitment to introduce more sophisticated nuclear capable delivery systems, like cruise missile, and ballistic missile defense systems undermine Pakistan's security. Consequently, limit its choices during a crisis.

³³ Dr Bruce G Blair, "The new nuclear threat", *Daily Times*, 5 May 2003.

³⁴ India's declared China-specific nuclear deterrent compels it to deploy her nuclear capable missiles or operationalize its nuclear capabilities. But many analysts, for example Nazir Kamal believe that "India does not need to nuclearize against China. China has a no-first-use policy and a conventional conflict between them, as in the past, is most likely to be limited in scope, both geographically and politically. They

Nuclear Risk Reduction Centres

Communication systems form a necessary backbone for threat-reduction and monitoring. Kent L. Biringger argues that “the process of managing missile possession in tense regions demands a reliable, secure, dedicated, and timely communications infrastructure.”³⁵ The most important agreement in June 2004 Delhi talks was the establishment of a hot line to counter accidental use of nuclear weapons. Indian foreign ministry spokesman Navtej Sarna said the hotline would alert Indian and Pakistani officials of potential nuclear threats or accidents. Admittedly, a hot line establishment would be a positive development but it could not serve the purpose in totality. Therefore, it seemed important that New Delhi and Islamabad instead of relying on the hot line mechanism, they would establish Nuclear Risk Reduction Centres (NRRCs) in their capitals and to establish a special facsimile communications link between these Centres. Michael Krepon wrote “...key element in Cold War nuclear risk reduction was the establishment of reliable lines of communication across borders, for both political and military leaders.”³⁶ The Centres are intended to supplement existing means of communication and provide direct, reliable, high-speed systems for the transmission of notifications and communications at the government-to-government level.

The Centres communicate by direct satellite links that can rapidly transmit full texts and graphics. In addition, NRRC could be manned by mixed groups of officials from both sides to defuse crises before they erupt. In this respect, the Centers have a communications capability very similar to—but separate from—the modernized “hot line” which is reserved for heads of government.

The NRRCs would serve an effective, exclusive and a dedicated technical means of official communication for exchanging rapid, accurate and factual information. This could help prevent misperception or unintended reactions that could lead to accidental or inadvertent escalation. The second element of NRRCs may be a verification mechanism, which could prove essential in building trust. It may include observers or inspectors to physically verify the authenticity of intelligence when there is doubt. Certainly, it could set a positive precedent by incorporating transparency and verification

are also well matched along the Himalayan frontiers. Furthermore, the danger of conflict between them is much lower than between India and Pakistan, as they have moved toward a significant reduction of border tension over the past decade.” See Nazir Kamal, “Pakistani Perceptions and Prospects of Reducing the Nuclear Danger in South Asia”, *Cooperative Monitoring Center Occasional Paper/ 6* (US: Sandia National Laboratories, January 1991).

³⁵ Kent L. Biringger, “Missile Threat Reduction and Monitoring in South Asia”, in Michael Krepon and Chris Gagne, eds., *Op. Cit.*, p. 68.

³⁶ Michael Krepon, “Nuclear Risk Reduction: Is Cold War Experience Applicable to Southern Asia: in Michael Krepon and Chris Gagne, eds., *Op. Cit.*, p. 6.

measures into military procedures. Consequently, it could serve to build trust and confidence between the two sides.³⁷

Force Limitation Zone Mutual Agreement

The nuclear danger could also be reduced through conventional stability. It is because; the strategic experts have a consensus that a nuclear weapons use between India and Pakistan would be the cause of an escalation of conventional conflict. A force limitation zone along the border would lower armament levels in forward positions and eliminate the threat of surprise attack, thereby greatly reducing the danger of miscalculation.³⁸ Significantly, an agreement exists in the India-Pakistan context prohibiting military aircraft from flying within specified distances of the border, which is generally being observed.

Mutual Ban on Nuclear Exercises

When states conduct their nuclear related military exercises, it gives an impression that they would be making operational their nuclear capabilities. During the summer 2001 Indian military exercise *Poorna Vijay* (complete victory) aroused many questions among the Pakistani policy makers. In fact the official stated purpose of the exercise was to evaluate concepts and practice battle procedures during offensive and defensive operations on the future battlefield, with a nuclear backdrop.

Islamabad was of the view that the exercise was an attempt by India to legitimize conventional war waged under a nuclear umbrella. Therefore, in July 2002, Pakistan conducted a joint weeklong war game. One of the important objectives of the war game was to enhance joint planning and to explore ways to increase Pakistan's tactical planning capabilities, especially its nuclear deterrence. Importantly, the Strategic Plans Directorate (SPD) also participated in the nuclear related war games.³⁹ This indicates that in the war game Pakistan brought nuclear factor into the practical consideration.

The nuclear related military exercises by India and Pakistan further endanger the regional strategic environment. These exercises do not only increase the importance of nuclear weapons in the military calculations of both states, but also promote a spiral of competition that usually manifests itself in an arms race that, ultimately, leads to war. It is because, these exercises increase misperceptions and mistrust. Therefore, such nuclear related military

³⁷ Colonel Rafi uz Zaman Khan, "Pakistan and India: Can NRRCs Help Strengthen Peace?" *Occasional Paper No. 49* (Washington DC: The Henry L. Stimson Center, December 2002).
< <http://www.stimson.org/southasia/pdf/nrrcsouthasia.pdf>>.

³⁸ Nazir Kamal, op. cit.

³⁹ Dr. Ayesha Siddiqa-Aga, "War-gaming in a nuclear environment", *The Friday Times*, 26 July –1 August 1, 2002. < <http://www.thefridaytimes.com/news6a.htm>. >

exercises ought to be avoided. In this context, the already existing India-Pakistan agreement for restriction on certain military exercises should be updated.

Bilateral Tactical Nuclear Weapons Ban Agreement

The definition of “tactical,” or “sub strategic” nuclear weapons is somewhat tenuous and can include many criteria, such as range, yield, target, national ownership, delivery vehicle and capability. In simple terms, tactical nuclear weapons have smaller explosive power and limited blast damage radii measured in hundreds of meters, cause relatively low levels of casualties than strategic nuclear weapons. The tactical nuclear weapons are intended for “battlefield” use against enemy forces, rather than against enemy cities or strategic nuclear forces. Tactical nuclear weapons include a broad array of devices, from so-called nuclear landmines and nuclear artillery shells to air-dropped or missile-launched nuclear warheads. Their yields can be relatively low (0.1 kiloton), equal to those of the bombs dropped on Hiroshima and Nagasaki (15-20 kilotons), or very large (1 megaton).⁴⁰

Neither India nor Pakistan have acknowledged the possession of tactical nuclear weapons, nor have claimed that they would develop them. But there are chances that India and Pakistan could develop and deploy very low yield nuclear weapons in the sub-kiloton or 1-2 kiloton range because of their apparent utility on a battlefield and in compact form could even be fired from artillery guns. It is because, both sides tested small yield nuclear weapons. On 28 May 1998 for example, Pakistan conducted four tests of small/low yield weapons. The collective yield of these four weapons was 4-10 kiloton. India had also demonstrated such a capability through its sub-kiloton tests in May 1998. According to Dr. R. Chidambaram India had developed tactical nuclear weapons.⁴¹

Significantly, if India and Pakistan use tactical nuclear weapons in the battlefield, they have strategic implications. Pakistan’s major industrial and populous cities are near its eastern border. Secondly the use of tactical nuclear weapons increases the possibility of escalation. In 1962, President Kennedy said, “The decision to use any kind of a nuclear weapon, even tactical ones, presents such a risk of getting out of control so quickly...”⁴² The uncertainties associated with the employment of tactical nuclear weapons are simply too

⁴⁰ Alistair Millar, “The Pressing Need for Tactical Nuclear Weapons Control”, *Arms Control Today*, May 2002.

< http://www.armscontrol.org/act/2002_05/millarmay02.asp

⁴¹ Brahma Chellaney, “India’s Nuclear Planning, Force Structure, Doctrine and Arms Control Posture” in Dr. Digumarti Bhaskara Rao, *Nuclear Materials Issue and Concerns*, Vol. 11 (New Delhi: Discovery Publishing House, 2001), p. 997.

⁴² Stansfield Turner, “The Spectre of Nuclear Proliferation”, *Security Dialogue*, Vol. 29(3) (SAGE Publications, 1998), p. 296.

great. Therefore, the tactical nuclear weapons use by India would have strategic implications for Pakistan and vice versa. Moreover, they could lead to the all-out nuclear war.

The smallness of tactical nuclear weapons and their trouble-free portability increases their vulnerability to theft by terrorists. Even in the hands of state militaries, tactical nuclear weapons are more susceptible to unauthorized or accidental use than strategic weapons—they are often deployed near the front line; they are far more sensitive to communication problems under crisis conditions; and they can be fired by a soldier in the field without going through the stringent safety precautions that govern the launch of strategic nuclear weapons. P.R. Chari argued that “War-fighting requires tactical nuclear weapons which could be very destabilizing in the sub-continental scenario.”⁴³

Therefore, it is imperative that India and Pakistan negotiate a bilateral treaty for countering the tactical nuclear weapons threat. Of course such an agreement requires intrusive monitoring and verification. The mistrust between India and Pakistan does not ensure the practicability of such an agreement. But the dividends of an agreement between India and Pakistan disallowing the development and deployment of tactical nuclear weapons are impressive in terms of deterrence stability.

Nuclear Data Exchange Agreement to Reduce the Threat of Nuclear Terrorism

The terrorists’ patterns have fundamentally changed since the last quarter of the twentieth century. Therefore, the new trends are different from the old trends along at least three related dimensions—fewer incidents, greater casualties; the growth of religious terrorism; and nuclear, biological, chemical terrorism. The emerging new trends warn of an increase in lethality and ruthlessness in death and destruction. In the light of these emerging trends in terrorism, the most serious threat to the regional security is that a small portion of India or Pakistan nuclear stockpile would fall into the hands of terrorists’ organizations, which have been involved in terrorists’ activities in South Asia.

India and Pakistan must negotiate data exchange agreement about their respective arsenals and a comprehensive inventory of all nuclear weapons and material in both countries, for reducing the serious threat of nuclear terrorism.

Qualitative Restraint on the Nuclear Weapons

India and Pakistan face a choice between the assured dangers of proliferation or the challenges of disarmament. According to the nuclear pessimists school

⁴³ P. R. Chari, “Nuclear Restraint, Nuclear Risk Reduction, and the Security-Insecurity Paradox in South Asia”, in Michael Krepon and Chris Gagne, ed., *Op. Cit.*, p. 32.

of thought the better choice is to cap, progressive reduction, and complete elimination of nuclear weapons. In reality, it is unrealistic. The international and regional environment and India and Pakistan security needs do not allow them to opt for this better choice. What's possible in the current scenario is that they opt for the strategy of minimum nuclear deterrence keeping in view of the reality of nuclear asymmetry and refrain from developing overkill nuclear capabilities. According to P.R. Chari, "Pakistan needs to accept the fact that India's nuclear capability has to be designed against Pakistan and China, just as India would have to accept that China's nuclear capability must configure to the United States and Russia. Strict parity would be unrealistic in the light of differing security perceptions and seeking this goal could lead to an unrestrained arms race".⁴⁴

India and Pakistan's geo-strategic environment also allows that they can live with the first generation of nuclear weapons. This entails that they do not require further nuclear weapons tests. In addition, minimum nuclear deterrence also permits them to keep fissile material of nuclear weapons limited. Thus, the favourable move is that both India and Pakistan either join the international movement for CTBT and FMCT or they make similar arrangements at the regional level.⁴⁵

Bilateral Agreement on the Monitoring System

The bilateral agreements, of course, need a system of monitoring of nuclear storage areas and nuclear facilities. This indicates that the monitoring system involves the declaration of nuclear storage sites and facilities and permitting monitoring team to inspect them. Technical monitoring of storage areas involves use of a number of sensors to detect activity level in or around the facility. Ground sensors such as seismic, magnetic or acoustic sensors could be used to detect movement around the facility boundary or on access roads leading to the facility. Through these sensors data could be collected and stored on site and sent by radio, satellite, phone, Internet or other communication means to party/parties of the agreement.⁴⁶

Technical monitoring of sensitive facilities involves sensors such as door switches, motion sensors, or electronic seals to detect entry or activity in the facility. The seals would indicate any incident of tampering with containers, monitoring equipment, or portions of the facility that have been closed and sealed. Moreover, the technique about the use of sensor-triggered video

⁴⁴ Ibid, pp. 32-33.

⁴⁵ Both India and Pakistan have declared a moratorium on nuclear tests and have said that a test ban would not impinge on their security, as the tests conducted in May 1998 have given them an assured capability. However, recently it was reported in the newspaper that India had been planning for conducting some more nuclear tests.

⁴⁶ Kent L. Biringier, "Missile Threat Reduction and Monitoring in South Asia", in Michael Krepon and Chris Gagne, eds., *Op. Cit*, p. 73.

systems, which capture a digital image when another sensor is activated, could be used to better characterize any detected interior or exterior event. The video systems are based on periodic recording of video images in nuclear facilities of interest.⁴⁷ Admittedly, both India and Pakistan lack such technologies at this time, but they would develop or procure such technical equipment from the developed world.

Resolving Kashmir Issue

Kashmir is the most important and dangerous dispute between Pakistan and India. Both countries have dominant interests in Kashmir. They have rigid and contradicting approaches regarding solution of the Kashmir problem. Unless there is flexibility in the stances of both states, the solution is impossible. Both India and Pakistan have to acknowledge the fact that war between them is not a solution for the Kashmir dispute. President Musharraf categorically stated in Agra 2001 during Summit and repeated afterwards (at many occasions) that dialogue over the issue between the parties is a pragmatic approach for the resolution of the dispute.

Realistically, the present strategic environment in the subcontinent is quite different from 1948. The concepts and approaches that were operative in late 1940s do not help in the current scenario. Therefore, the Kashmir dispute requires innovative approaches for its solution. We have to take into account the realities and develop new models for the solution. Sticking to past would further deteriorate the relations between India and Pakistan. It seems that the ruling elite in Pakistan is ready to accept a new approach for the settlement of this chronic issue. On 9 June 2004, for example, President Pervez Musharraf stated at the concluding session of a seminar on *Prospects of Peace, Stability and Prosperity in South Asia* in Islamabad, that the time was now ideal for India and Pakistan to resolve all disputes and both sides must be sincere in evolving genuine peace in South Asia. He called for "flexibility and boldness" to find a lasting settlement on Kashmir, which he said was the key issue between the nuclear-armed neighbours.⁴⁸

Settlement of the Kashmir dispute would certainly, dramatically lower the tension between India and Pakistan. It will have a positive impact on the implementation of bilateral agreements between India and Pakistan. Consequently, both states would be in a better situation to cap, reverse and finally eliminate their nuclear weapons programmes. President Pervez Musharraf had expressed a similar desire. In response to a question during an interview broadcast on 4 May 2003 night on television channel ARY, the President said if the Kashmir dispute is resolved and there is peace and security in the region, "South Asia could be denuclearized mutually by India

⁴⁷ Ibid.

⁴⁸ The author was present in the concluding session of the seminar.

and Pakistan.”⁴⁹ To be precise, solution of the Kashmir dispute between India and Pakistan is a prerequisite for a durable and sustainable peace in the region. President Pervez Musharraf reiterated, on 23 March 2005 that CBMs between the two countries would not succeed and would, indeed, lose their credibility if the “core issue” of Kashmir was not settled. During his address at the Pakistan Day parade in Islamabad, he welcomed the trans-LoC bus service, but reiterated that it was not a solution to the Kashmir problem.

Regional Preventive Approaches

The mutual trust and confidence between India and Pakistan, realistically, does not exist and may not exist in the near future. Therefore, there are ample chances that miscalculation due to antagonistic relations and ethnocentric strategic culture would lead to South Asian destruction. The strategic analysts have a consensus that the after-effects of the future total war between India and Pakistan would not be limited to the subcontinent. It could have a regional in particular and international in general perilous backlash. It’s deplorable that currently there is no regional (South Asian) nuclear non-proliferation or risk-avoiding regime in place. Though India had rejected Pakistan’s proposal for creating South Asia as a nuclear weapon free zone, it doesn’t mean that it would oppose all regional nuclear risk avoiding initiatives. Christoph Bertram argued, “As the South Asian experience once again demonstrates, however, the main push to go nuclear lies in regional competition and conflict. Global arms restraint will, therefore, only be effective if underpinned by regional arrangements of cooperation.”⁵⁰

India and Pakistan, certainly, accept or accommodate those regional initiatives, which do not undermine their nuclear deterrence—India against China and Pakistan against India. There are many areas where the non-nuclear weapon states of South Asia could play an impressive role. For instance, monitoring of nuclear facilities, checking and assisting in safeguarding the nuclear facilities, verification of data, nuclear confidence building measures, etc. Importantly, the credibility and working of the bilateral agreements, for example, requires a regional facilitator, who monitors and makes non-biased judgment about the commitment and sincerity of both states with the bilateral agreements. The facilitator must be a group of regional states whose securities have been jeopardized by the overt nuclearization of India and Pakistan. In fact, they have a legitimate interest in avoiding nuclear risks in South Asia. Therefore, it seems appropriate that the South Asian states constitute a

⁴⁹ “Musharraf links nuke-free S Asia to Kashmir solution”, *Daily Times* (Lahore) 3 May 2003.

⁵⁰ Christoph Bertram, “The Future of Deterrence and Non-Proliferation in the Asian Context”, in Jasjit Singh, ed. *Asia’s New Dawn: The Challenges to Peace and Security* (New Delhi: Knowledge World, 2000), p. 180

regional forum/regime for addressing nuclear related risks in South Asia. Admittedly, the success of this regime depends upon the sincerity and commitment of India and Pakistan with the regime. Nevertheless, undermining the legitimate concerns of the South Asian neighbors is not an easy task for both the regional nuclear weapon states.

Nuclear Warheads and Military Fissile Material: The Regional Verification Regime

Agreeing on and setting up an effective regional verification regime is usually a long-term process. This process often starts with confidence building and transparency measures that eventually evolve into more intrusive verification regime. Especially in sensitive areas related to national security, prior experience with declaration and inspection procedures can facilitate the implementation of complex verification arrangements. The favourable precedent in this regard is that in February 1999, during the Lahore summit India and Pakistan agreed in promulgation of mutually agreed confidence-building measures for improving the security environment.⁵¹

Under the regional verification regime both India and Pakistan will have to declare the numbers and locations of their nuclear weapons to the regime secretariat. They will probably also be required to publish a historical account of their nuclear weapons programmes. Notably, the exchange of nuclear information between the two countries has a precedent in the agreement to annually exchange information on the location of nuclear installations as per the 1991 Agreement on the Non-attack of Nuclear Facilities. Under this agreement, India and Pakistan are obliged to exchange lists of nuclear facilities on the first business day of each year. Thus far, lists have been exchanged between each other. Such a "baseline declaration" submitted by both countries would establish the basis from which the level of nuclear weapons proliferation will be monitored. This objective, however, would be only achieved through the repeated process of declarations by both countries and their off-site and on-site monitoring activities.⁵²

⁵¹ See "Text of Document signed at Lahore," *Dawn*, (Islamabad), 22 February 1999. Text of the Lahore Declaration, 21 February 1999.

<<http://www.ipcs.org/documents/1999/1-jan-mar.htm>. >

⁵² Russia and the United States have acquired verification experience during the implementation of the Intermediate-Range Nuclear Forces (INF), Strategic Arms Limitation Talks (SALT), and Strategic Arms Reduction Treaties (START), which limit numbers and types of certain nuclear delivery vehicles and deployed nuclear warheads. Both countries have already agreed in principle on a number of additional measures that would constitute the first steps in implementing transparency and confidence building measures. Oliver Meier, "The Verification of a Nuclear Weapon Free World: Closing the Gaps", *Verification Research, Training and Information Centre*. < <http://www.reachingcriticalwill.org/nwc/mon2oliver.html>>

International Preventive Approach

The Western States led by the US in particular and other major powers in general, pressurized both India and Pakistan that they should cap, roll back and finally eliminate their nuclear weapons capabilities. Among the international community the Americans have been very active and have adopted a carrot and stick policy against India and Pakistan. When incentives had been ineffective, the US had tried to apply sanctions, through denial of financial aid, economic assistance, military cooperation, and technology access. However, these sanctions endanger political relations and are frequently controversial. Sanctions against India and Pakistan did not prevent these countries from developing nuclear weapons and their delivery vehicles. Importantly, the sanctions were lifted in the aftermath of the 11 September attack to support anti-terrorism action in Afghanistan.

The shift in the US policy from sanctions to engagement has provided an opportunity to India and Pakistan that they would receive assistance from the developed world in the field of nuclear know-how, related with nuclear safety and security. The US and other States are in a position to guide and provide technical nuclear-related assistance to India and Pakistan. The Nunn-Lugar "cooperative threat reduction" programme to improve the security of Russia's nuclear materials, technology and expertise can serve as a precedent in addressing nuclear-related security problems in India and Pakistan.

India had signed an agreement with US to receive a dual-use technology and enhancing its non-defense nuclear and space programmes.⁵³ Importantly, the US anti-proliferation laws prohibit transfer of dual use technology to countries that are not party to the NPT. Moreover, nuclear weapon's technology trade is banned under Article 1 of the NPT. Thus, India does not qualify to receive technological assistance from the US in the nuclear field. Nevertheless, one cannot ignore the dual policy of the US in the nuclear sphere. The US efforts to control the international diffusion of nuclear and missiles and other advanced military technologies traditionally have focused on protectionist and punitive measures against countries pursuing military programmes which the United States does not sanction. For example, the US and Israel defense collaboration negate its anti-proliferation laws. This indicates that such a possibility exists. What's the need is that the US export restrictions should be waived to transfer the technologies—vaults, sensors, alarms, tamper-proof seals, closed-circuit cameras and labels needed to protect

⁵³ In the first week of May 2003, India's National Security Adviser Brajesh Mishra made the request during a series of meetings with President George W. Bush and other senior US officials in Washington. Jawed Naqvi, "US maintaining double standard, says Vajpayee: N-weapons technology", *Dawn*, (Islamabad), 12 May 2003.

India and Pakistan's nuclear facilities and materials from thefts, accidents and unauthorized use.

The dual use technological assistance not only improves the safety and security of nuclear facilities, but it also improves India and Pakistan's ability to deploy a warhead on a ballistic missile. It may signal other potential nuclear weapon states that the US and its allies are not serious about their non-proliferation goals. However, assisting India and Pakistan to improve the security of their nuclear facilities and weapons storage facilities is permissible because this assistance would not contribute to advances in India and Pakistan's nuclear arsenal. Thus, there are some areas, where the developed world in general and the US in particular must assist India and Pakistan, without violating their national law(s) and international commitments. For example, the establishment of Nuclear Risk Reduction Centres between India and Pakistan at this stage requires assistance from the US and Russian Federation. Both the US and Russian Federation could share with them their experience, train both countries' technicians and give them the relevant technology.

Conclusion

The nuclear risks in South Asia would further increase once India and Pakistan crossed the threshold of nuclear weaponization and deployment. With the nuclear weapons deployment, the possibility of inadvertent /unauthorized use of nuclear weapons and nuclear accidents, etc would become more critical. If the present strategic competition between the belligerent neighbours prevails, there are chances that they would transform their force, being nuclear posture and deploy their nuclear weapons in the near future. Certainly, it would increase the nuclear risks in the region. Therefore, it's imperative that New Delhi and Islamabad chalk out strategies, which not only check or prevent the nuclear weaponization and deployment, but also address adequately, the associated risks in their current nuclear programme in both states. The immediate need is a sustainable nuclear risk avoidance process in South Asia.■

UNIPOLARISM AND PAK-US RELATIONS

Dr Noor ul Haq*

US policymakers debate how to wield American power; foreigners debate how to deal with it. Some make their peace with Washington and try to manipulate it; others try to oppose and undercut US interests.¹

Introduction

Imperialism and unilateralism existed since the dawn of civilization, but unipolarism is a new phenomenon. Throughout history, there have been individuals and centres of power struggling for hegemony over others. There were world conquerors such as Alexander, Chengiz or Tamerlane, or great empires like those of the Romans or Ottomans, but the extent of their domain was limited owing to the constraints of communication and resources. The industrialization of Western Europe saw the rise of European nation-states competing and fighting for colonization the world over.

Until 1945, there were several imperial and great powers – United Kingdom (UK), France, Germany, Italy, Union of Soviet Socialist Republics (USSR/Soviet Union), Japan and the United States of America (US)-that contended for supremacy. The last two World Wars were fought for colonization and global domination. The end of World War II, resulted in the emergence of two superpowers, i.e., the US and the USSR. Their mutual rivalry and confrontation termed as the Cold War lasted till 1989, when the communist regimes in Eastern Europe collapsed along with the Soviet Union. This left the United States as the sole superpower, resulting in a unipolar world and heralded an era of *Pax Americana*.

When one examines the question of security and development of Pakistan in a unipolar world, a number of questions warrant answers. What are the global implications and impact of unipolarism? What new geo-strategic changes and socio-economic imperatives have emerged in the new world order, especially after 11 September 2001? Whether alternative power centres will emerge to challenge the unipolarity of the US? Or will the United Nations

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¹ Stephen M. Walt, "Taming American Power", *Foreign Affairs*, September-October 2005, vol. 84, number 5, pp. 105-120. Walt is a Professor at Harvard University's Kennedy School of Government. The article is adapted from his latest book *Taming American Power: The Global Response to U.S. Supremacy*. See *Foreign Affairs*, *ibid*.

(UN) develop “an effective mechanism through which to seek common solutions to common problems.”² What are the international concerns of the US? What is the changing pattern of US interests in South Asia? What are the determinants of Pak-US relations? What options are available to Pakistan?

Unipolarism

The emergence of a unipolar world is a new phenomenon in the history of mankind. The development of air transport and information technology has revolutionized the global communication network. Instant communication and fast means of travel have shrunk distances. The world has been transformed into a “global village”. The US, with its unmatched military power and economic strength, is set to dominate the “village”, and is in a position to behave unilaterally and as a hegemonic or imperial power.

The imperialistic behaviour denotes “specific forms of aggressive behaviour on the part of certain states against others; ... it is also often equated with the exercise of any form of political control or influence by one political community over another.”³ Pressure and political control can be exercised through peaceful practices such as “financial and economic transactions, cultural activities, diplomatic arrangement” or through forceful measures such as “economic sanctions, military intimidation” or through outright violence such as “show of arms” or actual use of force, conquest and repression.⁴ The US has already gone in for some of these options and, if and when deemed appropriate, seems capable of using all.

Never before has any state dominated the world so extensively as the United States does today.⁵ Although international situations cannot remain static, the US supremacy under normal circumstances is likely to last for the foreseeable future.

A century earlier, in 1904, President Theodore Roosevelt, an “overseas expansionist”, had enunciated the doctrine of preemption in his policies towards South and Central America to forestall European intervention.⁶ President George W. Bush has adopted the doctrine of unilateral preemption. This is spelled out in the US National Strategic Paper of September 2002. This doctrine, as applied in the case of Iraq, has “altered qualitatively”, the notion of preemptive intervention in international system

² United Nations, General Assembly, 21 September 2004, *Secretary-General Kofi Annan's Address* <<http://www.un.org/apps/sg/sgstats.asp?nid=1088>>

³ Hans Daalder “Imperialism”, *International Encyclopedia of Social Science*, Vol. 7, ed, David K. Sills (London: The Maxmillan, 1968), pp. 101-109.

⁴ Ibid.

⁵ *Der Spiegel* cited in William Blum, *Rogue State: A Guide to the World's Only Superpower* (London: Zed Books Ltd., 2002).

⁶ Henry F. Pringle, “Theodore Roosevelt”, *Encyclopedia of the Social Sciences*, 12th printing (1957), XIII-XIV, 436

and law.⁷ It has also impinged upon the concept of the sovereignty of states and has led to strengthening US capacity to act unilaterally in international politics.

Contrary to the Monroe Doctrine of 1823, which disclaimed US efforts to extend its interference in the Eastern Hemisphere, the US armed forces are now active in Europe, Africa and Asia, besides Pacific, Atlantic and the Indian Ocean. They have intervened in the Balkans (1995), were supporting UN peacekeeping operations in Philippines and Indo-China, Somalia (1992-5) and Liberia (2003). The US warships were stationed off the island of East Timor (2001-2) and have fought wars in Afghanistan (2000) and Iraq (1990-91, 2003). Besides, the “US military forces and civilian personnel are currently active in peacekeeping and humanitarian missions in almost 100 countries ... around the world.”⁸

Although nuclear superiority of the US is a significant feature of its military power, it has not used nuclear weapons after 1945. However, any future possibility of use of low-yield nuclear bombs cannot be ruled out, since a record US \$ 400 billion military spending bill was approved by the House of Representatives of the US Congress in 2003 to “renew research and development of low-yield nuclear weapons.”⁹

Militarily, the US goal is “to achieve a structure which allows [its] forces to deploy anywhere in the world in 10 days, defeat them in 30 days and be ready to fight again within another 30 [days], with many coming from continental US.”¹⁰

The Gulf War (2003), i.e., operation ‘Iraqi Freedom’, has demonstrated that the US has the power to act even without the specific authorization of the UN. It can act even in the face of opposition from another great power or a number of major countries. Presently, there are 191 UN member states. Some of them would always be ready to support US action for political, economic or cultural reasons. In spite of pressure from powerful countries like France, Germany and Russia, as well as the continuing insurgency in Iraq, the US has been persisting for a dominant role in that country, while restricting the UN only to reconstruction work.

Economically, the US exercises its influence on countries, partly through direct economic assistance or sanctions and partly through the International Monetary Fund (IMF) and the World Bank (WB) or friendly

⁷ Shireen Mazari, address at conference on “Unilateralism vs. Multilateralism: Emerging Global and Regional Scenarios” organized by the Institute of Strategic Studies, Islamabad, on 10 September 2005, *Dawn* (Islamabad), 11 September 2003, p. 17.

⁸ Justice R. Bolton, Under Secretary for Arms Control and International Security, statement, 3 November 2003 <<http://state.gov/t/us/rm/25818.htm>>

⁹ *Dawn* (Islamabad), 9 November 2003.

¹⁰ *The Military Balance 2004-2005* (London: Oxford University Press), 2004, p. 16.

states. In addition, the US supports major corporations, multi-nationals and non-governmental organizations (NGOs). They have assumed greater importance all over the world. Their recommendations are given serious attention by the media and the decision makers.

Socially, the US, along with the international community, shows concern for human rights and humanitarian causes, such as education, health, human cooperation, democracy and justice. On 7 November 2003, President George W. Bush spoke for promotion of democracy in the Middle East.¹¹ The US President, while addressing the European Union in Brussels on 20 February 2005, again repeated the same theme.¹²

The new world order is more vocal about human rights and democracy but, practically, these issues may be used as the basis to punish or reward states, wherever necessary to meet US political or economic ends.¹³

The UN is incapable of enforcing its writ against a superpower unless restructured and made effective with requisite economic resources and military force. Presently, it lacks the teeth that could “turn a body of laws into an effective legal system”, says Kofi Annan, Secretary-General of the UN.¹⁴ It is unlikely that the UN will have the inherent power to rein in a superpower or world powers to seek solutions to disputes and problems without their willing cooperation.

Consequently, most of the countries with global concerns are developing ‘friendships and connections in Washington, DC’¹⁵ and desisting, as far as possible, from annoying the US. For instance, in the last summit meeting of the Organization of Islamic Conference (OIC), where 57 Muslim states were represented, not a word was uttered about the human rights concerning over 600 prisoners held in Guantanamo for fear of backlash from the US.

Briefly, the broad based global strategic concerns of the US, are the safeguarding of its national security, preserving economic gains and world

¹¹ Commenting on President Bush’s speech, *Washington Post* (Editorial, 8 November 2003) wrote: “Mr. Bush spoke well. He is right that Washington has failed to support abroad the values American live by at home.” *New York Times* (8 November 2003) editorially commented: “The President’s warning of the futility of excusing dictatorship in the name of security seems custom-made for Saudi Arabia ... Promoting democracy here must become an urgent American priority.”

¹² *New York Times*, 21 February 2005

¹³ The US enumerated reasons of WMD, tyranny of Saddam and his connection with al-Qaeda for its Iraq war, whereas the critics argue that the real objective of the US was to control the oil and gas reserves in Iraq, ensure security of Israel and empire building

¹⁴ United Nations, General Assembly, 21 September 2004, *Secretary General Kofi Annan’s Address* <<http://www.un.org/apps/sg/sgstats.asp?nid+1088>>

¹⁵ Peter Wallensteen, *Understanding Conflict Resolution:: War, Peace and the Global System* (London: Sage Publications, 2002), p.294.

domination. The moral justification is embedded in its policy for elimination of weapons of mass destruction (WMD), safeguarding human rights and promotion of democracy. The *modus operandi* is a resort to diplomacy, economic sanctions, coercion or armed intervention as may be required.¹⁶

Global Response

Over the last 15 years, the unipolar era has taught an important lesson: Americans may believe that their dominant position is good for the world, but other countries are far more ambivalent about U.S. supremacy and have developed ways to tame U.S. power.¹⁷

Opposition to US unipolarism, and consequent tendencies leading to unilateralism and imperialism, is a natural reaction. There are international concerns to contain its unbridled power. These are on promoting efforts for a multi-polar world, forging regional groupings as well as resulting in anti-Americanism¹⁸, extremism and terrorism. A notable outcome is the emergence of world public opinion, as reflected in anti-US demonstrations in several countries against the Iraq war.

The tendency towards the emergence of associations of states as matching power groups, whom the US finds difficult to dictate, is evident in the formation of the European Union (EU) comprising twenty-five nation-states. Another such effort can be seen in the Shanghai Cooperation Organization (SCO), founded by six countries with a population of 1.455 billion, which links Russia, China and four Central Asian States. Recently, there was the week long Sino-Russian Military Exercise "Peace Mission 2005", in which elite troops of both countries took part in August 2005.¹⁹

Similarly, India, in spite of growing relations with the US, continues to see a "multipolar and participatory world as the ideal state of affairs. This adds to the importance that India places on its ties with countries that could be seen as counterweights to U.S. power."²⁰ This explains its policy of continued maintenance of cooperative relations with Russia and patching up with China. During the 1993 visit of the Indian Prime Minister, P.V. Narasimha Rao, to Russia, the need for "multilateralism and a multipolar world order" was emphasized.²¹ The National Intelligence Council (NIC) which represents 15 intelligence agencies of the US including CIA, in its global trends forecast for 15 years, has visualized, among other trends, a possibility of "India, China and

¹⁶ Ibid., pp. 293-5.

¹⁷ Walt, op. cit., p. 117.

¹⁸ Noor ul Haq, "Why Anti-Americanism", *Nation* (Lahore), 31 January 2004.

¹⁹ *Dawn* (Islamabad), 21 August 2005.

²⁰ Kavita Sangani and Teresita C. Schaffer, *South Asia Monitor* (Washington: Center for Strategic and International Studies), 1 June 2003.

²¹ Seema Mustafa, *Asian Age* (New Delhi), 14 November 2003.

Russia forming “a *de facto* geo-strategic alliance, in an attempt to counter-balance US and Western influence.”²²

Since the US would like to preserve its present status, it is wont to oppose the emergence of a comparable power. Most likely, North Atlantic Treaty Organizations’ (NATO) eastward expansion and the US involvement in the Caspian region, West, Central and South Asia as well as Far East is designed to control basic energy sources, encircle Russia and China and prevent them from challenging the US supremacy. Similarly, the US is not likely to support any European Union defence system, which could sideline NATO.

The adverse fallout of US imperialism has encouraged anti-Americanism, extremism and global terrorism. The world is divided into economically and militarily dominant and weak nations. Since the weak cannot face the strong directly, they resort to extremism, violence and terrorism. The examples are attacks on US military installations in Saudi Arabia and Yemen, on embassies in Dar-es-Salaam and Nairobi and on the Twin Towers in the heart of New York on 11 September 2001, in Bali (Indonesia) in October 2002 and in UK on 7 July 2005. Albeit these attacks cannot alter the dominant position enjoyed by the West under the leadership of the US, yet they are an open expression of anger of those persons/groups who feel mortally dissatisfied with the present world order.

The US response to the 11 September terrorist attack on Twin Towers, was outlined in President Bush’s address to the US Congress on 21 September 2001. He said that the terrorists wish to

kill Christians and Jews, to kill all Americans. ... [This is a] civilization’s fight. This is the fight of all who believe in progress and pluralism, tolerance and freedom... Every nation, in every region, now has a decision to make. Either you are with us, or you are with the terrorists. From this day forward, any nation that continues to harbour or support terrorism will be regarded by the United States as a hostile regime.²³

Although Pakistan and Muslim countries are supporting the US in war against global terror, it is disturbing that the Western governments and media are “engaged in a vicious campaign against a particular religion and its adherents. Islam and Muslim countries are being singled out as the source and abode of all terrorism.”²⁴ Some countries are the protagonists of this line of thinking for their own political motives to legitimize their occupation of

²² *The Indian Express* (New Delhi), 1 March 2005.

²³ George W. Bush, “Address to Congress”, BBC News (web edition), 21 September 2001.

²⁴ Prof Khurshid Ahmad, “September 11: Two Years Later”, *Dawn* (Islamabad), 11 September 2003, p. 6.

territories, where there is people's fight for self-determination and against foreign occupation, such as Kashmir and Palestine.

Another reason is the misperception of Islam in the West. Islam being a *din-e-fitrat* (i.e., natural religion) is compatible with modern enlightened thought. It is human, beneficent and believes in equality, justice and progress. *Al-Quran* abhors killing of an innocent person and considers as if it is the killing of the whole humanity.²⁵ It is explicitly against imposing one's religion on others.²⁶ The noble teachings of Islam, hijacked by certain misguided individuals and political groups, should not be viewed as real and true "Islam".

Since it is mostly the Muslims who are on the receiving end, whether in Palestine, Kashmir or any other place, and since they are too weak to secure their rights, there have emerged politico-religious groups resorting to extremist methods, contrary to the teaching of Islam.²⁷ It is in the interest of all that such groups should be curbed and the causes of their emergence addressed. It appears that

global terrorism cannot be eradicated through the use of force alone. ... the use of force will be effective only if it is used as part of a strategy which also deals with the underlying causes of extremism to win minds and hearts.²⁸

In any case, the international community should stand up and combat both terrorism and hegemonism.²⁹

Initially, there was a groundswell of sympathy almost all over the world for the Americans following the terrorist attacks of 9/11. But the US military action against Iraq in 2003, without specific UN cover, dissipated the sympathy. The war against Iraq, said Josef Joffe, co-editor of the German weekly *Die Zeit*, "triggered the counter alliance of France and Germany and the enormous wave of hatred against the United States."³⁰ One of the main objectives of the Bush speech at Brussels on 20 February 2005 was to mend fences with Europe.³¹

²⁵ *Al-Quran*, 5:32

²⁶ *Ibid.*, 2:256, 109:1-6

²⁷ Maqbool Ahmad Bhatti, "Bringing Saddam to Book", *Dawn* (Islamabad), 29 December 2002.

²⁸ Sartaj Aziz, "Real Lessons of 9/11", *Dawn* (Islamabad), 11 September 2003, p. 7.

²⁹ Gao Junmin, address at the conference on "Unilateralism vs. Multilateralism: Emerging Global and Regional Scenarios" organized by Institute of Strategic Studies Islamabad, on 10 September 2003, *Dawn* (Islamabad), 11 September 2003, p. 17.

³⁰ *New York Times* on line, 11 September 2003.

<<http://www.nytimes.com/2003/09/11/international/11OPIN.html?hp>>

³¹ *New York Times*, 21 February 2005.

The international opinion against US unilateralism did increase³² all over the world, especially amongst the Muslims.³³ The following chart will show the percentage of respondents, who favoured the US, in three different surveys undertaken by the *New York Times* in September 2003:³⁴

Country	1999/2000	Summer 2002	Summer 2003
Brazil	56%	52%	34%
Britain	83	75	70
Canada	71	72	63
France	62	63	43
Germany	78	61	45
Indonesia	75	61	15
Israel	n.a.	n.a.	79
Italy	76	70	60
Morocco	77	n.a.	27
Nigeria	46	77	61
Pakistan	23	10	13
Russia	37	61	36
South Korea	58	53	46
Turkey	52	30	15

The United States has been advised that instead of acting with impunity, “primacy requires Washington to work harder to convince the other nations of the world, that U.S. power is to be welcomed rather than feared.”³⁵ Accordingly, it is trying to improve its image all around the world, especially in the Middle East. The US is now pressurizing Israel, its ally, to make hard decisions to live in peace with Palestine. On 20 February 2005, President Bush announced in Brussels: “We are determined to see two democratic states, Israel and Palestine, living side by side in peace and security.”³⁶ This was followed by vacation of Israeli settlements in Gaza during August-September 2005, thereby sending a signal to the Muslim World in general and Arabs as well as Palestinians in particular, that the US is an honest broker in the Middle East. Similarly, the US humanitarian assistance to tsunami affected in East Asia has helped in refurbishing the poor American image. According to a

³² Gao Junmin, op cit.

³³ Sayidiman Suryohadiprojo, in his article “Why moderate Muslims are annoyed with America” wrote “If America wants to be a hegemonic power that has the respect and trust of other nations, it must be a benign one, and not one that causes a reaction of hate or fear among other nations.” Global Attitude Projects, *The New York Times* on line, 11 September 2003.

<<http://www.nytimes.com/2003/09/11/international/11OPIN.html?pagewanted=2&hp>>

³⁴ Ibid.

³⁵ Walt, op. cit., p. 118.

³⁶ *The New York Times*, 21 February 2005.

survey, conducted in February 2005 by the Washington-based Heritage Foundation in Indonesia, “40 per cent favoured US-led efforts against global terrorism – up from 23pc in 2003. Another 36pc said they opposed those efforts; the figure stood at 72pc two years ago,”³⁷ In August 2005, the survey conducted in six Muslim countries, including Pakistan, by Washington based Pew Research Centre shows that “support for terrorism in defence of Islam has dramatically declined.”³⁸ Similarly, American aid operation for victims of the 7.6-magnitude quake in October 2005 has helped “U.S. alter [its] image in Pakistan”.³⁹

Changing Pattern of US Policy towards India and Pakistan

Finding itself in a position to dominate the world and with the desire to perpetuate this domination, a major shift is occurring in US policy towards South Asia. In fact, “the United States has become the most influential external power in South Asia”.⁴⁰ The US presence in the Middle East, Central Asia and Afghanistan, as well as its concerns about China, further increase the former’s interest in this region, especially in India and Pakistan.

“Pakistan’s relations with the United States have always been based on a transient compatibility of interests, never of comparability.”⁴¹ Pakistan was a strong ally of the US during the Cold War. However, at the end of the Cold War, it was facing the adverse effects of anti-Soviet guerilla war and subsequent civil war in Afghanistan, while facing the pressure of millions of refugees, smuggling of weapons and narcotics in the country. This gave birth to Klashnikov culture, religious extremism, sectarian violence, terrorism, and narcotic addiction. Simultaneously, the US policy makers, instead of addressing the difficulties faced by Pakistan, decided to punish their ‘erstwhile ally’ by imposing sanctions. The sanctions, meant to curtail nuclear proliferation, had a more severe effect on Pakistan than on India because of the former’s less developed economy and its traditional dependence on the US.

The instability, brewing across its western borders, is always a source of great concern for Pakistan. In order to ensure stability and peace in Afghanistan, Pakistan was forced to support the Taliban government under Mullah Omar in Afghanistan. During their rule, they faltered in their decision to protect the Saudi fugitive, Osama bin Laden, who was wanted by

³⁷ *Dawn* (Islamabad), 6 March 2005.

³⁸ *Ibid.*, 24 August 2005.

³⁹ John Lancaster, “Quake Aid Helps U.S. Alter Image in Pakistan: Afghan and Iraq Wars Had Built Anger”, *Washington Post*, 22 October 2005

⁴⁰ Kavita Sangani and Teresita C. Schaffer, *South Asia Monitor* (Washington: Center for Strategic and International Studies), 1 June 2003.

⁴¹ F.S. Aijazuddin, “The Empty Chair Club”, *Dawn* (Islamabad), 11 July 2003.

Washington in connection with his terrorist activities against the US.⁴² Osama wielded influence over thousands of foreigners who had settled in Afghanistan, during a decade long struggle against the Soviets. Mullah Omar, in his decision to protect Osama, seemed to have been motivated either by misguided religious fervour, or economic benefits or it was beyond his capability to evict Osama. In any case, Mullah Omar could not adequately anticipate the magnitude of the US retaliation.

After 11 September 2001, Pakistan decided to shift its support to the US against the Taliban regime. It was the only country that “opened two-thirds of its air space, diverted its commercial traffic, offered its ports for large amphibious operations and developed close cooperation with the Pentagon and the US intelligence community.” Pakistan apprehended and handed over more than 500 al-Qaeda fugitives to US authorities by 2003, and suffered heavy financial losses owing to US operations in Afghanistan.⁴³ The US thus enabled Pakistan to “turnaround its visibility, image and economy.”⁴⁴ They helped in loan rescheduling of \$12.5 billion by the Paris Club and an immediate offer of one billion dollars and additional three billion dollars over a period of three years from 2004 onwards besides market access. The critics feel that Pakistan accepted all US demands too quickly, which surprised even the US. Second, Pakistan submitted to the US cheaply and should have bargained for much more benefits than what it got in return for the risk to its own security in its fight against al-Qaeda and the Taliban.

President Musharraf was invited to Camp David due to his pivotal role in the war on terror and possibly to discuss American engagement in Iraq, the conflict in the Middle East, recognition of Israel by Muslim countries, instability in Afghanistan, and normalization of relations between Pakistan and India.

The major South Asian power, India, during the Cold War, propounding the philosophy of non-alignment, did not ally itself with either superpower but exploited both to its advantage. After the collapse of the Soviet Union, India turned towards the United States. The liberalized economic policies for repatriation of capital from India attracted US multinational corporate investments in India that offered a vast market. The US economic interest, coupled with strategic objective to contain China,

⁴² Osama bin Laden, a wealthy businessman, was born in Saudi Arabia in 1957 to a wealthy Yemeni father and a Syrian mother. He had close ties with the Saudi Royal family and had participated in Afghan jihad against the Soviet Union. In 1991, he was expelled from Saudi Arabia because of his anti-government activities. In 1998, he called for a global war against Americans and Jews.

⁴³ According to Centcom data, released in May 2003, Pakistan suffered losses of over US\$ 10 billion owing to US operations in Afghanistan. See Moeed Pirzada, “Camp David and Beyond”, *Dawn* (Islamabad), 11 July 2003.

⁴⁴ *Ibid.*

helped in reversing the coolness in Indo-US relations and brought them closer. This was a primal factor for India attaining the status of a “strategic partner” of the US resulting in the US-India defence agreement signed in June 2005.

India, on its part, made a significant departure from its pro-Arab policy in the Middle East by upgrading its diplomatic presence in Israel to ambassadorial level in 1992. This opened an “unexploited avenue” for boosting its economy and security, besides giving a further fillip in its relations with the US. The neo-conservatives supporting President Bush administration and the well-established Jewish lobby in the US, preferred looking at Pakistan through an Indian prism.

Thus, a glaring change in US policy was that “US dropped its long established practice of attempting to maintain ‘even-handedness’ between India and Pakistan on matters related to their respective security concerns.”⁴⁵ In fact, there seemed a reversal of the US policy. During the Cold War, there was a tilt in favour of Pakistan and after the War the tilt changed sides in favour of India. A significant demonstration of this policy was made in 1999 when President Clinton paid a five-day visit to India but restricted his visit to Pakistan to only five hours.

Ironically, it was after 11 September 2001, that Pakistan’s strategic importance was again realized by the US. Pakistan acquired a favourable status after President Musharraf’s decision to side with the US after reversing the pro-Taliban policy of his predecessors and agreed to US demands, which included over-flying rights, logistical support, intelligence sharing, etc.⁴⁶ It made available to Pakistan, US financial, security and economic assistance. However, India “benefited strikingly from the US-led war on terrorism and the US military actions in Afghanistan with respect to its leverage on Kashmir, at the expense of Pakistan.”⁴⁷ It was able to strengthen its occupation of the state of Jammu and Kashmir by stigmatizing the freedom struggle in Kashmir as “terrorism” and armed freedom fighters as “terrorists”.

At the same time, the Indian policy of isolating Pakistan suffered a setback. India was opposed to the Pak-US relations from the beginning. The reason why India was opposed to Pak-US alliance, as stated by the British Secretary of States for India Lord Listowel, was that the Indians were against Pakistan fortifying itself with assistance from America, Britain or any other

⁴⁵ Rodney W. Jones, “United States and South Asia: Core Interests and Policies and their Impact on the Security and Economic Development of the Regional Countries” paper presented at the International Seminar on “Major Powers and South Asia” organized by the Institute of Regional Studies Islamabad on 11-13 August 2003.

⁴⁶ For details see Bob Woodward, *Bush at War* (New York: Simon & Schuster) 2002, pp. 58-59

⁴⁷ Jones, op. cit.

power.⁴⁸ With a view to denying foreign support to Pakistan, anti-Pakistanism in the US and elsewhere and anti-Americanism in Pakistan is in consonance with the Indian strategy.

Determinants of Pak-US Relations

Before 1989, Pakistan was “a strategic ally of the U.S. and fought a war in Afghanistan for 10 years.” Then it was left “high and dry”. The United States then started to develop a “strategic relationship with India, which was in the enemy camp. What would the man on the street [in Pakistan] think?”⁴⁹ After the Cold War, the US retained limited tactical interest in Pakistan. The post 9/11 US involvement in Afghanistan and its presence in Central Asia and the Middle East increased the geo-strategic importance of Pakistan for the US. The US needs Pakistan’s immediate support in its war against al Qaeda and Taliban in Afghanistan.

As a long term measure, the main US concerns centre around enlisting Pakistan’s cooperation in the war against international terrorism; non-proliferation of nuclear and missile technology; destruction and elimination of weapons of mass destruction (WMD) in possession of hostile states, radical extremists and terrorists; democratization; human rights, moderation and enlightenment as opposed to fundamentalism, religious extremism, militancy and armed violence; and freezing of tension in South Asia.⁵⁰ Other US concerns may relate to such issues as money laundering and drug smuggling and arms trafficking.

Fight Against International Terrorism

Pakistan has no choice but to support international war on terrorism. Its policy response, besides supporting the US, lies in its own enlightened self-interest. It is best reflected in the remarks, President Musharraf made in a press conference on 16 October 2001:

We joined the world community in offering cooperation to bring perpetrators, organizers and sponsors of the terrorist attacks to justice. ... The extraordinary session of the OIC Foreign Ministers held on 10th of October has endorsed this position. ... the root causes of most acts of terrorism lie in political oppression and denial of justice. In order to achieve durable results, the current war on terrorism must address and eliminate its causes.⁵¹

⁴⁸ Lord Listowel, Secretary of State for India to Lord Mountbatten, Indian Viceroy, 27 June 1947, *Mountbatten Papers*, IOR: MSS. Eur. F.200/176.

⁴⁹ Pervez Musharraf, *Time*, 25 September – 3 October 2005, p. 14.

⁵⁰ Jones, op. cit.

⁵¹ *Dawn* (Islamabad), 17 October 2001,

However, it is generally perceived that the US tends to make no distinction between terrorism and genuine freedom struggle in the state of Jammu and Kashmir or Palestine. Religious elements, therefore, consider that the US policy is hardly based on just and moral principles but on sheer double standards. A similar feeling is succinctly expressed differently by Mohammed el-Sayed Said, Deputy Director of Al Ahram think tank in Cairo, who says that the US “need to act like any respectable commander or leader of any army. They can’t just project an image of contempt for those they wish to lead.”⁵²

Pakistan’s joining the war on terror, has been appreciated all over the world. India’s past efforts to declare Pakistan a “terrorist” or “terrorist sponsoring state” has failed. Instead, Pakistan is acknowledged as a “front line” state in the war against international terrorism. The *9/11 Commission Report* states:

Pakistan actively assisted: its authorities arrested more than 500 al Qaeda operatives and Taliban members, and Pakistani forces played a leading part in tracking down KSM [Khalid Sheikh Muhammad], Abu Zubaydah, and other key al Qaeda figures.⁵³

Yet, Pakistan’s image is somewhat clouded by media coverage of political Islam, and the misperception in distinguishing mainstream Islamist organizations that are peaceful, from terrorists who invoke the sacred name of Ialam, as a justification for violence. The latter category was born and strengthened during the Afghan War against the Soviets and unfortunately its negative fallout affected Pakistan. However, such elements are a microscopic minority and mostly remain entrenched near Pak-Afghan borders, but their size and strength is blown up in the media, thus bringing a bad name to Pakistan. Pakistan is making an extra effort to hunt down those who advocate hatred and violence. It is crucial for Pakistan to put its own house in order, by clamping down hard on elements advocating militancy and extremism.

Undoubtedly several Afghan students, who later came to be known as Taliban, got their education in some of the *madressahs* (religious seminaries or schools), mostly located near the Pak-Afghan border in Pakistan. They also got initial military training under the patronage of US and Pakistan to liberate their country from the military occupation of the USSR. It is a gross misperception in Western media that all seminaries in the country are training terrorists. Except for a few, most of them have nothing to do with terrorism and are performing socio-educational functions peacefully throughout Pakistan. In fact, these *madressahs* are the biggest non-governmental organization (NGO) which are not only imparting religious and moral education but also providing

⁵² Vexan Crabtree, “Why do people hate America? A summary of anti-Americanism” <<http://www.new.bbc.co.uk> (24 September 2001)>

⁵³ *9/11 Commission Report* (New York: W.W. Norton & Company, Inc.), First Edition, p. 368.

boarding and lodging to thousands of poor children who otherwise would have gone astray. However, the Government of Pakistan, depending on its financial resources and assistance from abroad, is serious and in the process of reforming these institutions by updating their syllabi and introducing modern subjects to bring them at par with the school system in Pakistan. Also, contrary to the exaggerated reports in the international media, a recent WB document confirms that “*Madrasahs* account for less than 1 [one] percent of all enrolment in the country and there is no evidence of a dramatic increase in recent years.”⁵⁴

The aspersions, cast on the image of Pakistan, are the direct consequence of the Afghan War against the Soviets. The armed tribesmen living in Pakistan, close to Pak-Afghan borders, were encouraged to join the war, as they got money and weapons in the bargain. The Islamisation policies of General Ziaul Haq, further encouraged them to join the anti-Soviet War. After the collapse of Soviet Union, the US lost all interest in Afghanistan. These militants who were fighting the Soviets felt frustrated because all American aid was suddenly stopped and hence they felt betrayed. Finally, the US bombing in Afghanistan during operation “Enduring Freedom”, caused collateral casualties to a substantial number of civilians. This further led to resentment amongst them. However, holding of parliamentary elections in September 2005 and establishment of a broad based popular government in Afghanistan, is likely to have a sobering effect in that country as well as in Pakistan’s border areas.

Non-Proliferation of Weapons of Mass Destruction

The development of nuclear and missile technology by Pakistan, is not a status symbol but is security-oriented. It is meant to acquire minimum deterrent capability against a possible nuclear attack or blackmail by a political adversary. The Indo-Pak relations have a history of confrontation, wars and distrust. India took full advantage of the 1971 civil war in former East Pakistan to disintegrate the country, whereas, earlier in 1962, Pakistan did not exploit Indian difficulties when their armed forces were engaged and suffered a setback on its northeastern frontiers.

There is an increasing concern in the US about WMD proliferation. This fear is intensified due to the apprehension that these weapons may be used against it as in 9/11.

Clandestine nuclear proliferation activities are prevalent all over the world, especially in the developed countries with scientific and technological

⁵⁴ Tahir Andrabi and others, *Religious School Enrolment in Pakistan: A Look At The Data*, World Bank, February 2005.

<http://econ.worldbank.org/files/41363_wps3521.pdf>

know-how.⁵⁵ In Pakistan an individual, Dr A. Q. Khan, may be guilty, the state is certainly not involved. In any case, it is a closed chapter. However, the anti-Pakistan forces are working hard to target the country itself. Pakistan is continuing to assure the global community that it scrupulously adheres to its declared non-proliferation policy.

Democracy

Time and again, the democratic process in Pakistan has received a set back. But there is no controversy in the country about the suitability, desirability or adaptability of democracy. Every civil or military ruler, who enters the corridors of power, tries to win over the people by claiming that the main objective is to introduce real democracy in the country. President Musharraf had to get the approval of the Parliament for desired amendments in the Constitution and had to obtain for himself a vote of confidence from a parliamentary electoral college. Pakistan came into being as a result of a democratic process, but unfortunately due to pressing economic and security problems, together with poor leadership, general elections could not be held for almost quarter of a century (1947-70). But in the last quarter of its life (1977-2002) general elections were frequently held and the next one is scheduled for 2007. This is indicative of the general will of the people of Pakistan for democracy as a way of life. It is also apparent from the incessant demands for restoration of complete democracy that are being voiced by various political parties, media and different civic groups as well as participation of people in elections held during 2002-2005 for local, provincial and national bodies. Albeit, the road may be bumpy, democracy has a bright future in Pakistan.

Human Rights, Moderation and Enlightenment

Resort to violent means to express one's opposition to political, religious, sectarian or linguistic opponents, results in human rights violations. Unfortunately, this is common to all developing countries, especially in South Asia. The most recent example of religious extremism is of India where more than 2000 people, mostly Muslims, were massacred in 2002 in Gujarat state alone.

Unfortunately, in Pakistan, sometime back certain laws were promulgated which encourage gender inequality, discrimination between Muslims and non-Muslims and which could be misused like blasphemy law. All this was justified in the name of Islam and was in "complete departure from the interpretation of Islam favoured by the founding fathers of

⁵⁵ *Dawn* (Islamabad), 22 February 2004,
<<http://www.dawn.com/2004/02/22/ed.htm>>

Pakistan.”⁵⁶ These laws need to be reviewed because no Islamic law, in its true spirit, can negate human rights of which Islam is a strong exponent.

All Constitutions of Pakistan have ensured that the country will be a modern, democratic and progressive Islamic welfare state

wherein the principles of democracy, freedom, equality, tolerance and social justice, as enunciated by Islam, shall be fully observed; ...wherein adequate provision shall be made for the minorities freely to profess and practice their religions and develop their cultures; ... wherein shall be guaranteed fundamental rights, including equality of status, of opportunity and before law, social, economic and political justice, and freedom of thought, expression, belief, faith, worship and association, subject to law and public morality; wherein adequate provision shall be made to safeguard the legitimate interests of minorities and backward and depressed classes [etc.]⁵⁷

In addition, Articles 8 to 28, Chapter I, of the Constitution guarantee fundamental rights, i.e., equality of citizens, non-discrimination, security of person and property, freedom of movement, assembly, association, speech, trade, business or profession, religion and to manage religious institutions, etc. etc. President Musharraf’s policy of “moderate enlightenment”, is in conformity with the requirement of the Constitution of Pakistan.

Freezing of Tension in South Asia

The US is interested in sustainable peace in South Asia. It desires resolution of longstanding and festering disputes between India and Pakistan, including that of the state of Jammu and Kashmir. This is to avoid nuclear war and destruction, which goes against its global strategy. At the same time, the US wants India to become a major power. Perhaps, the US would not like to see Pakistan strong enough where it could challenge the pre-eminent regional and global status of India. This might be the reason why the cutting edge of the military arsenal is made available to India, directly or through Israel, but grudgingly given to Pakistan. At the same time, the US would not like to weaken Pakistan to an extent that it is balkanized, or made into a client state of India, because in such a situation it could not play the Pakistan card against India or vice versa.⁵⁸ From a South Asian perspective, there is a requirement for economic stability and progress as well as ensuring a balance of power in the region.

However, Pakistan should not be very apprehensive of the new amity between India and the US. Pakistan Foreign Office spokesman, Masud Khan,

⁵⁶ Javid Iqbal, *Islam and Pakistan’s Identity* (Lahore: Vanguard Books Ltd., 2003), p. 363.

⁵⁷ *The Constitution of the Islamic Republic of Pakistan 1973*, Preamble

⁵⁸ Touqir Hussain, “Washington’s term of engagement”, *Dawn* (Islamabad), 6 September 2003.

has described the growing US-India close relations as a “window of opportunity which could help persuade New Delhi to cooperate with Islamabad in developing a working relationship for bringing peace and stability to the region.”⁵⁹ Christina Rocca, US Assistant Secretary of State for South Asia, while in New Delhi in September 2003 said:

Pakistan is a country in the midst of a major political, economic and ideological transformation. It has not yet safely escaped the dangers of serious crisis on multiple fronts. It must be assisted to achieve a soft-landing that corrects disturbing internal trends, realigns its direction as a moderate Muslim state, and defeats definitively all terrorism emanating from its soil. We believe Indians should welcome such assistance, and I know that many do.⁶⁰

The US seems keen to build up a long-term partnership with India to promote its strategic and economic interests. It would like détente if not friendship between India and Pakistan, so that South Asia is built up as a counterweight against the rising power of China. In fact, it is in the interest of the US that there is no conflagration between the two neighbours. Pakistan also needs peace, so that it could develop fast in the competing world of 21st century for the betterment of its people. At the same time, it needs to maintain its deterrent capability in nuclear and conventional weapons and simultaneously set its own house in order by strengthening itself through economic progress and political empowerment.

Divergence and Convergence of Interests

Divergence of Interests

Although there is greater convergence of interests between US and Pakistan on most issues, there are differences in certain matters. For instance, The *9/11 Commission Report* talks of “the threat posed by Islamist terrorism”.⁶¹ It highlights the fact that “the United States had three basic problems in its relationship with Pakistan” concerning “terrorism”, “proliferation” and “return of democratic rule at the national level”.⁶² “Pakistan’s endemic poverty, widespread corruption, and often ineffective governments, create opportunities for Islamist recruitment.”⁶³ “Balochistan ... [and] Karachi remain centres of Islamist extremism”, says the report.⁶⁴ In the background of these comments, there is a contrived vilification campaign against Pakistan,

⁵⁹ *Dawn* (Islamabad), 16 September 2003, p. 16

⁶⁰ *Ibid.*, 12 September 2003

⁶¹ *9/11 Commission Report*, p. 362

⁶² *Ibid.*, pp. 367-68

⁶³ *Ibid.*, p. 367

⁶⁴ *Ibid.*, p. 368

as highlighted by Pervaiz Iqbal Cheema.⁶⁵ Influenced by such a campaign, an opinion has been expressed that

Pakistan's nuclear weapons are perceived as ticking time bombs against the security of the US, not because Pakistan intends to attack the US but because the Americans don't believe in taking chances in the post-September 11 world. Whether the next US target is North Korea, Iran or Syria, there is no doubt that Pakistan would be 'dealt with', simply because a nuclear Pakistan does not fit in the equation of the 'Global Pax-Americana'.⁶⁶

The latest US report on terrorism in 2004 has criticized Pakistan for its "failure to pass an anti-money laundering or counter-terrorist financing law that meets international standards."⁶⁷

State Department spokesman, Richard Boucher, in a briefing at the State Department on 3 May 2005, expressed the view that India and Pakistan were not better off, possessing nuclear weapons. As opposed to this, Libya, South Africa, Ukraine, Belarus and Kazakhstan who agreed to get rid of their nuclear arsenal are "all better off for it."⁶⁸ Unless South Asia becomes a nuclear free zone, Pakistan may not agree to give up its nuclear assets or even agree to International Atomic Energy inspection of its nuclear installations. President Musharraf, addressing Foreign Correspondents Association of the Philippines on 20 April 2005, said "he would never allow foreign inspectors into the country to examine Pakistan's nuclear facilities. This is tantamount to admitting that we cannot be trusted in our own home."⁶⁹ At the same time, Pakistan is fully cooperating with International Atomic Energy Commission in its non-proliferation agenda.

There are apprehensions in Pakistan about US-India defence agreement (18 July 2005) and about the US policy of helping India in nuclear technology. Pakistan, being a non-NATO ally of the US, expects a non-discriminatory treatment.

On Kashmir, unlike the past, US has taken a neutral stand with a tilt towards India. It is no longer supporting freedom struggle or self-determination for Kashmiris, as enshrined in UN charter and UNSC resolutions on Kashmir but is prepared to be helpful in arriving at a solution if both India and Pakistan agree. There is, however, a feeling in Pakistan that with the acquiring of US leverage in India and Pakistan, the prospects of peace in South Asia have increased.

⁶⁵ See Pervaiz Iqbal Cheema, "A Contrived Vilification Campaign", *The News International* (Islamabad), 23 November 2003.

⁶⁶ Zeynab Ali, "Time to shed certain illusions", *Dawn* (Islamabad), 6 September 2003.

⁶⁷ *Dawn* (Islamabad), 29 April 2005

⁶⁸ *Ibid.*, 4 May 2005

⁶⁹ *Ibid.*, 21 April 2005

There are also tactical differences on terrorism. While Pakistan is with the US in the war on international terror, it insists on elimination of causes for terrorism, so as to completely eliminate this menace.

On democracy, the US understands that Pakistan is passing through a transition phase from a military to civilian rule. In any case, nuclear proliferation and terrorism are on top of US foreign policy agenda and not democracy that they wish to promote.

Convergence of Interests

Pakistan has reoriented its policies to develop convergence of interests with the US on most issues that concern the US. Pakistan's policy in respect of Kashmir has shown flexibility. Pakistan has reversed its policy in its dealing with Taliban. Pakistan has shown consideration for Israel and is cooperating with the US supported governments in Iraq and Afghanistan and above all is an active member of coalition in the fight against international terror. The latest US report on terrorism lauded Pakistan's anti-terror campaign by acknowledging Pakistan as one of the "most important partners in the war on terror" and that "few countries suffered as much from terrorism in 2004 as Pakistan, and few did as much to combat it."⁷⁰ Pakistan's strategy of "enlightened moderation" addresses religious fundamentalism, extremism and militancy. This is highlighted by US media⁷¹ and acknowledged in *9/11 Commission Report*.⁷² Pakistan is not only cooperating with the US but also with other countries in combating this menace, e.g., President Musharraf, while in Philippines on 20 April 2005, offered intelligence training as part of counter-terrorism cooperation.⁷³

Since the US has been sceptical of Pakistan's capacity to protect its nuclear assets, Pakistan has evolved a foolproof and an effective command and control system and enacted non-proliferation legislation for the security and control of nuclear related material and components. Heavy punishments are prescribed for any attempt at pilferage or proliferation. This should assuage US and international concerns for non-proliferation.

Pakistan's human rights situation has improved in the sense that there is greater freedom of expression in both print and electronic media. Human rights organizations and other NGOs are free to work and are active in pointing out incidents of violation of these rights. The breach of human rights normally does not go unnoticed, and is often highlighted, condemned and discussed in the media.

⁷⁰ Ibid., 29 April 2004

⁷¹ Pervez Musharraf, "A plea for Enlightened Moderation: Muslims Must Raise Themselves Up Through Individual Achievement and Socioeconomic Emancipation," *Washington Post*, 1 June 2004, p. A23

⁷² 9/11 Commission Report, p.369

⁷³ *Dawn* (Islamabad), 21 April 2005

The country is also set on a course for progressive democratization. Parliamentary and local bodies' elections are being held on schedule. The print and electronic media is generally free. President Musharraf seems committed to democracy and considers "democracy is imperative for development and progress of the country and sustained socio-economic well-being of the people."⁷⁴

As for relations with India, the joint statement issued on 18 April 2005, during President Musharraf's visit to that country, states that the peace process between India and Pakistan is "irreversible".⁷⁵ All these actions tend to converge with US interests.

The US administration realizes the importance of Pak-US relations and seems to appreciate the strategic importance and "pivotal" position of Pakistan in relation to South Asia, China, Central Asia, West Asia and the Muslim world. US Secretary of State Condoleezza Rice, in her first visit to Pakistan in March 2005, acknowledged that Pakistan was an important country in the region that could be a model for the Muslim world.⁷⁶ They are, therefore, apparently "committed to a long term, multi-faceted partnership with Pakistan."⁷⁷ Pakistan being an important member of the coalition against international terrorism and proximity to Afghanistan, where NATO forces are operating, has earned the "non-NATO ally" status.

In short, the US and Pakistan's interests converge on elimination of terrorism, curbing ethnic and religious extremism and militancy, promoting enlightened moderation, socio-economic progress, especially eradication of poverty and illiteracy and the requirement of international peace and peace in South Asia, which is necessary for the progress of the country. Lastly, it seems that, as a long-term measure, the existing economic cooperation will be a cementing force in Pak-US relations.

Options for Pakistan

There are at once protagonists and antagonists of Pakistan. The anti-Pakistan lobby, including some scholars⁷⁸ in the US media and think tanks, are active to limit the space for Pakistan to act and may continue to tarnish its image as

⁷⁴ Ibid., 24 August 2005

⁷⁵ Ibid., 19 April 2005

⁷⁶ Ibid., 17 March 2005

⁷⁷ Ibid., 17 March 2005

⁷⁸ Selig Harrison, Director of the Asia Program at the Center for International Policy and a senior scholar of the Woodrow Wilson International Centre; Jim Hoagland, Columnist *Washington Post*, etc.

“undemocratic, jihadi or plain evil”⁷⁹ or labelled by some critics as a “kind of nuclear-armed monster state.”⁸⁰

To disarm them, Pakistan should continue projecting its image through effective media and its diplomatic acumen. Secondly, it may have to soften its attitude towards Israel. Already, President Musharraf, has addressed for the first time American Jewish Congress in New York. And sometime back in Europe, he had remarked that Pakistanis should not be holier than Pope and more Palestinian than Palestinians themselves on the question of recognizing Israel. The recognition of Israel may considerably deny India the advantage to develop strategic partnership with that country to the detriment of Pakistan. No matter how unpalatable domestically, Pakistan should prepare for this eventuality and start educating the public for this decision.

The US may be apprehensive of China’s aims in South Asia or elsewhere or Iran’s nuclear designs. Pakistan need not follow the US line. Pakistan should adroitly avoid taking sides in the present or foreseeable rifts between the US and other countries. In fact, besides having good relations with the US, EU and other Western countries, Pakistan should further strengthen ties with its immediate neighbours, Central Asian states and nations of East Asia. Moreover, its foreign policy should be proactive and follow Quaid-i-Azam’s advice: friendship with all and malice towards none.

Pakistan, like most countries, has three options to adopt in its relations with the US.⁸¹ First, it can adopt a confrontationist policy of opposing the US like that of Taliban of Afghanistan. Pakistan has already suffered politically and economically in its confrontationist policies against India supported by the Soviet Union. A repetition of confrontation with the sole superpower may be suicidal.

Second, it can become a “client state” and totally submit to US interests like some of the regimes in the Middle East. In its dealing with the US, it must exercise caution and restraint in conceding US demands on issues that cross its national interests and affect internal dynamics.

Third, and perhaps the most feasible option, is cooperation and collaboration with the US. Pakistan will remain relevant to US as far as the former’s national interests are not jeopardized. This is possible, if it addresses main US concerns, i.e., non-proliferation of WMD, suppression of extremism and terrorism, promotion of democracy and human rights, freezing of tension and improving peaceful relations with India. Incidentally, all these issues are of basic concern, not only to the US but also to Pakistan.

⁷⁹ Moeed, op. cit.

⁸⁰ Stephen Phillips Cohen, “America and Pakistan: Is the worst Case Avoidable?”, *Current History*, March 2005, p. 136.

⁸¹ Amitabh Mattoo, Conference on “Unilateralism vs. Multilateralism: Emerging Global and Regional Scenarios” organized by Institute of Strategic Studies, Islamabad, on 10 September 2003, *Dawn* (Islamabad), 11 September 2003, p. 17.

Besides, Pakistan, with the assistance of the international community, especially the US, needs to concentrate on poverty, illiteracy, disease, drug addiction and trafficking, sectarian violence and corruption. Pakistan should endeavour for good governance under democratic dispensation, promotion of education, agriculture, industrial and technological development, as well as strengthening its economy. This will enable it to progress economically and protect its territorial integrity.

As for Indo-Pak relations, both countries, under the changed international and regional scenario and internal compulsions, are moving towards rapprochement. While progressing towards normalcy, through a number of confidence building measures, Pakistan should remain on its guard as any untoward event or development could radically reverse the present positive atmosphere.

Conclusion

Never before has any state dominated the world so extensively as the US does today. In spite of widespread anti-Americanism, its dominant position is likely to last in the foreseeable future. Pak-US relations are essential not only for the security and prosperity of Pakistan, but also in the global interests of the US. But these relations are as unpredictable as was the case in the past since both pro-Pakistan and anti-Pakistan lobbies are persisting in the US.

Soon after the Cold War, US had abandoned Pakistan and left it alone to face the colossal negative effects of the US-led war against Soviet Union in Afghanistan. To worsen matters, sanctions were imposed on Pakistan. After 9/11, the US again needed Pakistan since it realized the geo-strategic importance of the latter in its war against al Qaeda/Taliban. As in the past, Pakistan again went out of the way to cooperate with the US. The US, in turn, helped Pakistan economically and granted it the status of a non-NATO ally. At the same time, the US has elevated India to the position of a “strategic partner” and has concluded an Indo-US defence agreement while Indo-Pak peace process has not matured in settling disputes, including the core issue of Jammu and Kashmir.

This puts Pakistan in a state of watchfulness against the possible hegemonic designs of India, forces it to upgrade its capacity for minimum deterrence, besides strengthening itself internally. To maintain security, peace and balance of power in the region, Pakistan should continue improving its relations, besides the US, with regional powers and all its neighbours including India.

In short, the broad-based global strategic concerns of the US are safeguarding its national security, preserving economic gains and world domination. Its main immediate concerns are non-proliferation of WMD and fight against international terrorism, extremism and militancy and, in case of

South Asia, establishment of peace between India and Pakistan. Its subsidiary interests are promotion of Human Rights and democracy.

Pakistan needs to continue to cooperate with the US in addressing the latter's main concerns without compromising on its own vital national interests. At the same time, Pakistan should remain on its guard to face any untoward change in international scenario or the policies of its neighbours. Thus, a calculated and balanced approach in Pak-US relations, based on mutuality of interests, is *sine qua non* for security and prosperity of Pakistan.■

IRAN-PAKISTAN-INDIA GAS PIPELINE PROJECT: PAVING WAY FOR REGIONAL COOPERATION

Asma Shakir Khawaja*

Introduction

The growing demand for oil and gas has brought closer three major nations of South and Southwest Asia—Iran, Pakistan and India—in a new paradigm of friendship that overshadows enmity, mistrust and tension. Natural gas trade between India, Iran and Pakistan will challenge some of the geopolitical, historical and strategic realities of the three states. It has the potential to nudge the impending ‘clash of civilizations’ into a ‘dialogue of civilizations.’ The pipeline if constructed could be operational by 2009. Pakistan has assured India a secure energy corridor with Prime Minister Shaukat Aziz stating that this pipeline was a win-win proposition for Iran, India and Pakistan. However, the fate of the US\$ 4.16 billion trans-Pakistan gas pipeline aimed at energizing India’s power hungry industrial sector with Iranian gas, seems to be hanging in the balance after increasing US pressure on the participating countries to abandon the project.¹ The basic aim of this research study is to analyze the prospects of execution of Iran-Pakistan-India pipeline in the strategic and economic scenario of the involved actors, while evaluating the political and economic implications of the proposed pipeline.

The export of natural gas from Iran to India via Pakistan is a project that promises to change the face of South Asian politics as materialization of this trilateral project makes the consent of all the parties essential. In contemporary politics, trade and economic globalization can act as mediators in inter-regional and intra-regional conflicts.

Iran is geographically located at a point that gives easy access to the Middle East, South Asia and Central Asia. Since the discovery of natural gas reserves in Pars fields in the south of the country in 1988, the Iranian government is increasing its efforts to promote higher gas exports abroad. The prospects of profit are especially considerable in South Asian countries like India and Pakistan, where natural gas reserves are low and energy demand exceeds energy supply. The construction of this pipeline, however, is not characterized merely by economic factors, but political and strategic

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¹ *Fate of Iran-Pak-India gas pipeline project hangs in balance*,
<http://english1.peopledaily.com.cn/200503/20/eng20050320_177516.html>

considerations as well². When this project was proposed, India was in favour of a pipeline through Pakistan, but Pakistan refused to allow the construction of a pipeline passing through its territory. Later on, both countries changed their respective stands and Pakistan expressed its consent to allow the pipeline to pass through its territory but India refused to buy gas through any pipeline project in which Pakistan was involved. While the status quo persisted, Iran made some diplomatic efforts to accomplish this project for its own strategic, political and economic interests. The pipeline is being termed as a *pipeline for peace* because it can usher a new era of cooperation and peace.

Iran has the second largest reserves of gas in the world to exploit for the well being of its people and for fulfilling its political aims. Its total reserves are estimated at 812 trillion cubic feet (tcf) of gas, but its annual production was a mere 1.9 tcf in 1998. The South Pars field alone is estimated to contain 240 trillion cubic feet (tcf.)³ Natural gas currently accounts for 55 percent of Iran's energy resources. Almost 35 percent of gas is consumed by power plants while 30 percent is used by the household sector with the industrial sector accounting for the rest. The current gas refining capacity of Iran has reached about 380 million cu.m. At present Iran's cities and villages are using gas with more than 90 percent of the urban population dependent on gas fuel.⁴

Government of Pakistan is enthusiastic regarding this project due to the economic and political leverages, it will acquire. During his visit to Iran, Prime Minister Shaukat Aziz stated "*pipeline diplomacy* would bring peace to the region. This development will build a very good atmosphere for improvement of relations among all the countries of the region. Therefore, to ensure such a fast and constant growth, we need a reliable source for energy supply."⁵

Gas supply in Pakistan is currently 71 million cubic meters per day, which is estimated to increase by 50 per cent in the next five years. But, unlike the Indian case, much of this would be met through an increase in domestic gas production. Gas production in Pakistan is expected to increase substantially as new fields like Sawa, Zamzama and Bhit Shah come on stream. However, the longer-term outlook would justify significant imports of gas by Pakistan.⁶ According to estimates by various organizations, the recoverable

² Shamila N. Chaudhary, "Iran to India Natural Gas Pipeline: Implications for Conflict Resolution and Regionalism in India, Iran, and Pakistan", *TED Case Studies*, <<http://www.american.edu/TED/iranpipeline.htm>>

³ Umar Khalid, "Indo-Iranian Gas-Line Project", *The News* (Islamabad), 13 October 2000.

⁴ *Gas to account for 70% of Iran's energy*, <<http://www.petroleumiran.com/newsiran.html>>

⁵ *Gas pipeline diplomacy to promote peace: Aziz*, <<http://www.petroleumiran.com/newsiran.html>>

⁶ Ramesh Menon, 'India, Pak Experts to Study Indo-Iran Gas Pipeline' <<http://www.rediff.com/money/2001/jul/09pipe.htm>>

reserves of natural gas are 17.39 trillion cubic feet (tcf).⁷ Natural gas accounts for approximately 27 percent of energy consumption in Pakistan.⁸

Government of Pakistan is trying its level best to increase its oil and gas production. The President issued a statement that the government would increase the natural gas supply in coming years.⁹ It is assumed that in the near future Pakistan will face a shortfall of 600 mmcf of natural gas by the year 2009 despite recent gas discoveries, which would be insufficient to meet the rising demand. To meet the rising demand of gas, Pakistan is currently looking at three options to import gas to meet the rising demand. The three projects under consideration are Turkmenistan-Pakistan gas pipeline, Qatar-Pakistan underwater gas pipeline and Iran-Pakistan-India gas pipeline.¹⁰

Pakistan can enhance its strategic and economic significance by permitting its territory to be used for the transit of the proposed Iran-Pakistan-India gas pipeline. This pipeline will provide Pakistan control over energy supply to India, which would be strategically harmful to Indian interests. Political and economic gains for Pakistan include normalization of relations with Iran, greater chance of conflict resolution with India, foreign investment and profit amounting to millions of dollars in the shape of transit tariff. These are the reasons why the perspective of the Pakistani government revolves around the political, strategic and economic benefits associated with this proposed pipeline.¹¹

India's current energy demand is about 310 million tonnes oil equivalent and is expected to double during the next 10 years. At present, India is importing 68 million tonnes of oil that will also be doubled to 154 million tonnes during next ten years. According to the Report of the "Group on India Hydrocarbons Visions-2050" published on 25 February 2000, the demand for gas in India is 151 million standard cubic meters per day (mmscmd). The present domestic gas supply is 65 mmcmd. The gap will have to be met through imports, increase in domestic production and by switching to liquid fuels.¹²

Since 1999, the oil import bill of India has strained the economy with the global oil prices having increased sharply hitting an average of \$50 per barrel. This has generated renewed interest within the Indian government for large-scale natural gas imports. Cross border pipelines are one of the best long-

⁷ Mehendara P. Lama and Rasul Bakhsh Rais, *Pipeline and Power grids for Peace*, (International Center for Peace Initiatives, 2001, Mumbai) p. 7.

⁸ Shamila N. Chaudhary, op. cit.

⁹ *Daily Jang*, Rawalpindi, 26 October 2002.

¹⁰ "Pakistan to face gas shortfall by 2009",
<<http://www.dawn.com/2003/03/05/abr7.htm>>

¹¹ Umar Khalid, op. cit.

¹² "Iran's Natural Gas Reserves Put at 26.4 Trillion Cubic Meters", 25 June 2002,
<www.Iranworld.com/news&events/nog-r212.htm>

term solutions to carry natural gas to regions with high-energy demand. While this concept is well established in North America and Europe, it still has a long way to be accepted in Asia.¹³

Approximately 8 per cent of energy consumption in India is accounted for by natural gas. According to the US Energy Information Administration (EIA) India's natural gas consumption has risen from 0.6 tcf in 1995, to nearly 1.2 tcf in 2001, and is estimated to reach 1.9 tcf by 2005. Demand for natural gas is likely to go up from the present 74 mcm to about 322 mcm per day by the year 2025. Domestic gas availability is expected to come down to about 36 million cubic meters per day, within the same period. To fill this gap India needs to import gas.¹⁴ The recoverable reserves of natural gas in India are 707 billion cubic meters (bcm).¹⁵ The current demand of natural gas is nearly 96 million cubic meters per day (mcmd) and only 67 mcmd is available. India has a problem with both production and consumption of natural gas at 761 billion cubic feet (bcf). Nearly 70 per cent of India's natural gas reserves are in the state of Gujarat and the Bombay High Basin. The Indian government has encouraged further exploration of gas-rich areas but it will be unable to meet India's increasing demand for natural gas and energy in the near future due to cost and industrialization factors.¹⁶ For this reason, the country needs to import natural gas either by pipeline or liquefied natural gas (LNG) tankers, making it one of the world's biggest gas importers. It is importing LNG by sea tankers, which involves two additional stages between production and consumption and is thus expensive as well. This makes the cost of gas very high. Aside from Iran-India pipeline project, India has some other options as it can import natural gas from Bangladesh and Myanmar. India also signed an agreement with Oman in 1994 to import 56.6 mmscmd of natural gas in the time span of ten years.¹⁷

Despite different political and ideological systems, Iran and India have a cordial relationship based on mutual cooperation. Iran has enabled India to get access to Afghanistan, Central Asia, Russia and mainland Europe through the proposed North-South corridor, allowing India to build a road only a few miles from the Iranian border with Pakistan. Once fully operational, this would cut travel time to almost half that taken by the other route, via the Suez Canal. India sees Iran as the gateway to the markets and natural resources of Central Asia and the Middle East. The construction of transport links connecting Iran, Russia and India will play a crucial role in the context of trade

¹³ Abbas Maleki, "A bridge among Iran, Pakistan, and India", <<http://www.caspianstudies.com/article/Gas-Pipeline.htm>>

¹⁴ Ramesh Menon, op.cit.

¹⁵ Mehendara P. Lama and Rasul Bakhsh Rais, op.cit.

¹⁶ Mohd. Naseem Khan, "Vajpayee's Visit to Iran: Indo-Iranian Relations and Prospects of Bilateral Cooperation", *Strategic Analysis*, Vol. XXV, No. 6, p. 776.

¹⁷ Shamila N. Chaudhary, op.cit.

cooperation.¹⁸ India's assistance to Iran's space programme is being watched warily by Washington, which fears this could boost Iran's missile programme.

This is the reason why New Delhi demanded sovereign guarantees from the Iranian government regarding the Iran-Pakistan-India pipeline and Iran agreed to furnish state-to-state guarantees in favour of Pakistan. According to this proposal the Iranian government will give an undertaking to the Indian government that if Pakistan at any point of time cuts off the gas supplies to India, Tehran will supply an equal amount of LNG to India at the same price. Iran has also assured the Indian government that it will immediately cut off gas supplies to Pakistan if Islamabad cuts off gas to India. The two assurances are not only very strong and credible, but have been made after obtaining the necessary documentary consent from Pakistan.

India's bargaining position is actually a hurdle. Nothing concrete has emerged regarding the gas pipeline proposals because of;

- Huge financial implications
- Geo-political considerations
- Unsure confirmation of natural gas resources
- Pricing of supplied gas
- Third country approval of transit
- Environmental repercussions¹⁹
- US opposition to the project

Evolutionary Process

Former Iranian President Ali Akbar Hashemi Rafsanjani proposed a 2,657-km²⁰ long Iran-Pakistan-India gas pipeline in 1993. The project was conceptualised when in the early 1990s major gas deposits were discovered in Iran's territory, opposite to Qatar across the Gulf, the South Pars field. In 1993, a MoU was signed between India and Iran for an offshore gas pipeline to India. Later on, an overland gas pipeline was decided upon, as it would be 15-20% cheaper than an offshore pipeline. In 1995, Pakistan and Iran signed a preliminary agreement for construction of a natural gas pipeline linking the Iranian South Pars natural gas field in the Persian Gulf with Karachi, Pakistan's main industrial port located on the Arabian Sea. Gwadar subsequently replaced the Karachi port. Iran later proposed an extension of the pipeline from Pakistan to India. In this case not only would Pakistan benefit from Iranian natural gas exports, but also its territory would be used as a transit route to export natural gas to India.

¹⁸ M. Naseem Khan, op.cit.

¹⁹ Pak willing, Iran plans gas pipeline to India, <economictimes.indiatimes.com/articleshow/301989.cms>

²⁰ Shishir Gupta, "Peace Pipeline", *India Today*, 26 June-2 July, Vol. XXVI, No. 27, 2001, p.36.

Due to strained relations between India and Pakistan, as an alternative, India suggested the development of either a deep-sea or an offshore pipeline where no threat to security of resources could exist. The year 1999 was characterized by several meetings between Indian and Iranian government officials, which resulted in the formation of delegations and committees to further discuss the feasibility of the pipeline project. In February 1999, Iran signed a preliminary “in-principle” agreement with India, agreeing to the idea of bilateral collaboration. However, a tripartite agreement is necessary between India, Iran and Pakistan for the implementation of the project.²¹ Proposals for a shallow sea route; which would pass through Pakistan's territorial waters were also rejected. Any pipeline which involves construction through the territorial waters of Pakistan (12 nautical miles into the sea), restricts India's association with any such initiative. Apart from the lack of adequate technology, the cost would be six or seven times that of the land route, which is expensive enough at an estimated \$4 billion. But there are other factors at play.

According to various reports, the overland pipeline appears to be the most feasible option. An overland pipeline from Iran's gas fields will cost a third of a pipeline under the sea. It will also take half the time to lay and be more economical to maintain. Pakistan can get the following benefits from this pipeline:²²

- Transit fees ranging from \$400 million to \$750 million a year
- It would be a chance to present a responsible face to the world.
- This pipeline can act as a Confidence Building Measure (CBM) between India and Pakistan.

In April 1999, the Iranian and Indian governments established a bilateral task force of business and government officials to look at the economic and industrial feasibility of developing the pipeline. In September 1999, the National Iranian Gas Company sent a two-member delegation to hold talks with the Gas Authority of India for the feasibility report of the pipeline project.²³

In the year 2000, officials of Indian, Iranian, and Pakistani governments negotiated the possible routes, modes of transport and geopolitics of the Iran-India natural gas pipeline. These negotiations indicated a significant shift in inter and intra-regional politics between the states. The potential for economic and developmental gains from natural gas will force India, Iran and Pakistan to reassess their roles and policies in regional

²¹ *The Hindustan Times*, 7 July 2000.

²² “Indo-Pakistan Summit 2001”, *Express India*, Retrieved on 26 November, 2002, <<http://www.expressindia.com/summit/issues.htm>>

²³ *The Hindustan Times*, 24 September 1999.

conflicts, like Kashmir, Afghanistan and national security issues. Furthermore, potential economic collaboration and gains will also lead to a possible transformation of social and political discourse between the involved states, perhaps even leading to mediation and resolution of regional conflicts, while putting the eggs of political and economic stakes of the involved states into one basket.

When former Indian Prime Minister Atal Bihari Vajpayee visited Lahore in 1999, media predicted that an Iran-Pakistan-India pipeline deal was the next thing on the agenda, but the Kargil conflict occurred and a stalemate became the prominent feature of their bilateral relations. Similar hopes were raised again just before the doomed Agra summit. Then came 9/11 and the subsequent ouster of the Taliban, which changed the strategic balance in the neighborhood. Though Tehran and Islamabad tried to maintain formal friendly relations but there had been conflict of interest over the Taliban in Afghanistan. With the Taliban out of the way, the decks were cleared for better relations between the neighbours. Pakistan and Iran signed a MoU to pursue the pipeline project from Iran to India. This was done without any Indian involvement. Meanwhile, the continuing lack of central governance in Afghanistan delayed the execution of TAP pipeline from Turkmenistan as it was feared that any pipeline that traversed it would be at the mercy of the whims and fancies of various warlords.

At the end of 1999, President Pervez Musharraf visited Tehran and also discussed the pipeline proposal with Iranian officials. As a result, in March 2000, the Pakistani secretary for petroleum visited Iran to frame a formal agreement to the pipeline project between the three countries. Iranian government officials visited Islamabad later in April 2000 for Pakistan government to sign the contract.²⁴

On 17 January 2002, the Gas Authority of India Limited (GAIL) and the National Iranian Oil Company (NIOC) decided to commission a fresh feasibility study about the laying of an onshore gas pipeline between the two countries passing through Pakistan. This MoU was signed by multi-national companies Rahgozor and GAIL's chairman and managing director Prashanto Banerjee.²⁵

Iranian deputy foreign minister Mohammad Hossein Adeli urged India to choose the Pakistani route for the Iran-India gas pipeline project, as this project would contribute to peace and stability in the region. At an ECO conference in Islamabad in November 2000, Pakistan promised a safe route for the Iran-India gas pipeline project.²⁶

²⁴ Sharmila N. Chaudhary, op.cit.

²⁵ "India, Iran warm up again to gas pipeline proposal", *The Business Standard*, <<http://meadev.nic.in/news/clippings/20021022/trib2.htm>>

²⁶ "Iran Defends Pakistan Choice for Gas Pipeline", *Sawal Network*,

The Iranian petroleum minister, Bijan Namdar Zanganeh, rightly maintained that the gas pipeline would also mean cheaper gas to the consumer countries besides the benefit of transit fee.²⁷ Pakistan may be able to earn as much as \$500 million a year if the proposed gas pipeline transiting from Iran via Pakistan to India was to materialize. Pakistan stands to earn about \$ 14 billion in 30 years from the project, including \$8 billion in transit fee, \$1 billion in taxes and \$5 billion in savings. For Iran, it would not make economic sense if the pipeline were not extended to India. Iran stands to make \$3.06 dollar per mmbtu of gas sold to India while it would fetch only \$1.48 if the commodity did not go beyond Pakistan.²⁸

During the visits of former Prime Minister Zafrullah Khan Jamali in 2003 and Prime Minister Shaukat Aziz in 2005, the issue of gas pipeline rose and both parties agreed to realise the significance of this project. Reflecting Pakistan's viewpoint, President Musharraf said " If Indians don't want to buy gas cheap, its their problem, but if they want the pipeline we are prepared." The involved parties have reached several bilateral agreements to execute the project. Though implementation on these agreements has been delayed, hope is still alive. Since the time the proposal was initiated, several committees have been formed to prepare the feasibility reports and the parties have signed several MoUs. Hence the lack of a climate of trust and US opposition are delaying the project.²⁹

Policy Stands of Involved States

India is playing its cards well, being the biggest South Asian energy market. It is continuously shifting its policies to bargain as much as possible with Iran over this project. It threatened to pull out of the proposed US\$4.16 billion Iran-India pipeline project over the price of natural gas saying Tehran has to price the fuel at rates affordable to industry in India.³⁰

India and Iran are gradually proceeding towards building up this pipeline. They both have signed an energy agreement in January 2005 whereby Iran agreed to sell India 7.5 million tons of liquefied natural gas, or (LNG), a year for 25 years. In return, India agreed to participate in developing Iran's oil fields and extracting some 100,000 barrels of oil per day from them. Iranian Foreign Minister Kharrazi described the deal as "one of the most significant results of the strategic agreements reached by the two countries so far." He

<<http://news.sawaal.com/14-feb-2001/international/7.htm>>

²⁷ Javed Saleem Qureshi, "Gas Pipeline a much-needed regional project", *Dawn*, 29 April 2002.

²⁸ "Still a Pipedream?", *Dawn* (Islamabad), 2 December 2001.

²⁹ "Pipedream could bind India, Pakistan in Peace", 3 July 2001.

<<http://www.rediff.com/money/2001/jul/03pipe.htm>>

³⁰ India Threatens to Pull Out of Iran Gas Pipeline Project,

<<http://asia.news.yahoo.com/050317/4/1xzkl.html>>

added further the “Iran-Pakistan-India pipeline would be the best and most desirable step towards enhancing the cooperation between Iran and India in the field of energy.” The lower cost of piped gas, the creation of new job opportunities, and the acceleration of economic progress and foreign investment in the countries of the region are some of the main motivations for implementing such a large project.³¹

Negotiations between India and Iran over the gas pipeline issue might get stuck over the pricing of the gas by Iran. An Indian energy expert³² says that based on economics, gas from Iran should be priced at one dollar per million Btu. He claims what has been a bit worrying are a few statements which reportedly have come out of Iran which are looking at the same price for piped gas as for LNG. Now, if that is the case, then there are no great advantages for India. Around the world LNG becomes cheaper beyond a distance of three thousand kilometers. Iran-India gas pipeline would cover a much shorter distance. India has always had good relations with Iran and the pipeline is the most economic way of getting gas to northern India.” LNG needs to be moved from the coastal locations to the demand centres but the pipeline comes into northern India where the gas is required. It will come directly through Rajasthan to northern India. As a result India is in a win-win situation. It would take delivery of the gas at the border between India and Pakistan and an international consortium would build the gas pipeline. One of the members of the consortium probably is BHP Billiton, which has been doing a lot of work on this project. Other members would be financial institutions and gas companies. The Gas Authority of India Ltd will build the pipeline from the delivery point on the Indian border to wherever required within the country.³³

Meanwhile Iran and India signed two agreements on 22 February 2005 to expand bilateral cooperation in commercial and economic fields through support for their private sectors. The two countries concluded agreements on oil and gas cooperation and protection of joint ventures and cultural heritage. They also signed a MoU welcoming construction of a gas pipeline from Iran to India and expressing satisfaction over the security of the pipeline. The two sides also stressed transfer of natural gas from Iran to India and laying suitable grounds for transportation and cooperation between Tehran and New Delhi.³⁴

³¹ Andrea R. Mihailescu and Martin Sieff, *Oil needs change strategic face of Asia*, United Press International, <<http://washingtontimes.com/upi-breaking/20050303-112309-2253r.htm>>

³² R.K. Batra, Tata Energy Research Institute (TERI), New Delhi.

³³ India, Iran Must Sort Out the Price of Piped Gas, <<http://www.petroleumiran.com/newsiran.html>>

³⁴ Iran, India sign two agreements, <<http://www.petroleumiran.com/newsiran.html>>

Iran has sought India's participation in its refineries and petrochemical plants. Iranian officials invited Indian Oil Corporation (Indian Oil) and other Indian companies to invest and participate in the new refineries and petrochemical plants proposed to be set up in Iran.³⁵

On the domestic front Iran is encouraging foreign investment in its oil and gas industry. The Iranians are promoting various multi-national oil and gas companies such as French company Total, Malaysia's state-owned Petronas Company, Turkey's state-owned energy company Botas, Russian companies such as Gazprom, and Germany's state owned Westdeutsche Landesbank, which planned to finance the development of Iran's Soroush oilfield project.³⁶ Apparently by adopting the strategy of open market or by encouraging foreign investors, Iran is raising the economic stakes of the international community, especially of the European Union to restrict United States from adopting any coercive strategy against Iran. For this very reason, Iran is also expanding its economic and trade relations with the neighbouring states. Its willingness to export gas to India and Pakistan is an extension of this strategy. By getting hold of the energy needs of the region Iran will be more influential and this energy dependency of the region on Iran will be another bargaining chip for Iran. This situation may pressurize the US to limit or lift its economic sanctions against Iran.

Iran and Pakistan are also moving towards bilateral cooperative relations. The newly elected Iranian President, Mahmud Ahmadinejad in his first press conference, called Pakistan a "cordial friend". Both states have agreed to speed up the process of implementation of Preferential Trade Agreement and also step up efforts to finalize Iran-Pakistan-India gas pipeline project. Both countries are also looking forward towards progress on the Zahidan-Bam rail track in the Iranian territory and recorded their expectation that on completion, it will increase a quantum of bilateral trade between the two countries.³⁷

Iran is active on the diplomatic front to execute the project at the earliest. Oil Minister Bijan Namdar Zanganeh of Iran visited India during January 2005, to attend a roundtable of Asian ministers aimed at promoting regional cooperation in the area of oil. Issues on the agenda include stability and security of oil economy through mutual solidarity. Before his India visit, Zanganeh and his accompanying delegation will arrive in Pakistan for talks on

³⁵ Iran Seeks Indian Participation in Refineries,

<<http://www.petroleumiran.com/newsiran.html>>

³⁶ Hillary Mann, Iran Sanctions Violations-The Challenge for Washington, *Policy Watch*, No 245, 5 May 1999,

<<http://www.washingtoninstitute.org/watch/Policywatch/policywatch1997/245.htm>>

³⁷ <<http://www.urduetimes.com/englishnews/2004/08/10/en1/>>

bilateral cooperation.³⁸ India, however, is on the safer side as according to an agreement between Iran and India it is the responsibility of Iran to negotiate with Pakistan on the pipeline's construction and ensure the safety of supplies on Pakistan's territory.³⁹

The problem is that at a time when the relationship between India and Pakistan are improving agreeing to this proposal would not only give Islamabad a huge economic boost, it would give Musharraf's regime a certain respectability, both within Pakistan and without. It will send the message that notwithstanding a few reservations, New Delhi was willing to trust his guarantees on the pipeline's security.

China Factor

Recently China has shown keen interest to participate in the Iran-Pakistan-India gas pipeline project, adding credibility to the project. As part of its regional policy China is expanding its economic linkages with the regional states on bilateral bases. It has already signed an enormous \$70 billion oil and natural gas deal with Iran that locked both countries into a 30-year relationship. Under that deal, Iran is committed to supply 150,000 barrels of crude oil a day to China for the next 25 years at market prices from its giant Yadavaran field.⁴⁰

India and China have also agreed to raise bilateral trade by \$7 billion to \$20 billion by 2008, even as Beijing hinted at opening up markets for Indian rice. Besides agreeing to work together in energy security and strengthening cooperation in the WTO, both the countries also decided to support an "open, fair, equitable and transparent rule-based multilateral trade system." Regarding the energy sector, the joint statement during the visit of Chinese premier in April 2005 to India said that India and China agreed to cooperate in the field of energy security and conservation, including, among other things, encouraging relevant departments and units of the two countries to engage in the survey and exploration of petroleum and natural gas resources in third county.⁴¹

Liao Yongyuan, Assistant President of China National Petroleum Corporation (CNPC), stated during an interview "China is prepared to join Pakistan, India and Iran in the construction of cross-border gas pipeline project. China is convinced that the Iran-India pipeline through Pakistan is of significant importance and will substantially benefit all three countries." He added further that China wishes to facilitate the construction of this gigantic

³⁸ Iran Oil Minister to Visit Pakistan and India,
<<http://www.petroleumiran.com/newsiran.html>>

³⁹ Andrea R. Mihailescu and Martin Sieff, op. cit.

⁴⁰ Op. cit.

⁴¹ India-China trade to reach \$20 bn by 2008,
<<http://www.zenews.com/links/articles.asp?ssid=50&aid=211538&newsid=BUS>>

project. While making ground for energy cooperation, China has already developed good partnership with Pakistan, India and Iran in the petroleum sector and wished to cooperate with them, making the project a reality. China also expressed its intention to cooperate in setting up gas stations along the pipeline. The CNPC is currently engaged in construction of the 998-km China-Kazakhstan oil pipeline. The construction, begun in September 2004, is scheduled to be completed by December 2005.⁴²

Finally India has officially proposed to extend the Iran-Pakistan-India gas pipeline to China and sought greater collaboration between Indian and Chinese oil companies to build energy security for two of the world's most populous and energy-thirsty states. The 2600-km pipeline, which would reach Rajasthan, is proposed to travel through the heart of India and into Myanmar via Bangladesh, and then travel to China. Supply disruption to India, by Pakistan or non-state actors would then mean that fuel supplies to China will also be cut and, therefore, such an arrangement would guarantee greater stability to the project. India is keen to ensure security of oil and gas supplies, as it imports 100 million tonnes a year of crude to supplement the domestic crude output of 33.50 million tonnes.⁴³

The extension of the Iran-India gas pipeline project to China will provide a new market for Iran's natural gas. Iran has showed its consent for the extension of the Iran-India gas pipeline to China. They are evaluating the project in terms of political and economic gains.⁴⁴

Politico-Economic Implications

This project has various implications for all the three actors involved.

Economic Implications

- Economic benefits are the most potent factor of the whole project as it provides cheap gas for India, transit fee for Pakistan, and energy market to Iran, which will add to the economic prosperity of all the involved countries.
- Heavy investment by an international consortium on the mega project can rebuild trust and confidence in Pakistan of multi-nationals and foreign investors, along with job opportunities and rebuilding of infrastructure.

⁴² China offers help for tri-nation gas pipeline, 4 May 2005, <<http://www.jang.com.pk/thenews/>>

⁴³ India proposes to extend Iran-Pak-India gas pipeline to China, <<http://www.zeenews.com/links/articles.asp?ssid=50&aid=211538&newsid=BUS>>

⁴⁴ China, potential gas market for Iran, <<http://www.petroleumiran.com/newsiran.html>>

Political Implications

- It involves a whole host of new issues, ranging from security concerns to meeting the high demands for energy in South Asia. It raises the issue of regional cooperation, in the form of India-Pakistan collaboration, alongside India-Iran and Iran-Pakistan. It can potentially influence bilateral relationships between the countries on the key issue and conflicts of Afghanistan, Kashmir and the overall national security paradigm.
- The project will act as a mediator in the development of bilateral policies and conflict resolution of India, Iran and Pakistan. For Pakistan, the pipeline project is the beginning for greater cooperation in economic and political fields with Iran and India. For India, the project serves as a route for improvement in both trade relations and communication with Iran and Pakistan. The pipeline project exemplifies the ushering in of economic globalisation, which forges a way for mutually beneficial relations.
- India's dependency on Pakistan to meet with its energy requirements will force India to maintain friendly ties with Pakistan. It will also prevent India from launching any coercive strategy against Pakistan. Politically, Pakistan will be in a position to limit Indian strategic designs.
- Energy stability will also bring political stability, which would allow India to carry out its economic and strategic policies of mending fences with neighbouring states and economic growth in the presence of sufficient energy resources.
- Completion of this project can provide an incentive for Central Asian States to look at Pakistan as the gateway to their oil and gas resources. It may accelerate work on the project for a gas pipeline from Turkmenistan (TAP).
- As Iran has friendly relations with Russia so India will not face any opposition on the Russian front but the US is opposing this idea as its multi-national oil companies are investing in the gas pipeline from Turkmenistan (TAP) and due to US sanctions on Iran, US multi-nationals cannot invest in this project. Another assumption is that materialisation of this project will help Iran in breaking out of the isolation imposed by the US. The policy of regional engagement will help Iran to exploit the energy stakes of the regional states to build the pressure of international community against US sanctions. It might be possible that they may pressurize their government for the permission to participate in Iran's energy sector and this mega project.

Irritants in this Project

Mistrust or uncertainty is among the basic irritants in this project. India has always had a fear that Pakistan may use India's dependency on a pipeline passing through its territory as a pressurizing chip. While responding to India's fears that extremists in Pakistan could sabotage the pipeline or that Pakistan's officials could hamper the energy supply to India for political reasons, Tehran once suggested that the pipeline be owned and operated by an international consortium of bankers and oil companies, which would buy the oil from Iran and sell it to India. The argument was that such a deal would ensure that India did not deal directly with Pakistan and would remove Pakistan's motivations to disrupt supplies. It also suggested that the spigots (or taps) on the pipeline should be based only in Iran and India, so that Pakistan could not turn off the supply without actually blowing it up or destroying a section, thereby hurting its own supplies. Pakistan is expected to get \$600 to \$800 million annually in transit fees which alone is a reasonable guarantee against sabotage by Pakistan. The states are also looking for a financier to finance this huge project. The selection of the funding organization is another hard nut to crack.

There is another pipeline option available which is also an irritant in the construction of a pipeline through Iran.

The TAP (Turkmenistan, Afghanistan and Pakistan) Project

This pipeline route was proposed in 1995 when Turkmenistan, Afghanistan and Pakistan signed a MoU to pave the way for the construction of this pipeline. Instability in Afghanistan is the key hurdle in its execution. The cost of this pipeline is estimated between \$2 billion to \$3.5 billion. The gas pipeline will have a capacity of 15 to 30 billion cubic metres a year.⁴⁵ The pipeline will be 1,500 km long, 740 km in Afghanistan, 200 km in Turkmenistan and 600 km in Pakistan.⁴⁶

The state most likely to suffer from the possible construction of this pipeline is Russia. If the trans-Afghan gas pipeline project is realised, the Russian economy will face two unpleasant consequences. Firstly, the Russian energy sector will lose the Turkmen gas that is now being delivered to Russia and, in the long-term perspective, also Uzbek gas. That could amount to 25 billion cubic metres annually. Secondly, if Central Asian gas exports are

⁴⁵ Turkmen President To Discuss Gas Pipeline In Pakistan, 20 May 2002.

<<http://www.rferl.org/bd/tu/reports/>>

⁴⁶ Stated by Turkmen President Saparmurat Niyazov on 29 April 2000.

<<http://www.rferl.org/bd/tu/said/>>

directed south, across Afghanistan to the Indian Ocean, Russia will lose substantial transit revenues.⁴⁷

Assuming that a 48-inch diameter pipe is used for the main artery, the capacity of the pipeline can even be raised to 40 bcm under optimum conditions. Pakistan has given an unconditional offer for use of its territory to extend a branch of TAP to India. India has still got some reservations to accept this offer. With India buying about 11-14 bcm and Pakistan drawing 1-2 bcm, the pipeline becomes commercially more feasible⁴⁸

Japan has given a very strong signal to buy gas from trans-Afghan pipeline. If Japan buys 3 million tons of condensed gas per annum, the pipeline can take a healthy start at 20 bcm right away, assuming that India and Pakistan together can buy about 15 bcm.⁴⁹

U.S Policy Towards Pipeline

Although US is not directly involved in the project, due to its policies towards Iran and the significance of South Asia in its strategic designs it cannot stay aloof from the project. The rise of global terrorism brought greater focus on the part of US policy makers to the South Asia region. After the 11 September attacks and the massing of a million men on the borders of nuclear-armed India and Pakistan during 2001-2, US is well aware of the vital importance of South Asia to global security. US priorities in the region are consolidating ties with India, securing a moderate Muslim state in Pakistan and actively encouraging peaceful relations between Pakistan and India. The US wants India to embrace and manage integration with the world economy and to go beyond the Information Technology sector. In post cold war period bilateral trade between India and the US grew from about \$5 billion in 1992 to almost \$12 billion in 1999.⁵⁰

US-India relations are moving towards

- Expansion in political security, military and intelligence cooperation;
- Intensification of both official and nonofficial dialogue on economic and trade issues; and

⁴⁷ Andrei Shoumikhin, *Developing Caspian oil Between Conflict and Cooperation*, Moscow Public Science Foundation, Moscow, Russia. Comparative Strategy. 16: 337-351. 1997. Taylor & Francis. pp. 339-340.

⁴⁸ Tariq Saeedi, "In search of clients for Trans-Afghan Pipeline", *The Statesman*, Peshawar, 27 July 2002.

⁴⁹ Ibid.

⁵⁰ History of the Department of State During the Clinton Presidency (1993-2001) Released by the Office of the Historian, Bureau of Public Affairs,

<<http://www.state.gov/r/pa/ho/pubs/8529.htm>>

- Negotiation on trade agreement in services.⁵¹

US considers Pakistan as a valuable partner in the war on terrorism. That is why it has awarded it the status of Non-NATO ally. It has a major stake in friendly and long-term ties with Pakistan. The US administration also sought to maintain US influence with Pakistan, which remained important to US national interests because of the long-standing US-Pakistan friendship, Pakistan's strategic location in South Asia and its proximity to Central Asia and the Persian Gulf. The US agenda in South Asia is strengthening the US-India relationship in the economic and security fields; to place Pakistan at the top of its foreign policy priority and tying the level of US assistance to Pakistan's undertaking of specific economic, political and foreign policy reforms; and taking a more active role in the resolution of the Kashmir dispute.⁵²

Before analyzing the US policy towards the pipeline project it is significant to recognize that US sanctions imposed after the hostage crisis of 1979 prohibits foreign investments above \$20 million in Iran, though this was flouted by France, Russia, the UK and other nations.

US policy towards the pipeline is visible in a statement made by US Secretary of State Condoleezza Rice, who visited South Asia in March 2005. She stated: "We have voiced our concerns to the Indian Government about the \$4.5 billion pipeline with Iran. It's not only with India. We have similarly talked to Japan about a gas project that they would have because the United States has sanctions on Iran for good reasons."⁵³ Condoleezza Rice said that South Asia's rising energy demands need to be met. She further added "We need to look at the broader question as to how India meets its energy needs over the next decade. We believe that a broad energy dialogue should be launched with India because the needs are there."⁵⁴ Rice mentioned that she understood the pressing nature of India's "burgeoning" energy needs and supported a "large-scale energy dialogue" between the two countries.⁵⁵

⁵¹ "New Priorities in South Asia: U.S. Policy Toward India, Pakistan, and Afghanistan", Chairman's Report of an Independent Task Force Cosponsored by the Council on Foreign Relations and the Asia Society.
< <http://www.cfr.org/pdf/India-Southasia.pdf> >

⁵² "New Priorities in South Asia: US Policy Toward India, Pakistan, and Afghanistan", Chairmen's Report of an Independent Task Force Cosponsored by the Council on Foreign Relations and the Asia Society,
< <http://www.cfr.org/pdf/India-Southasia.pdf> >

⁵³ Fate of Iran-Pak-India gas pipeline project hangs in balance,
<http://english1.peopledaily.com.cn/200503/20/eng20050320_177516.html>

⁵⁴ US ready to help on nuclear power, New Delhi (17 March 2005),
<<http://www.brecorder.com/index.php?id=210191&currPageNo=1&query=&search=&term=&supDate=>>>

⁵⁵ Amelia Gentleman, "Rice tells India about US worries on Iran deal", *International Herald Tribune*, 17 March 2005,
< <http://www.iht.com/articles/2005/03/16/news/rice.html>>

Maybe that would be a reason behind the US offer to provide technology to use nuclear energy for domestic purpose.

The behaviour of US policy makers towards this pipeline is strange. On the one hand, they want to end WMD threats from Libya, North Korea and Iran and maintain peace and stability in a nuclearised South Asia. On the other hand they are selling F-16 aircraft and arms to India and Pakistan, which can accelerate an arms race, but they do not want India to have gas from Iran through Pakistan, which would bring in more peace and stability between Pakistan and India than any other thing. It would help strengthen the economies of all the involved actors. Such deals would interlink survival of the three countries on more solid grounds. US wants India and Pakistan to be armed to destroy each other but when a deal, which is good economically for all the three countries is near to be signed, US expresses several apprehensions. It appears that India will not disrupt its economic dealings with Iran because of US “concerns.” Indian Petroleum Minister Mani Shankar Aiyar, who has played a major part in giving Indian oil diplomacy a boost, said recently: “We hope that they (US) can resolve issues with Iran by the time we are able to resolve our contractual issues (of gas imports).” Regarding US “concern” he added further, “We have noted what US concerns are and I think the United States is well aware of what our energy requirements are. We are sensitive to each other’s requirement. We need 100 million standard cubic meters per day of natural gas by 2025. Can America supply us that? I am only looking at ensuring energy security for the country.”⁵⁶ Mr. Aiyar was to visit Tehran in June to formally sign the \$4.16 billion Iran-India gas pipeline deal.⁵⁷

Another viewpoint is that the Pars gas field of Iran is being developed by Russian energy major Gazprom, Total of France and Petronas of Malaysia. The Americans, who project Iran as one of the 'three axis of evil' (Iraq and North Korea are the others), are unlikely to be happy with this since they do not have control over the project.

Indo-Pak Relations

Another volatile factor in the project is the changing nature of India-Pakistan relations. India has to contend with Pakistan—such is the geographic location of Pakistan—to reach the energy rich regions. Pakistan acts as a gateway to both the Middle East and the republics of Central Asia. Any gas pipeline from Iran or from Central Asia would have to pass through Pakistani territory to

⁵⁶ George Perkovich, *Iran's Security Dilemma*, Yale Global Online, 27 October 2003.
< <http://yaleglobal.yale.edu/display.article?id=2686>>

⁵⁷ Nilofar Suhrawardy, “India Snubs US Over Remarks on Iran Gas Pipeline”, Arab News,
< <http://www.arabnews.com/?page=4&§ion=0&article=60393&d=14&m=3&y=2005> >

reach India.⁵⁸ Now gradually India and Pakistan have been opening up trade and bus routes and a dialogue process has been started.

After twice going perilously close to war in 1999 and in 2001-02, the two nuclear-armed neighbours have realized the wisdom of seeking a peaceful resolution of their differences, so that the economic growth achieved in recent years can be maintained. The turn for the better in Indo-Pakistan relations is proving durable, despite reminders of traditional mistrust and continuing differences. The CBMs have contributed to a relaxation of tensions, and are being maintained despite the halting progress on the agenda of the composite dialogue. The visit of the Indian foreign minister, the first such visit in over a decade, was marked by a landmark decision to open the Srinagar-Muzaffarabad road, which was seen as a win-win decision that would enable members of divided Kashmiri families to see each other, and possibly restore trade across the LoC.⁵⁹

During the visit of President Gen. Pervez Musharraf to India in April 2005, the Indian-born Pakistani leader Pervez Musharraf and Pakistan-born Indian leader Man Mohan Singh agreed to work towards a “soft border” in Kashmir, opening meeting points for divided families and boosting cross-border trade, travel and cooperation. A soft border, though not a final solution, will be a good starting point for peace in Kashmir. It is thus imperative for both India and Pakistan to push for the early convening of the SAARC Summit, which was postponed several times. It will also project a better image of South Asia as a united, dynamic region. In the words of Prime Minister Singh, “the people of South Asia do not need further divisions, but greater unity.”⁶⁰

Iran's Security Dilemma

Iran is facing various security dilemmas such as strained relations with the Gulf States, territorial problems with neighboring states and hostile relations with the US, which resulted in the imposition of sanctions on Iran. As a result the security of the pipeline can also be endangered.

One of the most significant security dilemmas of Iran is the US presence in Iraq and Afghanistan. Saddam Hussein's Iraq was the gravest threat to Iran's security, followed by the Taliban government and its brand of Sunni extremism. Iran now confronts on its western and eastern borders the most powerful military in the history of the world and a radical ideological government in Washington bent on overturning governments like Iran's. The

⁵⁸ Umar Khalid, op. cit.

⁵⁹ Maqbool Ahmad Bhatti, “Kashmir: is a solution in sight?”
< <http://www.dawn.com/2005/03/28/op.htm> >

⁶⁰ < <http://www.dailynews.lk/2005/04/19/Editorial.htm> >

American presence surrounding Iran has not improved security but rather has put a dagger to Iran's front and back.⁶¹

US Containment of Iran

US containment of Iran is an important feature of Iran's security dilemma. The basic motives behind US policy of containment of Iran are:

- Controlling oil access is a cornerstone of US Middle East policy.
- US reliance on imported oil is very high.
- Oil from the Persian Gulf accounts for 10% of the oil used in the US.
- Dual containment of Iran and Iraq, along with a broader military engagement policy, is key to US strategy in assuring the flow of oil.⁶²

The US strategy of dual containment of Iran and Iraq, designed to ensure that neither Iraq nor Iran is capable of threatening neighbouring Gulf countries, is inextricably linked to Washington's oil policy. Currently, US domestic oil production supplies about 50% of total US consumption. Foreign sources provide the rest, primarily Canada, Venezuela, Mexico, and several African countries. The US is strongly committed to protecting Gulf oil, although only about 10% of oil used in the US is imported from the region. Washington maintains military and naval installations in Kuwait, Oman, Saudi Arabia, and Bahrain, considering the presence of these forces as central to keeping the pressure on Iran and Iraq to secure the flow of oil and prevent any threat to oil in international waterways. The flaws of US policy are

- Dual containment, the key component of US strategy in the Gulf region, is expensive, inappropriate, and ultimately unnecessary to protect oil.
- The US does not take into account its allies' human rights violations, arms spending, or political repression.⁶³

In addition, US policy ignores some fundamental realities.

First, Iranian regimes are not likely to remain isolated forever. European countries, China, Russia, and other countries with interests different from Washington are all abandoning US policy to consider trade with Iran. Second, the attempt to exclude Tehran from influencing regional politics is

⁶¹ George Perkovich, *op. cit.*

⁶² Mamoun Fandy, *U.S. Oil Policy in the Middle East*, Volume 2, Number 4, January 1997. <http://www.fpiif.org/briefs/vol2/v2n4oil_body.html>

⁶³ *Ibid*

unrealistic. The majority Shia community in Iraq, as well as oppressed Shia communities in other Gulf States with a capacity for destabilization, will certainly be influenced by neighbouring Iran. Pushing Iran to the limit, coupled with the miserable conditions of the Shias in other countries, could bring about exactly the regional instability that the US is trying to prevent. Saudi oil security, as defined by the West, is contingent on a pacified Shia population in Saudi Arabia's eastern province.⁶⁴

Conclusion

This proposed pipeline will act as the most significant Confidence Building Measure (CBM) between India-Pakistan-Iran, which will lead this region to prosperity. For the maintenance of this pipeline and supply of gas, all three states will try to improve their relations and resolve their conflicts, as economic stakes are the most important strategic drivers in international politics. By getting hold of the energy supplies to the region, the pipeline will provide Iran with another bargaining chip. This can be one of the motivating factors behind Iran's economic and trade relations with the neighbouring states. This situation is likely to put pressure on the US to limit or lift its economic sanctions against Iran.

The eagerness of India and China to buy Iran's oil and gas also serves notice on Israel that its dream of courting both the Asian giants as equal partners and, in India's case, as a potential ally against the Muslim Middle East, should be discarded, or at least reduced to more realistic ambitions. The high tech capabilities given to a tiny country of six million people will not weigh in the scales against the energy needs of two enormous energy dependent nations seeking the fuel to provide for more than a billion inhabitants each for decades to come.⁶⁵

Iran is arranging energy sales with influential countries, including China and India, as a way to win stronger friendship. However, the US' desire to see the pipeline project abandoned will dissuade India from going ahead with the \$4.5 billion plan. Indian officials believe that because India's economy was growing "exponentially," the country had to address its urgent energy needs and he indicated that he had no intention of stopping cooperation with Iran.

Under these circumstances, it is difficult to predict when the pipeline will be built. But looking at the energy need and industrial growth of South Asian States, one can assume that despite the US pressure, they will keep their own national interests as their top priority. There are assumptions that the energy dearth will slow down their industrial growth, not acceptable to any sovereign state. India, the strategic partner of US and Pakistan the non-NATO

⁶⁴ Ibid.

⁶⁵ Andrea R. Mihailescu and Martin Sieff, *op. cit.*

ally are important US ally in its War against terrorism. So strategically US cannot afford to lose their support and cooperation in this regard. Factually, if US wants India and Pakistan to act as per its policy guidelines, it has to arrange the flow of cost effective natural gas to maintain industrial growth and meet the domestic needs of India and Pakistan. Rationally, both India and Pakistan may not sacrifice their economic well being to bash Iran as per US desires. India is already so dependent on imported energy—70 percent of all consumed energy comes from abroad—that it is prepared to face a degree of diplomatic tension to meet the huge domestic demand.⁶⁶

Another factor that needs to be calculated by our policy makers is the security dilemma of Iran. As in case of any coercive action by US against Iran will directly affect the economies of South Asia, it may as well create a hurdle in the flow of gas from Iran. This complete dependency on Iran to meet our energy needs can provide strategic leverage to Iran. It may use it to pressurizing US in case of any conflict. As halting of the energy pipeline can create chaos and industrial blackout in South Asia, which may make it strategically more vulnerable.

To avoid any such a development it is important that the South Asian states must pursue a strategy of diversification of sources to meet their energy requirements. ■

⁶⁶ Amelia Gentleman, *op. cit.*

THE RUSSO-SINO-INDO TRIANGLE: RETROSPECT AND PROSPECTS

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Russia, China and India, if taken together, acquire a significant place in world politics. They are nuclear powers with Russia and China as permanent members of the United Nations Security Council, while India on an ambitious drive to obtain this status. The total population of China, India and Russia is around 2.4 billion, which is 40 percent of the world. They cover a total area of 29.96 million square kilometers, which is 22.5 percent of the total world population.¹ Their geographical location and proximity with each other further enhance their significance (only Russia and India have no common border, while China shares long borders with both of them). In their individual capacity, all three powers play very important role in regional and international contexts. Russia, despite its disintegration in 1991, is still a key player in international politics. It has state-of-the-art technology in air space and is the second largest arm supplier to a number of countries including China. Moscow's huge unutilized energy resources further add to its significance. A recent study stated that in the coming decades, Russia would become the sixth largest industrialist country with a booming economy. In term of living standards, it would lead Italy and Germany by 2050 and France and Great Britain in GDP.²

Likewise, the People's Republic of China (PRC), is an emerging economic, political and military power. For the past two decades, it has maintained an average of 9 percent growth rate. If the same pace of development continues, time is not far off when policies of the PRC would profoundly influence the global politics. The study speculates that in 15 years China would become second super power (followed by India) and would leave the US behind in 2040.³

Though India presently lags behind Russia and China, yet it has the potential as well as the ambition to emerge as a great power. Given these facts, the mutual cooperation among these three countries, leading to a strategic

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¹ Nivedita Das Kundu, "Russia-India-China: Prospects for Trilateral Cooperation," <http://www.helsinki.fi/aleksanteri/english/publications/ap_3-2004.pdf> (23 May 2005).

² *Pravda*, <http://english.pravda.ru/printed.html?news_id=16064> (accessed on 2 November 2005).

³ *Ibid.*

alliance, as envisaged by the former Russian Prime Minister, Yevgeny Primakov in 1998, would be a major development, with profound impact on regional and international politics. In this regard an analyst aptly commented, “Obviously, this (Russia-India-China strategic triangle) would raise hackles in the world capitals, and subtle attempts will be made to thwart such an emergence.”⁴

Several years have passed to the promulgation of the idea of strategic triangle, but an outcome is yet to be seen. The prospects of the idea have become rather ambiguous with the passage of time. This paper explores the idea of strategic triangle with focus on bilateral relations at the three dimensions of triangle: China-Russia; China-India and India-Russia and analyses its prospects in the rapidly changing global environment.

Origin of the Triangle

The end of Cold War, as a result of the disintegration of the Soviet Union, created a profound impact on the international system. Primarily, it turned the world uni-polar, with the US as a sole super power. Instead of using its position to promote international peace and ensure disarmament in the large interest of mankind, Washington assumed hegemony in the world system by flexing its military muscle and going on a rampage against small countries that had previously managed to protect themselves by using the ‘balance of power’ mechanism in the Cold War years.⁵ There is a broad consensus among scholars that the US factor was the prime reason behind this initiative. According to *Pravda*, mouthpiece of Russian Government, “It goes without saying that the idea of creating such a triangle is based on the wish to challenge the supremacy of the US. This desire can be seen rather clearly, although it differs a lot with the real state of things.”⁶ An analyst added by saying, “...the major contributory factor, which impels Russia, India and China to explore the prospects of a joint strategic triangle, lies in the United States unilateralism, its propensity to seek military solutions to global security issues outside the framework of the United Nations and its selective approaches on issues of global terrorism, nuclear proliferation and strategic delinquencies of its regional protégés.”⁷ In this context, the collective response of these three

⁴ Subhash Kapila, “Russia-India-China Strategic Triangle Contours Emerge: An Estimate Analysis”, <<http://www.saag.org/papers15/paper142.html>> (accessed on 24 July 2005).

⁵ “Message to America”, *Dawn* (Islamabad), 21 August 2005.

⁶ *Pravda* (Moscow), <http://www.english.pravda.ru/printed.html?news_id=15273> (accessed on 25 August 2005).

⁷ Kapila, op. cit.

powers had the potential to promote the multi-polarity, as T. T. Poulouse added.⁸

It is agreed upon that the idea of strategic triangle has Russian origin. Former Russian President, Boris Yeltsin, talked about a trilateral cooperation in 1993. However, it did not get attention until it was later proposed by Primakov, during his visit to India in 1998. The idea then got wider publicity and Russian press termed it as “Primakov’s Triangle”.⁹ In fact, it had been Russia’s old desire to construct an alliance of the Asian countries. During 1960s, the then Soviet leadership presented the plan of Asian Collective Security, which remained unaccomplished.

Subsequent Russian leadership vigorously pursued this idea. On the eve of Russian President Vladimir Putin’s trip to India in October 2000, Russia reiterated this theme. While addressing this issue, Putin stated that it was impossible to establish a new architecture of international relations as a whole without the participation of Russia, China, and India, which have common interests in Asia.¹⁰ In December 2002, Putin again underlined the need of strategic triangle and stated that his country was concerned with the need for positive development of relations between Russia and India, Russia and China, and China and India. He added that all parties involved in this triangle were serious in this cooperation.¹¹ Russia remained the moving spirit to translate this idea into reality. Despite these factors, the plan received little response from China and India, particularly in its initial stage. Two factors particularly blocked this progress: First, Sino-Russian normalization had yet to gain momentum; second, in the past, strong suspicions had existed between China and India.

The nature and dynamic of trilateral relations were concerned: Sino-Russian; Sino-Indian and Indo-Russian, seem as determining factors in the formulation of cooperative alliance of the three states. The strength of such relations would enhance the probability of this strategic triangle. Thus, an independent analysis of such relations seems to be an important component of this research. This part of the paper separately discusses these relations.

⁸ T. T. Poulouse, “Russia-China-India: A Strategic Triangle”, *Asian Affairs* <<http://asianaffairs.com/jan2003/diplomacy.htm>> (accessed on 10 April 2005)

⁹ Prakash Nanda, “Why is a Russia-China-India Triangle Not Feasible”, *Asian Affairs* <http://asianaffairs.com/jan2003/viewpoint_triangle.htm> (accessed on 25 August 2005).

¹⁰ Ibid.

¹¹ Press Trust of India reported on 4th December 2002, cited in Nivedita Das Kundu, “Russia-India-China: Prospects for Trilateral Cooperation”, <http://www.helsinki.fi/aleksanteri/english/publications/ap_3-2004.pdf>

Sino-Russian Relations

China and Russia are giant powers as well as neighbours. Their friendly relations would definitely enhance the prospects of the triangle. They remained at daggers drawn for long. However, in the post-Cold War period, their relations have considerably improved and overcome their major differences and created conducive atmosphere for forging friendly ties. The advent of 21st Century brought fresh opening for them. They have a shared perception on many regional and international issues.

Wang Haiyun, an analyst, identifies several factors, which bring China and Russia together. One of the important factors is the US, which pursues a policy of containment by squeezing room of space for them. Other factors include their common desire to promote multi-polar world, a just reasonable international order, and their responsibilities being a permanent member of United Nations Security Council to safeguard the world peace and stability.¹² According to Haiyun, “the two countries have similar strategic thinking, and share common views on important international issues, e.g. fighting against unilateralism and protecting UN’s authority, opposing power politics, interfering in other countries’ internal affairs and double-standards toward terrorism. These common grounds have provided the most important precondition for the two sides’ close cooperation.”¹³

On 16 July 2001, China and Russia signed the Treaty of Good-Neighbourliness and Friendly Cooperation that provided a legal framework to become good neighbours, partners and friends, paving the way for their friendly relations. The treaty summarized the principles and spirit of over ten declarations and statements, signed by the two heads of states over the past ten years, and outlined the strategy of development of their mutual relations. The treaty embodied broad common interests shared by the two countries in developing bilateral relations and dealing with international affairs and the spirit of the “keeping a permanent friendship and never becoming enemies.”¹⁴ The agreement was followed by three communiqués. In the first communiqué, they pledged to promote trade and investment links, joint exploration for oil and gas including pipeline construction and assertion to take measures to rejuvenate their “bilateral relations in politics, economy, science and culture”. The second communiqué focused on regional and international issues such as cooperation against terrorism, an accord on achieving a nuclear-free Korean

¹² Wang Haiyun, “The Deepening of Sino-Russian Relations and Its Strategic Significance”, China Institute of International Studies
<<http://www.ciiis.org.cn/item/2005-06-13/51019.html>> (accessed on 9 February 2005).

¹³ Ibid.

¹⁴ “Sino-Russian Treaty for Friendship Takes Effect” *People’s Daily*, 28 February 2002
<http://english.people.com.cn/200202/28/eng20020228_91188.shtml> (accessed on 10 June 2005).

Peninsula, together with an agreement regarding UN reforms, and the formation of the Shanghai Cooperation Organization (SCO). In the third communiqué, the two countries committed themselves to enhanced military cooperation and exchanges, to improve the fighting capability for both their forces to deal with new challenges and threat.¹⁵

Long border was one of the major issues in Sino-Russian relations. When Chinese Foreign Minister, Li Zhaoxing, and his Russian counterpart, Sergey Lavrov, met in the Russian city Vladivostok, in June 2005, they signed the Certificate for the Exchange of the Instrument of Ratification for the Supplement Agreement on the Eastern Section of the China-Russia Boundary Line between their two countries. According to the Chinese sources, the signing of the agreement enabled China and Russia to delimit their 4300 km boundary. Zhaoxing added that the boundary line would become a line of peace between the two countries and would lay a firm basis for the ever expanding and deepening cooperation of mutual benefits in all fields.¹⁶ It was a major development in maintaining the peace and development between the two countries.

In July 2005, China and Russia took a major step to counter US unilateralism. They issued a Joint Statement on a new world order in the 21st century, setting forth their common stand on major international issues, such as UN reforms, globalization, North-South cooperation, and world economy and trade. It called on international community to establish a new security framework on the basis of mutual trust, mutual benefit, equality and cooperation. The Joint Statement stated “the framework should have the universally recognized norms of international relations as its political foundation, and mutually beneficial cooperation prosperity as its economic foundation.”¹⁷ The framework demanded equal security rights for all nations and stated that dialogues, consultations, and negotiations on an equal footing should be the basis for settling conflicts and maintaining peace.¹⁸ The contents of the statement addressed a wide range of issues concerning world politics. It was an implicit warning to the US to refrain from its hegemonic policies. In economic fields too, Sino-Russian cooperation has been expanding. Their mutual trade has reached US\$ 20 billion. They are also integrating their ties

¹⁵ David Wall, “Bound by a common cause”, *The Japan Times*, 1 August 2005.

¹⁶ “Chinese and Russian Foreign Ministers Exchange the Instrument of the Ratification for the Supplementary Agreement on the Eastern Section of the China-Russia Boundary Line”, Ministry of Foreign Affairs of the People’s Republic of China <<http://www.fmprc.gov.cn/engwjb/wjbz/2467/t198547.htm>> (accessed on 29 July 2005).

¹⁷ *People’s Daily*, 2 July 2005
<http://english.people.com.cn/200507/02/print20050702_193652.html>
(accessed on 1 October 2005).

¹⁸ *Ibid.*

within the framework of the SCO. The SCO's recent demand that the US should fix a deadline for the withdrawal of its defence personnel from Central Asia, was a major success to their efforts to block increasing US incursions in the region.¹⁹

Another major development was Sino-Russian war games, which were held in August 2005. The first-ever joint military exercises, *Peace Mission 2005*, between the two giants, aiming at combating terrorism, separatism, and extremism, were conducted in the Russian coastal city of Vladivostok and China's Shandong Peninsula. The 'live fire' exercises involved nearly 10,000 troops i.e. 8,000 from China and 1,800 from Russia. In addition to SCO members, India, Iran, Mongolia, and Pakistan were also invited as observers, thus expanding scope of the organization.²⁰ At a joint press conference held at Vladivostok, Russian defence personnel stated that Beijing occupied "a key position" in Moscow's foreign and strategic policy and that the war games were designed to ensure the readiness of both militaries "to counter the challenges we face today in the Asia-Pacific region and in the world as a whole". There is wider consensus that the exercises reflected China and Russia's concerns at destabilizing political consequences of US military involvement near their borders. They consider the Bush Administration's support for the coloured revolutions in Georgia, Ukraine, and Kyrgyzstan as an evidence of US commitment to regime change and double standard in counter terrorism policy.²¹

Several of the former Soviet republics have been blessed with oil and gas. The region has thus become an area of competing interests between China and Russia, on the one hand and the US on the other. Furthermore, Moscow and Beijing consider this region as their backyard and are perturbed by the increasing US influence. In fact, the events of 9/11, gave the US an excuse to extend its presence in Afghanistan, Iraq and many other parts of the former Soviet republics. The whole world seemed to be feeling sympathy at the US when terrorist attacked New York and Pentagon. Any action that could hinder the US efforts to obliterate the Taliban and Al Qaeda would be interpreted as a sign of direct or indirect complicity. The US established temporary military bases, as it was stated then, in the Central Asian region. Russia and China, therefore, did not oppose them. According to *Pravda*, "it is hard to imagine that Moscow and Beijing really believed the statements from the White House,

¹⁹ *Dawn* (Islamabad), 21 August 2005.

²⁰ *China Daily*, 24 August 2005 <http://www.chinadaily.com.cn/english/doc/2005-08/24/content_470240.htm> (accessed on 24 August 2005).

²¹ Elizabeth Wishnick, "Brothers in Arms again? Assessing the Sino-Russian Military Exercises" Pacific Forum CSIS, Honolulu, Hawaii, *PacNet*, 18 August 2005 <<http://www.csis.org/media/csis/pubs/pac0535.pdf>> (accessed on 5 September 2005).

the State Department and the Pentagon.”²² The US backed the so-called “colour revolutions” in the former Soviet republics of Georgia and Ukraine. In both cases, pro-US political forces brought down the governments that were aligned with Moscow. In March 2005, another “revolution” in Kyrgyzstan culminated in the installation of a new regime that was attempting to create a balance posture between the US and Russia.²³

Keeping in view the overall US dominance, it is difficult for any country to pose a challenge to it. Cognizant of this fact, China and Russia responded to the US by constructing an alliance of like-minded states. The SCO’s platform is also used for this purpose. China and Russia have expanded its scope by inviting new members. In addition to its six members—China, Russia, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan,— India, Iran, and Pakistan have been given observer status. In addition to this, both China and Russia have enhanced their engagements in the region through political and economic incentives. Russia was to continue its support to the four states. Before the SCO summit in 2004, Putin and Uzbekistan’s President, Islam Karimov, signed a partnership agreement and a US\$ 1 billion production-sharing agreement to develop Uzbekistan’s natural gas deposits over the next 35-year. This would explore country’s 208 billion cubic meters of proven gas reserves. Moreover, Russia’s natural gas company, Gazprom, planned to invest another US\$ 1 billion in Uzbekistan.²⁴

At the same time increasing US predominance in the region, or US-inspired political instability, could disrupt China’s ambitions, as well as potentially encourage ethnic unrest in the turbulent province Xinjiang. As a result of these developments, China redefined its strategic interests in Central Asia and came up with economic assistance for the region. Chinese President Hu Jintao offered nearly US\$ 1 billion in credit to the SCO to boost economic cooperation.²⁵ In addition to this, China too finalized a network of pipelines from Central Asia to Xinjiang province, as an alternative source of oil supplies from the Middle East.²⁶

The most daring step by the SCO came during its summit meeting in Kazakhstan on 5 July 2005. The SCO issued an unprecedented statement calling on the US to set a deadline for the removal of its military bases in

²² Pranda, 22 July 2005 <http://english.pravda.ru/printed.html?news_id=15842> (accessed on 3 September 2005).

²³ John Chan, “Russia and China call for closure of US bases in Central Asia”, World Socialist Web Site <http://www.wsws.org/articles/2005/jul2005/base-j30_prn.shtml> (accessed on 30 July 2005)

²⁴ Sergei Blagov, “Shanghai group aims to keep US in check”, *Asia Times*, <<http://www.globalpolicy.org/empire/analysis/2004/0619shanghaiagroup.htm>> (accessed on 11 November 2005).

²⁵ Ibid.

²⁶ Chan, “Russia and China call for closure of US bases.”

Central Asia. The SCO declaration stated: “Considering that the active phase of the military anti-terrorist operation in Afghanistan has finished, member states... consider it essential that the relevant participants in the anti-terrorist coalition set deadlines for the temporary use” of military bases in the region. Though Russian official clarified that it was not a demand for the US to withdraw immediately, but it was “important for the SCO members to know when (the US) troops will go home.”²⁷ The decision, which was based on the consensus of the member countries, sent a clear message to the US by conveying that the region was not its sphere of influence. The US reaction on matter was quite natural.

The US Congressman, Tom Lantos, commented on the SCO’s decision, “the statement is an obvious attempt by China and Russia to force the US out of the region.” Another Congressman, Joseph Crowley, stated, “Russia and China should not force their policies on smaller neighbouring countries only because they do not like the presence of the coalition forces in Central Asia”. *Pravda* quoted the concerns of the US lawmakers who pointed out that the US influence had been weakening in the region. “An authoritarian Russia poses a growing threat to the region’s states in transition to democracy...resisting the threat should be made a priority of US foreign policy”, stated the 1st US Senate Appropriations Committee.²⁸ These developments reveal that China and Russia have amicably resolved their differences paving the way for their strategic partnership. They have shared views on many regional and international issues. The US hegemonism and increasing influence in their neighbour are some of the important factors bringing Beijing and Moscow closer to each other.

Sino-Indian Relations

The nature of Sino-Indian relations is another important factor in determining the prospects of the Russo-Sino-Indo trilateral strategic alliance. During the late 1990s, when Russia was enthusiastically pursuing this plan, the then existing suspicions in Sino-Indian relations, became a major factor in diluting the spirit of this plan. However, since the beginning of 21st century, relations between China and India have been improving. The visit of Indian Prime Minister, Rajive Gandhi, to China that was undertaken in December 1988, proved to be a turning point in Sino-Indian relations. It was the first visit by an Indian Prime Minister to China after 1954. A joint working group was formed for negotiating on the boundary issue and exploring ways of maintaining peace and tranquillity along the Line of Actual Control in border areas. Another Working Group was set up to promote trade and investment. Agreements were signed on cooperation in cultural exchanges, on science and technology

²⁷ Ibid.

²⁸ *Pravda*, 22 July 2005.

and civil aviation.²⁹ Since then, Sino-Indian relations have been improving except for a short period of time in 1998, when India conducted its nuclear tests and justified that the explosions were motivated by nuclear threat from China. However, New Delhi soon realized that ‘China Card’ could not be used to justify its hegemonic designs.

Since the visit of Indian Prime Minister Atal Behari Vajpayee to China in June 2003, further developments have taken place in their relations. For instance, India recognized China’s sovereignty over Tibet. In return, China endorsed India’s claim on Sikkim. In the recent visit to India, the Chinese Prime Minister, Wen Jiabao, handed over a new official map to India, clearly showing Sikkim as part of Indian territory. In addition to this, the two countries reached agreement on the modalities to implement the confidence-building measures along the Line of Actual Control (LAC) by enhancing contacts between the armed force of two militaries, adding border meeting points in the eastern and middle sectors of the LAC and eschewing the use of force in any “face to face” situation.³⁰ The “Guiding Principles” stated that the two countries were seeking a “political settlement” of the boundary question in the context of their overall and long-term interests. “Neither side shall use or threaten to use force against the other by any means, the agreement said.³¹

Chinese Prime Minister, Wen Jiabao, visited four out of seven South Asian countries in April 2005. His stay in India assumed particular significance. Collectively, the two countries signed eleven agreements. In a joint statement, they declared the establishment of their strategic partnership for peace and prosperity. They also signed an agreement on the political guiding principles for solving the border issue between China and India. Both the leaders agreed that widening exchanges and deepening cooperation has been the common desire of the two countries. Indian Prime Minister, Dr. Manmohan Singh, stated that New Delhi was willing to work together with China to make the India-China border as a link of peace and friendship.³²

Keeping in view the nature of Sino-Indian relations that started from their border clash in 1962 and continued during the Cold War, the present pace of normalization is heartening. In particular, the progress on the economic front is really impressive. Sino-Indian economic cooperation started

²⁹ Ghulam Ali, “Sino-Indian Relations: Looking Forward”, *Asia Pacific* vol. 21-22 (2003-04), pp. 151-52.

³⁰ *The Hindu*, 12 April 2005
<<http://www.hindu.com/2005/04/12/stories/2005041210160100.htm>> (accessed on 12 May 2005).

³¹ *Ibid.*

³² *People’s Daily*, 12 April 2005
<http://english.peopledaily.com.cn/200504/12/eng20050412_180532.html> (accessed on 12 April 2005).

in the early 1990s and by now has crossed the satisfactory level. They have been developing their strategies in the context of coming implementation of World Trade Organization (WTO). In June 2004, for the first time, India and China agreed to coordinate their strategies in support of the developing countries within the WTO.³³ There is an upward surge in their mutual trade. The Sino-Indian bilateral trade that stood US\$ 5 billion in 2002, reached unprecedented trend of US\$ 15 billion in 2005. During Wen's visit to India, the two countries agreed to enhance bilateral trade up to US\$ 20 billion in 2008. According to Kapila, strong Sino-Indian ties can pave the way for Russia-India-China alliance that can be an enviable geo-political and geo-strategic combination. Such triangle could not countervail by any force.³⁴ In Sino-Indian relations, China seems to be enthusiastic in courting India. It has shown keen interests in resolving all bilateral issues, even on terms more favourable to India.

The burgeoning Indo-US relations can cast a deep shadow on the fate of Primokove's triangle. Therefore, China enthusiastically tries to court India to resist Indo-US partnership. This situation can be better understood keeping in view the uneven path of Sino-US relations. According to John W. Garver, Chinese analysts are deeply sceptical of the new, far closer, far broader India-US relationship that emerged, starting with the Jaswant Singh-Strobe Talbot talks during the second half of 1998.³⁵ One of the options used to minimize India's alignment with the United States has been to encourage US engagement with Pakistan. Beijing believes that a balanced US policy towards India and Pakistan would serve its interests. China, therefore, encouraged the Clinton Administration for a fair approach and renewed US-Pakistan partnership.³⁶

Indo-Russian Relations

India and Russia share a long friendship, marked by strong political and defence relationships. Russia and China signed Declaration on International Terrorism in November 2001. Not stated but implicit in the declaration is the

³³ Ali, "Sino-Indian Relations."

³⁴ Subhash Kapila, "China-India Strategic Alliance: Should not be Unthinkable" <<http://www.saag.org/%5Cpapers14%5Caper1375.html>> (accessed on 24 August 2005).

³⁵ John w. Garver, "China's South Asian Interests and Policies", prepared for a panel on "China's Approaches to South Asia and the Former Soviet States", 22 July 2005, Sam Nunn School of International Affairs, Georgia Institute of Technology.

³⁶ Ibid.

common concern of India and Russia with Islamic extremism in Kashmir, Chechnya and in Central Asia.³⁷

In May 2002, the two countries brought into force an agreement establishing a sea-land corridor linking India, Iran and Russia. The new corridor is intended to move goods from India by sea to Iran, and then via Iranian roads and the Caspian Sea to Russia, highlighting the strategic significance of the energy-rich Caspian Sea region.³⁸ Russia continues to be a major supplier of weapons to India. Moscow will supply India with SU-30 MKI fighters for its aircraft carrier on top of the earlier deliveries of SU-30K and 22 SU-30 MKI fighters. Russia is also selling jet engines to India and train Indian nuclear scientists.³⁹

In May 2004, Putin stated, “We will continue to develop our political and economic dialogue with our key strategic partners—the US, China India and Japan.”⁴⁰ The Indian President, Dr. Abdul Kalam, stated at the banquet given in his honour during his visit to Russia in May 2005, that the India-Russia partnership had contributed to international peace and security. Indeed, the time had arrived to ensure an enduring and long lasting joint responsibility of peace at large. Their economic prosperity and mutual interest depended upon close partnership in trade, investment, joint research and development taking full advantages of opportunities in an increasingly interconnected and globalized world.⁴¹ The Russian side reiterated that India was a key partner in the Asia-Pacific region, and Russia was interested in enhancing the level and scope of cooperation and interaction with it.⁴²

In spite of these developments, Indo-Russian relations have been changing. Indian ambition to acquire a big power status, has diversified options. Lionel Martin has commented on the situation that Indo-Russian cooperation against terrorism, and arms sales reflected the legacies of the past, but did not necessarily build a basis for strong relationship in the future, especially as India has increasing opportunities to go elsewhere to get the same benefits, often with rich dividends. Indeed, as India’s capacities for indigenous

³⁷ Kavita Sangani and Teresita C. Schaffer, “The Changing Face of Russia-South Asia Relations”, *South Asia Monitor* No. 59 (1 June 2003), CSIS
<<http://www.ciaonet.org/pbei/csis/sam/sam59/>> (accessed on 23 June 2005).

³⁸ Ibid.

³⁹ Lionel Martin, “Russia and India: A Strong Partnership or waning Friendship”, *Eurasia Daily Monitor*, vol. 1 Issue 129 (17 November 2004), The Jamestown Foundation,
<http://www.jamestown.org/print_friendly.php?volume_id=401&issue_id=3145&article_id=...>

⁴⁰ The Tribune (Chandigarh), 27 May 2004
<<http://www.tribuneindia.com/2004/20040527/world.htm#2>> (accessed on 15 April 2005).

⁴¹ Ibid.

⁴² Ibid.

production or for attracting other exporters grow, Russia's role as supplier will diminish.⁴³ Thus, Indo-Russian dimension of the proposed trilateral strategic alliance provides only a usual strength. If New Delhi shifts away from its old friend, Moscow, it would further diminish the prospects of the triangular alliance.

Recent Developments

Recent developments are also noteworthy with regard to this discussion. Wen stated that China and India held positive views on the exchange of views with Russia on matters relating to common interests. He added that India and Russia were influential countries in the world and have identical views on promoting democratization in international relations and safeguarding international security and stability. However, he mentioned that cooperation between the three countries was not leading to the formation of an alliance or directed against any third country.⁴⁴

The foreign ministers of China, Russia and India held an informal meeting at Vladivostok on 2 June 2005. Since the initiation of this process in 2002, when the three foreign ministers met and pledged to continue such contacts on annual basis, it was the first occasion that they came out with a Joint Communiqué and put on record their trilateral cooperation in terms of concept and format.⁴⁵ The communiqué addressed a wide range of issues and reflected their shared concerns on the issues of international order in the 21st century, UN reforms, terrorism and their cooperation in different fields for their own interests. In the Communiqué, they expressed their shared views on major international developments. They supported the democratization of international relations and establish a just international order, on the basis of adherence to the rules of internal laws, equality and mutual respect and in this regard stressed the need of UN role.⁴⁶ They agreed that fight against terrorism should be continued unswervingly and no "double standards" should be adopted. The Joint Communiqué also discussed the prospects of economic cooperation among them in the areas of transportation, agriculture, energy and high-tech industries. According to Subhash Kapila "The ministers believed that the meeting in Vladivostok would inject new vitality into the three-party cooperation in areas of common interest. They emphasized that it is in the long term interests of the three countries to enhance the partnership among

⁴³ Martin, "Russia and India."

⁴⁴ *People's Daily*, 13 April 2005

<http://english.people.com.cn/200504/13/eng20050413_180764.html> (accessed on 11 July 2005).

⁴⁵ *The Tribune* (Chandigarh), 3 June 2005

<<http://www.tribuneindia.com/2005/20050603/world.htm>> (accessed on 7 August 2005)

⁴⁶ Kapila, "Russia-India-China Triangle."

China, Russia, and India.”⁴⁷ Therefore, Wen’s visit to India and the Vladivostok minister meeting further promoted the idea of the triangular cooperation between Russia, China, and India.

Prospects and Challenges

Views expressed by analysts with regard to Russ-Sino-Indo triangle can be broadly classified into two groups: One is optimistic about the ultimate outcome of this trilateral alliance while the other rules out its possibility. For convenience, they are named as prospects and challenges respectively. However, both groups attach certain conditions with their predictions.

Optimistic group of analysts feel that the threat of US infiltration into the region might drive these three unlikely partners into one camp. At best, there could be a limited cooperation among the three countries on specific issues such as trade and some areas of foreign policy. At present, the US presence is not large enough to warrant such a move. Optimists point out that a limited cooperation among these countries cannot be ruled out. Recent moves by them showed some common initiatives concerning foreign policy issues. All three powers are faced with similar security environments and have similar or close positions on many international issues including Iraq and all of them advocate multi-polar world and the establishment of a just and fair new international order.⁴⁸

Subhash Kapila who has written on the subject, is optimistic about the outcome of this triangle. He reached the conclusion taking into an account the outcome of the meeting of the three foreign ministers in Vladivostok (2005). In his opinion, rapid changes in “international strategic dynamics are impelling Russia, India and China to move in the direction of such a strategic combination.”⁴⁹ He stated, “nothing is impossible in international relations”, thus “China-India-Russia strategic alliance should not be unthinkable”. In his opinion, the future prospects of the triangle would greatly depend upon China, which must recognize India’s status as a regional power, the status that Russia recognizes.⁵⁰ Interestingly, in his previous article, which was published after the first meeting of three foreign ministers (2002), he had ruled out the prospects of this trilateral strategic partnership.⁵¹

Business community is also interested in the formulation of this trilateral setting. It would accelerate economic activities in the whole region if these three giants get together and undertake major projects, based on complementary principles. Thus, development of regular trilateral dialogues

⁴⁷ Ibid.

⁴⁸ Katyal, “Beijing-Moscow-New Delhi dialogue”,

⁴⁹ Kapila, “Russia-India-China Triangle.”

⁵⁰ Ibid.

⁵¹ “Russia-China-India Triangle Strategically Inadvisable: An Analysis”, South Asian Analysis Group, paper no. 408, <<http://www.saag.org/papers5/paper408.html>> (accessed on 12 August 2005).

would serve their long-term economic interests promoting mutually beneficial cooperation.⁵² The energy sector is another area of cooperation where the three countries can evolve their mutual cooperation. Moscow has surplus energy while both Beijing and New Delhi are looking for energy supplies to meet the ever-growing energy requirements. Their mutual cooperation can be rewarding, as their economies are complementary to each other. Russia has a special position for China and India. It has traditional ally and partner of India and also has close ties with China. Thus, its special role can help to facilitate in developing this triangle. This cooperation, though just started, has gained momentum.⁵³

According to pessimistic school of thought, one of the main challenges to the triangle lies in its basic structure. India and China, at the opposite ends of the base of this triangle, have to forge strong relationships and to overcome the mistrust prevailing over decades.⁵⁴ Despite improvement in Sino-Indian relations their historical baggage still blocks their relations. The border dispute remains unresolved.

Earlier, the US administration lifted restriction on arms deliveries to India, which might cause very big problems to the Russian defence suppliers. The US, on the other hand, continued its embargo on China.⁵⁵ A chief constraint for the triangular alliance is India's burgeoning relations with the United States. Since September 2004, as part of the new strategic framework between the US and India, the two countries have drifted toward expanded cooperation on an array of military and security issues. The US offered India new defence and security incentives including advanced fighter aircraft and US-made theatre missile defences.⁵⁶ The Indo-US relations took new heights when, on 28 June 2005, the two countries signed the New Framework for U.S-India Defense Relations (NFDR). The NFDR vowed for bilateral relations for the next 10 years on various levels, which included joint weapons production, cooperation on missile defense and the transfer of technology.⁵⁷ If opposition

⁵² *NOVOSTI* (Russian News & Information Agency), 31 May 2005
<<http://en.rian.ru/russia/20050531/40449657-print.html>> (accessed on 1 November 2005).

⁵³ Katyal, "Beijing-Moscow-New Delhi dialogue."

⁵⁴ Kapila, "Russia-India-China Triangle."

⁵⁵ *Pravda*, 12 April 2005 <
http://english.pravda.ru/world/20/91/366/15273_alliance.html > (accessed on 23 November 2005).

⁵⁶ Ilan Berman, "Trilateral Alliance: Russia, China, and India may be on a collision course with the U.S.," *National Review*, 5 May 2005 <
<http://www.nationalreview.com/comment/berman200505050754.asp>> (accessed on 21 November 2005).

⁵⁷ *Washington Times* (Washington), 29 June 2005
<<http://washingtontimes.com/upi/20050629-080054-5778r.htm>> (accessed on 24 July 2005).

to the US had been the prime factor of the emergence of this triangle, the Indo-US agreement has substantially diluted the spirit of this move.

Sergei Karagonov, Chairman of the Presidium of the Russian Council for Foreign Defense Policy, is doubtful about the viability of the idea. He believes that none of three states want to create a direct opposition to the US: "China, Russia and India want to be friends with the USA". Karagonov too stressed on the long Sino-Indian rivalry and termed it another obstacle in the way of trilateral alliance.⁵⁸

Karagonov is of the view that India's strategic relationships and cooperation with United States, Russia and China, should be devised and formulated in the form of concentric circles. India's interests overlap with one or the other. Keeping in mind India's potential and aspirations for a major power status, United States, Russia and China too have to concede certain over lapses to India where its national interests were involved. India's national aspirations do not permit triangular relations. India requires more cooperative relationships. Therefore, India should not, as an aspiring major power, enter into reactive modes at the cost of long-range strategic formulations. A discussion of the Russo-Sino-Indo triangle is not only speculative, but also reactive in content."⁵⁹ There are several other flaws in it. In fact, the US unilateralism, led towards the formation of this triangle. However, in the subsequent meetings, its focus shifted to anti-terrorism, economic development and the creation of an equitable international system.

Conclusion

When Primakov proposed the idea of trilateral alliance among three giants he had fresh memories of defeat in the Cold War, which had ended in the Soviet Union's disintegration. In the ensuing period, adding to its injuries, the US, which had emerged as a sole superpower, assumed hegemony and its policies became increasingly imposing on the rest of the world. Russia, despite its lost glory and might, wanted to block the US hegemonic posture. It was not possible for Russia to achieve that aim without constructing an alliance of states. It, therefore, proposed the idea of trilateral triangle comprising Russia China and India, believing that it would create formidable impacts on the emerging international systems. Both Beijing and New Delhi also shared, with varying degree, Moscow's concern of the US hegemonism. Despite these facts, the Primakov's idea received little response from China and India. In fact, sceptical relations between China and India and rudimentary stage in Sino-Russian rapprochement in the later half of the 1990s, proved major obstacles. Over the years, bilateral relations among Russia, China, and India have

⁵⁸ Pranda, <http://www.english.pravda.ru/printed.html?news_id=15273> (accessed on 25 August 2005).

⁵⁹ Kapila, "Russia-China-India Triangle Strategically Inadvisable."

considerably improved, but the success of this plan is still a long way off. As a matter of fact, with the passage of time, many new issues propped up and diluted its probability.

A study of the bilateral relations of these powers reveals that improvement in Sino-Russian relations is the most impressive among them. The rapprochement that started during the 1990s is taking their relations to new heights. This has become the most encouraging factor for the prospects of trilateral alliance. After resolving their vexed boundary issue, China and Russia have been developing strategic partnership. The US unilateralism and its increasing involvement in the neighbourhood of China and Russia, are one of the important factors bringing Beijing and Moscow closer to each other. Both are equally perturbed by prolonged US presence in Afghanistan, Iraq and former Soviet republics. There is also improvement in Sino-Indian relations. Economic cooperation between Beijing and New Delhi has grown impressively high, followed by improvement in their political relations. However, majority of the analysts have developed consensus that it would take a long time for China and India to completely normalize their relations. Additionally sceptical views of each other, long un-demarcated boundary, competition for regional supremacy and Pakistan factor would continue to exist, creating friction in their relations.

The third dimension of Indo-Russian relations also constitutes an important place in this plan. Both Russia and India have remained steadfast friends in the past. However, with the disintegration of the former Soviet Union, rapidly changing geo-strategic environment has greatly influenced their traditional friendship. India, with its ambitions for big power status, has diversified its options with greater inclination with the West, particularly the US. Indian dependency on Russia is gradually reducing, particularly in the defence sector.

The burgeoning Indo-US strategic partnership, after their nuclear deal in July 2005, would change the status of their relations. The US, against whom this triangle was envisaged, is courting India not only to pull it out of this emerging alliance but also preparing New Delhi as a counter force against China and Russia. Presently, China and Russia perceive the US differently than India. Thus, the US factor, which pushed Russia for such an arrangement, is no more there. There is another equally important factor that none of these states has the ability to confront the US because in many ways, they need Washington's cooperation for their own development.

In addition to this there are deep legal and administrative flaws in this plan. Can an alliance be formulated without particular documents and proceedings? It is first time in four years that foreign ministers of Russia, China and India have agreed to issue a Joint Communiqué, which is the only legal document and does not state that this cooperation is intended towards the evolution of a strategic partnership. Instead, officials of these states have

repeatedly stated that such meetings were ‘informal’ and did not ‘target’ any third party. The mutual cooperation between China, Russia and India can possibly take, economic, cultural and, to some degree, political dimensions but it is highly unlikely that this cooperation would turn into a strategic partnership targeting any third party. ■

COMPULSIVE CONFIDENCE BUILDING IN SOUTH ASIA

Dr. Umbreen Javaid*

Introduction

With the advancement of human knowledge, increased level of prosperity, growing fruits of development and enhanced interaction and wider exposure to positive and negative points of all societies, the human conscience has now started revolting against conflicts and wars as a medium of settling disputes. Now the consensus is in favour of dialogue, interaction persuasion and other means of diplomacy to overcome the age-old problems. South Asia which has a most intelligent stock of population appears to have learnt its lesson. Today millions of South Asian inhabitants which comprise 1/6 of world's population are yearning for peace, prosperity and cooperation. The prospects for durable peace between the two largest nations and traditional rivals of the region are not bleak anymore. There has been a growing realization in both India and Pakistan since they retracted from a dangerous military brinkmanship during 2002 crisis, and resumed dialogue process, to evolve a policy of mutual trust, confidence and cooperation in the collective interest of the Sub-Continent. Much exasperated with continuous tension, both nuclear rivals are stumbling forward though at snail's pace yet with sturdy optimism, by taking small steps and initiatives and vowing to resolve big issues particularly Jammu and Kashmir conflict through diplomatic means. These small steps, which include people to people contacts, the start of bus service from Muzafarabad to Srinagar, cricket diplomacy, increased exchange of writers, journalists, artists, etc are indeed helping both countries to build confidence in each other. By showing flexibility and tenacity to go ahead with their peace efforts both countries are demonstrating their seriousness to exonerate themselves from the stigma of being conflict prone, sentimental and myopic nations.

CBMs are central to any peace process and conflict resolution. Before we analyze the role and significance of CBMs between India and Pakistan, it would be appropriate to have a brief look into the international political and economic environment that offers immense incentives for politically stable and peaceful regions and encourages rival countries to undertake CBMs process.

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For the last couple of decades the world has undergone incredible changes and developments of an inconceivable magnitude in almost all spheres of life. The post Second World War history has witnessed a steady march towards a cluster of values, such as “individualism, freedom and political equality, popular sovereignty, constitutional government, private property, unrestricted commerce and peace.”¹ Both internal and external dynamics are offering tremendous opportunities for cooperation and greater realization of peace, welfare and justice.² The conflicting parties in all inter regional and intra regional disputes have to decide their future direction. They now have to finally decide whether to catch up with the rest of the world in economic development, technological advancement and modernization or to linger on with poverty, illiteracy, unemployment, despair and uncertainty.

In that context the South Asian countries particularly India and Pakistan are today trying in dead earnest to overcome and resolve the crisis and conflicts that have trapped the socio-economic and political developments of the whole region for decades. There has been a growing realization both in India and Pakistan to bring about immediate and qualitative changes both in the internal dynamics and the external orientation that should respond to and synchronize with the rapidly changing economic, social, and political vibrations of global polity.

In their efforts to catch up with the developed countries in their economic and technological advancement, it is imperative for both India and Pakistan to make the CBMs process a harbinger of permanent peace and stability between them. There is a great need to keep the momentum ongoing in the CBMs process as there are growing concerns and disappointments in both countries regarding the peace process, which has not really taken off despite an array of CBMs being agreed upon during the last decade and a half. This, in turn, gives the impression that the conflicts or issues between both archrivals are intractable.³ The effectiveness and objective of CBMs should not remain only confined to conflict management or crisis management rather they should direct at conflict resolution as well.⁴ Otherwise their utility would be short lived and their effect would be offset by even a small provocation from either side. We have already witnessed that in the presence of conflicts, the steps or initiatives taken under CBM can be reversed or undone with one

¹ Donald J. Puchala, *Theory and History in International Relations* (New York: Routledge, 2003) p. 189.

² Robert O. Keohane, “International Liberalism Reconsidered,” in John Dunn, (ed) *The Economic Limits to Modern Politics*, (New York: Cambridge University Press, 1990) p. 174.

³ Shaheen Akhtar, “Linkage between Confidence- Building Measures and peace process in South Asia” in Moonis Ahmar, *Paradigms of Conflict Resolution in South Asia*, (Dhaka: The University Press Limited, 2003) p.47.

⁴ Ibid.

stroke, as happened during the 2002 India Pakistan military standoff. However, it does not imply that CBMs are ineffective and useless if the main issues remain unresolved or neglected though their utility may remain limited and time specific.

India Pakistan relations have been marred by suspicion, hatred, wars and perpetual hostility. A small friendly gesture can have deep mellowing effects on the psyche of peoples on both sides whose opinion is central to any major shift or accommodation in the foreign policy.

The Meaning and Function of CBMs

CBMs aim at creating a conducive atmosphere that facilitates the resolution of conflicts. In fact CBMs are measures or steps that help build confidence, seize the undesired drift towards open hostility and reduce tensions.⁵ They can be used as an effective mechanism or instrument for preventing wars, bringing about arms control and disarmament, agreements and facilitating conflict resolution.⁶ The existence of CBMs became ever more significant in the nuclear age between two nuclear rivals such as United States and Soviet Union during the Cold War and India-Pakistan after both went nuclear.

CBMs are designed essentially to increase understanding by reducing suspicions.⁷ However, the phrase 'CBMs' itself offers a better definition of the conception. Its objective is to develop confidence and trust. Any action, any development, any agreement or any treaty that generates and enhances confidence between adversaries can be regarded as CBM. From a sheer courteous handshake to regional integration any step or move taken in the direction of trust and friendship can be bracketed as CBM.

Confidence Building Measures (CBMs) may also be described as those steps or agreements on which the states agree with mutual advantages in mind. It could include various diverse arrangements, such as hotline, people to people exchange, and prior notification of military exercises that help reduce tensions and promote good neighborly relations. These steps ultimately develop trust between the states and help in bringing peace and stability in the region.⁸

CBMs can work at various levels such as people to people contacts, at NGO level through increased trade and military cooperation and cultural exchange and above all at state level.

⁵ Pervez Iqbal Cheema, "What CBMs have gained until now," *Kashmir: What Next?* (Islamabad: Friedrich-Naumann-Stiftung, October, 2001) p. 18.

⁶ Marie- France Desjardins, "Rethinking Confidence Building Measures," *Adelphi paper* Number 307, (London: International Institute of Strategic Studies, 1996).

⁷ P.R Chari, Naviuta Chadda, Maroof Raza, "*Confidence Building Measures in South Asia*". (New Delhi: Centre for Policy Research, January 1995), p.4.

⁸ <<http://www.defencejournal.com/2002/august/confidence.htm>>

All levels of CBMs are inter linked and all segments of society are equally important contributors towards confidence building. The civil society has relative advantage of independence, flexibility, diversity and free flow in interaction and communication with the adversaries of the past. The governments have therefore to act in a mature, responsible and accountable manner.

The civil society prepares the ground for the governments to act more freely and takes off the pressure and tension from its respective governments. It may influence the processes, yet the outcome has to be determined by efforts by civil society and government. Both are complementary to each other and are to be given due weightage accordingly.

The Current State of CBMs between Pakistan and India

Traditionally South Asia has been referred to as a region prone to conflict and suspicion, especially since their respective nuclear tests of 1998, the volatile relations between India and Pakistan have often been referred to as the most dangerous potential flash point in the world.⁹ In the absence of political reconciliation in this tense region, the negotiation and implementation of CBM have been critical both in maintaining the peace and preventing the use of weapons of mass destruction.¹⁰ The CBMs between Pakistan and India, at present are being carried out on three levels i.e. Track I (official level), Track II (non-official level) and Track III (multinational level).

The visit by President Pervaiz Musharraf to India, arranged under the garb of 'cricket diplomacy' (a term which became popular during 1980s when General Zia paid a surprise visit to India ostensibly to watch India Pakistan cricket match but in fact a shrewd diplomatic move to defuse the growing crisis), has been termed as the most significant development in the political milieu of South Asia. Both countries have expressed willingness and determination to move ahead with peace efforts and confidence building measures and declared this whole process as irreversible.

The current initiatives with regard to CBMs between India and Pakistan are in full spate and level of hope and expectation seems higher than ever. After almost one year of dangerous military stand off between the two nuclear rivals that followed the December 13, 2001 terrorist attack on Indian parliament, both countries have undertaken a promising start to resolve political disputes and develop a durable peace and sustained cooperation in all fields.

⁹ Ibid

¹⁰ Michael Krepon, "The 1990s: The Decade for Confidence- Building Measures", in Mukesh Kumar Kayathwal, (ed) *Security and Foreign Policy in South Asia*, (Jaipur: Pointer Publishers, 1999), p. 29.

Both countries are no more independent actors both at regional and global perspectives. The peace, security, and progress of the entire region virtually hinge upon the nature of relations between Pakistan and India and security, peace and progress of the world particularly that of the US is inextricably linked to the regional peace and stability likewise. The two immediate core interests of the US i.e., security and welfare are now directly linked to the South Asian region. It can no longer ignore and be indifferent towards security and political environment of the region as it did after the Afghan war that turned the region into a safe haven for the extremist elements particularly organizations like Al-Qaeda, which had devastating implications for U.S.A. Therefore it has become top priority for the US to restore and maintain a stable democratic and lawful state authority in the region to keep intact the US notion of peace and security.

Secondly the dwindling gas and oil resources of (OPEC) countries have created a sense of urgency in the West and US to seek alternatives and in this regard the Central Asian region offers the best option. To materialize its economic objectives the US need a considerable political leverage in the region to guarantee the safety of its interests or investments and to maintain a dominant role in the region. Third to curtail the growing influence of China a future menace to US interest and role in Asia particularly in the Southwest and Central Asia The US must ensure friendly relations between India and Pakistan.

This time relations between India and Pakistan are moving from low water mark of eyeball- to- eyeball military confrontation of 2002, to the high water mark of unprecedented level of people to people contact, restoration of full diplomatic and communication links and expected improvement in consular ties and trade relations. It is widely believed that the transformation of 'Confidence Building Measures' of today into complete mutual trust and mutually beneficial bilateral relations of tomorrow will create greater stakes in better relations rather than in bitter relations and will also lead to the kind of amicable solution of the political disputes which will be acceptable to all the three parties.¹¹

There are however different perspectives of Pakistan and India towards non-military CBMs, India wishes for the precedence of trade, business, cultural and scientific exchanges over military CBMs, whereas Pakistan believes in the priority resolution of the Kashmir dispute, the core issue, according to UN resolution to bring about major breakthrough between the two countries.¹²

¹¹ Mansoor Alam. "Why normalization is the only option?" *Dawn* January 3, 2004.

¹² Major General Jamshed Ayaz Khan (Retd). *Reflection on Matters of War and Peace*, (Islamabad: Pangraphics Ltd., 2003), p.29.

The History of CBMs between India and Pakistan

The history of CBMs in South Asian region particularly with regard to India Pakistan relations has been somewhat unimpressive and slow due to unfavourable political environment on both sides. However initiatives taken by the non-government organizations remained progressive and encouraging, displaying an underlying desire of people to move ahead with cooperation and peace. Although many attempts were made at military-to-military and political confidence building, yet the state of South Asia remained hostage to interstate and internal conflicts that are often interlinked. However, confidence building is not a new phenomenon with regard to India Pakistan relations. Despite bitter legacy of partition, unresolved political disputes, and wars, both India and Pakistan have signed many agreements civil and military aimed to generate confidence and reduce tensions.¹³ For example, in 1998 both countries concluded an agreement not to attack each other's designated nuclear facilities and installations. (1991) Advance notification of military exercises, manoeuvre and movements. (1991) Preventions of air space violation and permitting over flights, landings by military aircrafts (1991) upgrading hotline communications between Director General of Military Operations. (1991) and joint declaration not to use produce or stockpile chemical weapons or transfer related technology to others were agreed to.

The following is a litany of the significant agreements between the two countries:

Various Military, Diplomatic, Economic, Political, Commercial and Communications CBM'S Between Pakistan and India

Confidence Building Measures (CBMs)	Details
Karachi Agreement 1948	An agreement on exchange of prisoners, evaluation of urban property and preparation of revenue records and evacuation of moveable property
Liaquat – Nehru Agreement, 1950	Signed an agreement in New Delhi on the measures to be adopted to deal with major problems i.e., minorities rights, cultural and trade relations.

¹³ Pervaiz Iqbal Cheema. "CBMs and South Asia", in Dipankar Banarjee, ed. *Confidence Building Measures in South Asia*. (Colombo: Regional Center For Strategic Studies, 1999), p. 32.

Indus Water Treaty 1960	Mediated by the World Bank to resolve problems regarding distribution of water resources.
Tashkent Declaration 1966	Stipulates that “relations between India and Pakistan shall be based on the principle of non-interference in the internal affairs of the other.
Rann of Kutch Agreement 1968	An agreement on all outstanding points with regard to the western sector of Rann of Kutch.
Hotline Agreement December, 1971	Hotline between Pakistani and Indian Director Generals of Military Operations (DG MOs) was established. In Lahore Summit 1999, agreed to review all existing communication links with a view to upgrade and approve the DGMO and other hotlines
Simla Accord, 1972	Followed by 1971 Indo-Paki War. Both countries to renounce the use of force as a means of settling outstanding disputes. Both sides agreed to resolve their disputes in bilateral forum.
Joint Commission 1982	A joint Commission set up to review bi-lateral ties.
Three bi-lateral Accords, Jan. 1989	Agreement signed by Indian Prime Minister Rajiv Gandhi and Pakistani Prime Minister Benazir Bhutto. Includes agreement of not attacking each others nuclear facilities, avoidance of double taxation & cultural cooperation.
Air Space Violation Agreement 1991	Signed and ratified in August 1992, stipulates that no combat aircraft shall fly within 10 km. of each others airspace.
Agreement for Prior Notification of Military Exercises April 1991	Not to hold military exercises near their borders, without informing their

	military counterparts.
Treatment of Diplomats 1992	Agreement regarding a code of conduct on treatment of each other's diplomats
Joint Declaration on Prohibition of Chemical Weapons 1992	Both countries agreed not to develop, produce, acquire, or use chemical weapons.
Lahore Declaration, Feb.1999	Reiterating the determination of both countries to implementing the Simla Agreement in letter and spirit. Resolution of all disputes including Kashmir.
Joint Press Statement, Jan. 2004 Islamabad.	To carry the process of normalization forward, the President of Pakistan and Prime Minister of India agreed to commence the composite dialogue in Feb. 2004. Peaceful settlement of all bilateral issues, including Jammu and Kashmir, to the satisfaction of both sides.
Joint Statement, Sept. 2004 New York	President Musharraf and Prime Minister Dr. Manmohan Singh reiterated their commitment to continue the bilateral dialogue to restore cooperation between India and Pakistan.
Bus Service, Feb. 2005	To start Sri Nagar – Muzaffarabad bus service from Apr. 7, 2005 and resume rail service between Monabao – Khokhrapar (Sindh) from Oct. 2005. and launch bus service between Amritsar and Lahore.
New Delhi Statement, April 2005	17 points stated out of which one refers to Jammu & Kashmir issue.
Bus Service, Sept 28, 2005	To start Lahore – Amritsar bus service in Oct 2005
Musharraf – Manmohan meeting Sept, 16, 2005	Agreed to continue CBM process and PM Manmohan to visit Islamabad.
Agreement on pre-notificaiton of flight-testing of ballistic missiles.	The accord and memorandum were signed after talks between Foreign

Memorandum of understanding for establishment of a communication link between the Pakistan Maritime Security Agency and Indian Coast Guards October 3, 2005	Minister Khurshid Kasuri and his counterpart Natwar Singh in Islamabad.
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The Danger of Nuclear War and the Role of CBMs

War, confrontation, coercion and perpetual hostility between two nuclear neighbours are no more feasible and plausible options because both neighbours are in possession of enough nuclear and missile technology to ensure mutual destruction and suicide. "The increase of nuclear proliferation is evident in the nuclear programmes of both India and Pakistan"¹⁴. During 2002 military standoff between India and Pakistan the spectre of conventional war escalating into nuclear exchange was gripping the imagination of people of every walk of life. The danger of conventional war escalating into nuclear exchange was compounded by additional factors such as bitter legacy of the past, hatred, and mistrust, long and intractable dispute over Kashmir, lack of effective nuclear command and control mechanism, second strike capability that ensures deterrence, balance of power, ambiguous nuclear doctrine, etc. Indian mobilization of its full military forces on Pakistani border with coercive diplomacy raised the risks of a nuclear conflict to a fairly high level.¹⁵ The possession of nuclear weapons by the state which have newly acquired nuclear forces are likely to be more vulnerable to destruction and more exposed to accident and miscalculation. For example, during early period of cold war, the danger and probability of nuclear war between US and Soviet Union was quite high. For instance, during Cuban Missile crisis 1962 the spectre of nuclear war between US and USSR was very much in the sight. However with the passage of time both super powers became more mature and sensible with regard to their nuclear forces. They through different treaties developed confidence-building measures and with more advancement in technology and command and control system, overcame the fear of an accidental war. The newly acquired nuclear forces are more likely to be used in a crisis to escape pre-emptive attack. In addition, security and command and control arrangement for new nuclear forces are likely to be more primitive compared to those for the US and Russian nuclear weapons.

Fortunately, there is a growing realization in New Delhi and Islamabad of the enormous responsibility that they bear as nuclear states. Both

¹⁴ Parakash Chander, *India and Pakistan. Unending Conflict* (New Delhi: A.P.H. Publishing Corporation, 2003), p.146.

¹⁵ Kenneth Waltz, "The Spread of Nuclear Weapons: More May Be Better", *Adelphi Paper*, Number 171 (London: International Institute for Strategic Studies, 1981)

countries are aware that with nuclear weapons, war is no longer a viable option and any future escalation of conflict will not remain confined to the region but would draw in the global powers as well. The pace of the CBMs after both countries de-escalated the year long military stand off and moved towards normalizing relation, has acquired a considerable momentum because the impetus to rapprochement was coming right from the top. Together with some discreet push from the international community, the current positive posture is expected to substantially repair the damage done at Agra.

The Future Prospects of CBMs

Today many analysts or optimists are referring the Musharaf's cricket yatra to Delhi as milestone in the peace process between India and Pakistan. Unlike Agra the visit was saved from being scuttled or bogged down by bureaucratic procedure. The current spate is indeed not an eyewash or factitious rather it is a well-thought move that has evolved its own logic and has reached a level where it is being referred as irreversible process, an expression which might have sounded utopian few years back. These developments are not taking place out of blue or at someone's whim. Rather, the two sides have travelled an arduous journey on the road to normalization.

The regional and global dynamics or imperatives are edging them away from their traditionally held views or stands and drifting them towards steps or initiatives, desperately sought by the doves for the last many decades and are considered upper most for the normalization of relations between the two nuclear neighbours.

Both India and Pakistan have many optimists who see a ray of hope in every small friendly gesture from both sides and sceptics who eagerly demonstrate a cynical disregard for any peace efforts between the two. For instance, it is being expected that new opportunities and options available in the present friendly atmosphere, will shape the dialect as well as the content of the India Pakistan relationship. The commitment and sincerity on both sides to move ahead with lasting peace and cooperation in the region, was overtly displayed when both countries equivocally condemned the militant attempt to sabotage the first journey from Muzafarabad to Srinagar.¹⁶

It is believed that the bus has not only crossed the physical barriers erected by fences or strengthened by trenches but also crossed the psychological barriers between the two neighbors. The biggest challenge that confronts the policy makers on both sides is to ward off or stall any future attempt to reverse the ongoing peace process by the saboteurs or profiteers who have stakes not in a peaceful or friendly atmosphere but in continuous hostility and animosity between India and Pakistan. Nevertheless, to their disappointment this time people from all walks of life, particularly the

¹⁶ M.J Akbar, "Beyond the bus Journey", *Dawn* (Islamabad), 15 April 2005.

intelligentsia are seeing a silver lining over the dark clouds, as they have eagerly awaited the normalization of relations between the two countries for a long time.¹⁷ There is frequent exchange of delegations, official and unofficial, independent of the official talks between the two governments and the track II diplomacy, writers, poets, artists, actors, and dancers have crossed the Wagah border both ways. The people to people contact is enthusiastic and the cultural aspects of these developments are almost festive.¹⁸

For the first time it seems that the statesmen on both sides are listening and responding to the dictates of common sense by showing their readiness to channel their already meagre resources for the uplift and betterment of their respective people and are ready to resolve their differences and conflicts through the spirit of compromise and accommodation.¹⁹ There is now a popular and widespread desire among the people of India and Pakistan to bury the hatchet and move ahead as partners. Today, many non-government organizations and groups out of desire for peace are making strenuous efforts to bring lasting peace, harmony and cooperation between the two nuclear neighbors.²⁰

The present round of CBMs seems to be on solid footing. The momentum is likely to gain acceleration and pave the way for lasting peace in the region. This optimism is based on external and internal factors and is summarized below.

- a) U.S.A has gained deep penetration in both Indian and Pakistani armies. Previously Americans lacked contact with Indian Army which did not give them desired level of influence in the decision mechanism therein. Now the U.S.A through liberal supply of arms, transfer of technology and joint exercises has attained a position to dampen the hawkish lobbies in the Indian Army.
- b) India is an emerging regional economic power with a potential to turn into a world economic power in the next few decades. It needs sustained growth with increased flow of foreign investment. The massive direct foreign investment that it has received in last one decade has provided the big push for the take-off in the Indian economy. India can not afford tension on its border as it

¹⁷ Ghulam Rabbani Agro, "The Cancer of Conflict", *The Nation* (Lahore), 15 April 2005.

¹⁸ Wajahat Latif, "Confidence Building", *The Nation*, (Lahorer), 8 April 2005

¹⁹ "Indo- Pakistan Relations: Time to bury the hatchet" *Opinion*, <<http://www.defencejournal.com/2000/june/indo-pak.htm>> 7/23/2004

²⁰ Major General Mahmud Ali Durrani, (Retd) "*India & Pakistan, The Cost of Conflict and The Benefits of Peace*", (Karachi: Oxford University Press) p. 53

- will drive away the foreign investment and seriously affect its booming stock exchanges.
- c) The success of India's deep desire to become a permanent member of Security Council hinges on the peaceful solution of its disputes with its neighbours and it has to make visible efforts to satisfy the international community.
 - d) In Pakistan, the changed perception at the world level about resistance movements and terrorism has forced it to have a second look at its regional strategies and global outlook. It can no longer take the tough line in support of insurgency in Kashmir. It has to come out with a mellow version well suited to the global perception.
 - e) The gradual alienation of Kashmiris from both India and Pakistan because of the large scale losses of life, honour and property in the absence of any hope for the success of their struggle is bringing a moderating influence on the policies of both the countries.
 - f) The spectre of deployment of UN peace keeping troops in case of continued tension in Kashmir has forced both the countries to go for the softer options on the issue.
 - g) Pakistan has also realized the shallowness of its economy to support its massive war machine and it plans to concentrate more on its economy to bring it to a level which can sustain and help its army in achieving its aims and objectives.
 - h) Pakistan at policy level is promoting normalization with India as a measure to curb trends of militancy in the society which is seriously challenging its social fabric.
 - i) China appears to be more interested in taking the back seat till a pre-determined stage. For its ambition to become the top economic power in the next quarter of century, it is wary of any nearby conflict calling for any sort of practical participation. She is aggressively defending its burgeoning economy and playing its role in having normal life at its southern borders.
 - j) The revolution in Information Technology has made the people resourceful, independent and communicative. The convergence of opinion is now strong and swift and no government can remain insensitive towards the overwhelming consensus in favour of peaceful co-existence.

Conclusion

No doubt CBMs can be really useful towards the promotion of the peace process creating better atmosphere, but they cannot be taken as substitute for resolving disputes. Even despite both showing flexibility, India and Pakistan

need to realize that unless the underlying issues are resolved, conflict could erupt again. It is going to be an uphill task ahead. Considering the complexity of the issues hasty decisions should be avoided, which may not be sustainable.²¹

Along with optimism and hoping for positive prospects, it should also be kept in mind that suspicions between the two countries going for CBMs will not diminish in days. It is going to be a steady process, which shall take time. There are going to be lot of ups and downs in the process, as there is lack of trust between the two parties, which has a long history. To bring trust, there is dire need for sincere efforts of both towards peace.

A new approach in the new age must be tried, which calls for adoption of ways and means for increased cooperation through an active role of rational elements in both the countries that may comprise players, singers, academia and media. Peace and prosperity in India and Pakistan cannot be achieved unless both work together towards this direction.²²

It is to be noted that the track record of earlier efforts shows that CBMs have been carried out at many times but high levels of tensions, conflicts and even wars have also intervened. This time it is different, mainly because the people to people contact is comprehensive and over-riding thus clearing way for the decision makers of both the countries to come closer for resolution of their differences. In short, the international community and the spirit of the time do not support belligerence between two nuclear powers in South Asia. The public opinion in both the countries is overwhelmingly in favour of peace and prosperity. These factors provide an enabling environment for the peace process to move forward. The world opinion is gradually moving in favour of rooting out the cause of militancy which emanates from collective injustice, state high handedness and outright discrimination. The public pressure is also for equitable honourable and sustainable solution to these problems. The CBMs are likely to raise the level of mutual trust till these are not titled in favour of either of the two parties. The people of both the countries have practically lived through the danger of total annihilation for full one year in 2002; they have seen the death staring in their faces. They have known the value of life-giving peace and they don't want to go back to those dangers. It is now for the statesmen on both sides to fully capture and capitalize on the pre-dominant passion for peaceful neighborhood. They will have to rise above the shallow point scoring and vying for the short time gains. The upper hand approach pursued hitherto shall need to be changed into an even-handed rapprochement. ■

²¹ Shamshad Ahmad, "CBMs: not a final solution", *Dawn*(Islamabad), 11May 2005.

²² Indra Mohan Jha, "Indo-Pak Relations: Lessons in Cooperation" in Joseph Benjamin (ed) *Indo-Pak Relations Prospect and Retrospect*, (New Delhi: Reference Press, 2004), p.63.