Arguably, the state of Jammu and Kashmir despite its historical-political specificity is in many ways comparable to other States of India. In fact, the State of Jammu and Kashmir can be seen as the microcosm of India given its diversity of ethnicity, language, culture and religion and also in the way diversity impacts on its politics. The autonomist movement, which started in 1990’s, accompanied with political violence forced the Government of India to take note of the feeling of alienation and sense of collective victimhood among the people of Jammu and Kashmir especially the ones living in the valley. Before 1990’s, Indian state never considered Kashmir to be a ‘problem’ much less a political problem. This was more so after India’s decisive role in the creation of Bangladesh and forcing Pakistan to sign Shimla Agreement with India. New Delhi held the view that Kashmir issue was nothing but demands for more autonomy (read greater autonomy for the valley and regional autonomy for the regions of Jammu and Ladakh), which could be taken care of through negotiation either with the leader (read Abdullah family) or with the pro-India ‘nationalist’ leadership like Bakshi. Then there was politics of accord also which were feeble attempts on the part of the central state to look for short-term solution without real intent/political will or programmatic efforts. Delhi Agreement of 1952, 1975 Accord, Rajiv-Farooq Accord are some of the pertinent examples.

As discussed in the preceding chapters, since 1947, Kashmir issue has been seen from two very different perspectives. For the foreign countries, it has essentially been a dispute between two estranged brothers (read India and Pakistan) fighting for their ancestral property (Kashmir). Of course these countries also have their own concerns regarding the escalation of tension as both India and Pakistan are the nuclear-power states that have fought wars over the issue and also Kashmir has become the hotbed of militancy and Islamic fundamentalism. Then there is a human rights dimension also besides the geo-strategic location of the State. Within India among the democratic forces, it has always been about the quantum of the autonomy Jammu and Kashmir as a State of the Union should acquire that paves way for the ‘integration/assimilation’ of the State to the Indian Union and also enables the State to overcome the economic
backwardness. Since the days of accession—Kashmir as a disputed territory and the quantum of autonomy for Kashmir – has dominated the discourse on Kashmir. In fact over the years the whole political discourse on the state of Jammu and Kashmir has been Kashmir centric, oblivious of the regional aspirations of the people of Jammu and Ladakh.

The Kashmir issue started as discussed in the preceding chapters when just after the declaration of independence in 1947 Maharaja Hari Singh made it very clear to both – India and Pakistan – by asking them to sign the Standstill Agreement making it clear that at that juncture there was no question of Kashmir joining either of the Dominion. In order to get Kashmir in their respective dominion, both Delhi and Islamabad liberally used persuasion, threat and diplomacy as was the case with other Princely States who were found doing dilly-dolling on the question of accession. On Kashmir, Nehru’s most prominent argument was that India is a secular country and there will not be any discrimination on the basis of religion and the people of Kashmir need not worry about that. There was also democratic argument, as Pakistan was seen essentially as a polity dominated by the feudal elements.

When India and Pakistan failed to resolve the dispute in 1947 through the use of military power and dialogue, the matter reached United Nations for a third party intervention where it was agreed that the most amicable way to resolve the issue would be through holding of plebiscite. Both the parties – who were expecting decision in their respective favour at the world body – agreed for it. India believed that with Indian army promptly going to the rescue of Kashmiris in October 1947 when they were invaded and persecuted by the Pakistan supported tribal forces and also with Sheikh Abdullah, easily the most popular leader in the Valley, at the helm of affairs, decision in favour India was a foregone conclusion. Pakistan was also equally sure of winning the vote of people, as it believed that Kashmir being a Muslim majority State, it would naturally prefer Pakistan especially in the aftermath of communal bloodbath that had taken place in neighbouring Punjab and also in some parts of Jammu. Moreover, Pakistan strongly believed that since Kashmiris had fought against the misrule of Hindu Dogra Maharaja since 1930’s waging popular movement, they would not like to live again in a country where Hindus were in majority. Although Pakistan agreed for holding of plebiscite, but failed to abide by the conditions set for holding it like evacuating its forces from Pakistan occupied
Kashmir. India on its part also kept delaying holding of plebiscite on this ground that some part of the territory was still in possession of Pakistan army. Islamabad argued that it was not possible for them to vacate the territory as that would give free hand to Sheikh Abdullah and as he being ‘quisling’ of Nehru would not allow free and fair plebiscite/referendum in the State. Since both the countries struck to their respective positions, plebiscite could not take place and later on during the Cold War, New Delhi and Islamabad were also supported on their respective positions by the two superpowers namely USA and erstwhile USSR. The United States of America supported Pakistan with money and material as it had entered into a military pact with the US. In reaction, former Soviet Union supported India in Security Council with its veto power as India being a non-aligned country was considered an asset as a friendly country.

In the meantime, Sheikh Abdullah now as the Prime Minister and undisputed leader of the ruling National Conference not only emerged as a strong leader but also exploited the situation in his favour. With Kashmir becoming a disputed territory and matter pending before the United Nations along with the referendum to decide the final outcome, Abdullah virtually became the only link between New Delhi and Kashmir. He even went to New York to argue before the world body as India’s representative and defended accession of Kashmir with India. Sheikh Abdullah emerged as the final word as far as Kashmir was concerned. Abdullah due to his support for radical reforms as well as his secular progressive views was so popular with the people of Kashmir that it was widely believed that in case referendum was held, the people would neither vote in favour of India or against Pakistan but they would vote for Sheikh Abdullah. They were ready to go anywhere he (Sheikh Abdullah) would take them. Nehru was criticised for supporting Sheikh Abdullah at the expense of democracy in the State, as Sheikh was hardly a democratic leader in terms of allowing opposition to come up. Sheikh Abdullah believed that since he had spearheaded the movement for a democratic and just society in Kashmir and after independence all the powers should be transferred to his State Government which was earlier exercised by Maharaja Hari Singh. He demanded a free hand in Kashmir by giving maximum autonomy to the State as was mentioned in the Instrument of Accession. Before his sacking in 1953, Sheikh Abdullah was aware of the fact that Nehru was dependent on him for a positive outcome of the plebiscite as Nehru’s
international image and secularism was at stake. He demanded full autonomy for Kashmir as provisions of the Indian Constitution would not give him powers to implement his Naya Kashmir manifesto in the State in its entirety. And without implementing the manifesto, especially the land reforms, he would not be in a position to win the hearts of the Kashmiri people. When the matter was being discussed in the Constituent Assembly, Constitution makers were divided on this issue. Many believed how there could be two kinds of States within a nation. It was argued that Kashmir could not be made an exception when all other Princely States had been integrated into the Indian Union. But Nehru prevailed upon those who were against special treatment being given to Kashmir. In Jammu and Kashmir, which was granted a special status under Article 370 of the Indian Constitution, no provision of Indian Constitution except Article 1 (bringing it under the territorial jurisdiction of India) and Article 370 was made applicable to it. In accordance with the Instrument of Accession, Indian Parliament could legislate only on the above-mentioned three subjects vesting the residuary powers in the State, a situation unique to Jammu and Kashmir in the Indian Union. For extending its jurisdiction on other subjects the concurrence of the State government was required.

From the very beginning when freedom movement was launched in Kashmir 1930’s against the Hindu Dogra Maharaja, it was spearheaded by an organisation (All Jammu and Kashmir Muslim Conference) having majority of Muslims. Although, the name of the organisation was changed to National Conference in 1939 and people from all sections of the Kashmir were urged to join the party in the larger interest of the movement against exploitation. So from very beginning it was impoverished Muslims of Kashmir verses the Hindu Maharaja. There was a large number of Hindus especially from Jammu region who were in support of the Maharaja obviously for the kinds of benefit they were receiving from the State and this loyalty towards Maharaja continued even after the independence. When Sheikh Abdullah implemented the land reforms in the State, as pointed out in an earlier chapter on land reforms, the maximum beneficiaries were the Muslim peasants whereas those who were deprived of their land were Hindu landlords with their proximity to the Maharaja. This radical Act of Sheikh Abdullah's government and that too without paying any compensation to the former owners was very unique and revolutionary and was not appreciated even in New Delhi. It was during this time that the Praja Parishad started a movement
against the new Government of the State drawing support among the ultra-rightist element within Jammu and also the estranged feudal forces. The rise of Sheikh Abdullah and decline in the Maharaja’s powers was not liked by the vested interests and when Sheikh Abdullah was found hobnobbing with American diplomats, he was accused of playing double game. On one hand, Sheikh Abdullah was negotiating with India for State’s autonomy and on the other hand seeking American assistance for its independence. Till 1947, the actual power used to reside in Jammu as the Maharaja came from there whereas in the post-1947 period, it was Srinagar, which became prominent. The representation of both Jammu and Ladakh in the Government since then has been very dismal. The valley leaders including Abdullah never took their demand of regional decentralization of power seriously. From that point onwards, the Kashmir politics was divided into two groups – one demanding autonomy for the State as mentioned in the Instrument of Accession and second, putting pressure on the Central Government to abrogate Article 370 of the Constitution and State’s complete merger with the Indian Union. Even today, the discourse on Kashmir within India revolves around these two alternatives i.e. Kashmir Valley verses Jammu where later has Hindu majority and Kashmir a Muslim majority giving rise to ethno-regional based identity in the State. In 1953, Sheikh Abdullah was replaced with a new leader from the National Conference who believed in integration than autonomy of the State. Since then Indian Government has been extending the various provisions of Indian constitutions to Jammu and Kashmir.

In the Introduction to the thesis while referring to the political developments, however, the researcher has argued that the Kashmir problem is not simply a political problem as has been suggested by large number of scholars on the subject but has an economic dimension too. In order to systematically bring out as to how the economic and political realms have mutually interacted and contributed in the developments leading to the Kashmir problem, the researcher has used political economy as an approach. The researcher has tried to understand and explain as to how since 1950’s onwards the political and economic factors mutually interacted and impacted upon the nature of democratic and federal institutions in Jammu and Kashmir. It was found that in an attempt to win referendum in Jammu and Kashmir Sheikh Abdullah was allowed to use undemocratic means with impunity to get majority in the State Constituent Assembly so that it could ratify Kashmir's accession to India. Elections
results in State since 1950’s were rigged so openly and blatantly that Nehru had to intervene and tell them at the time when Bakhshi Ghulam Mohammad was the Prime Minister of the state that please give some seats to opposition as India was getting a bad name internationally. Since then instead of building various democratic institutions in the State, they were destroyed systematically in the name of integrating Kashmir with India. Party system was not allowed to take roots in the State resulting in Jammu and Kashmir being governed by just one political party i.e. National Conference. The democratic political institutions were not allowed to grow. It was discovered that no Chief Minister could survive in office without the blessings of the Centre, howsoever popular he may be. Even the fund for the economic development of the State was on the wimps and fancies of the Central Government. The dismissal of Sheikh Abdullah, Ghulam Mohammad Bakshi, G. M. Sadiq, G.M. Shah, and Farooq Abdullah was some of the examples to show the excessive interference of the central state into the affairs of Jammu and Kashmir notwithstanding the promised autonomy under Article 370. Similarly, the economic policies of the State were determined more by the political considerations than investments into infrastructures for the State. Since the launching of First Five Plan in 1951 crores and crores of money have been given as financial assistance by the Centre under special category State scheme, but Jammu and Kashmir is still a backward State in economic terms. Most of the State-owned industries are either in loss making or have been closed down. These industries are not in a position to provide employment to their educated youth. Similarly, State is not in position to produce sufficient food for its population. The financial assistance from the Centre has been arbitrary in nature and not keeping in mind, the needs and requirements of the State. The money transferred to the State was allowed to be siphoned away by the rent seeking politicians, bureaucrats and the ruling party functionaries. Pranab Bardhan’s formulation of ‘dominant coalition’ and ‘rentier classes’ as discussed in detail in the first chapter is very relevant in the case of the State. Dominant proprietary classes are found to be very active in Jammu and Kashmir systematically looting the money meant for the development of the State. Recently, it was revealed that even Indian Army Chief and now a Central Government Minister paid more than one crore of rupees from its secret service fund to a Jammu and Kashmir Minister for allegedly engineer a change of Government in that State. The Minister in question said that the secret fund was used for social work in the State. Indian army has a strong presence in Jammu and Kashmir (armed with special
powers) to check terrorism in the State and dissuade the people from accusing the armed forces of human rights violations.

In the second chapter, the researcher has studied all the major political and constitutional developments that took place in the Kashmir since 1930’s. The researcher traced the freedom movement in Kashmir from 1930’s and what has been the contribution of Sheikh Abdullah and his All Jammu and Kashmir Muslim Conference and later on National Conference in fighting for the cause of the impoverished people of Kashmir and how the Dogra regime had been exploiting them. The researcher primarily focused on the negotiated relationship between Kashmir and India in the form of the Instrument of Accession, Delhi Agreement and the Constitution of Jammu and Kashmir vide Article 370 of Indian Constitution. The researcher also looked into the working of democratic and federal institutions in the state from 1950’s and how in post-1953 period when Sheikh Abdullah was removed from power, attempts were made to integrate the State with India without bothering about its impact on the Centre-State relations and the psyche of the people. The researcher has also referred to the Constituent Assembly debates on Article 370 of the Constitution and also how Praja Parishad movement was launched demanding the abrogation this article which led to the regions of Jammu and Kashmir being divided into two camps – one demanding full autonomy for the State, second for complete integration of the State with India. The researcher has also looked into how the policies of the successive governments have alienated the people of the State forcing them to start a movement demanding autonomy/secession in the early 1990’s. Institutionalized corruption and patronage by the valley centric leadership has been rampant in the State creating sense of frustration especially among the youth. The ruling party in order to increase its supporters and also earn money in the State has been found distributing jobs, permits, contracts, licences, quotas and loans.

In the third chapter, the researcher has focused on the political economy of land reforms in the State. Sheikh Abdullah led NC government carried out the land reforms in the State when he came to power in 1948. The Naya Kashmir manifesto had promised among other things that after the overthrow of Dogra regime, the new democratically elected Government of Kashmir would abolish landlordism from the State and tillers of the land would become the owners of the land. Land reforms were very important for the economy of the State because Kashmir is primarily an
agricultural economy where even today 70 percent of the people are still dependent on agriculture or agro-based industries for their livelihood. The researcher has also looked into the pattern of land relations in Kashmir since the Mughal period; land settlement made by A. Wingate and Walter Lawrence in 1890’s when Pratap Singh was the Maharaja of Kashmir. Land reforms in Kashmir in post-1947 period were considered as very radical as no compensation was given to the former owners of the land. The shortcomings of the land reforms as how laws were manipulated to save lands of influential people have been dealt with in the chapter. The successive State governments when realised the shortcomings in the existing laws, made amendments in the law so that there was more equitable distribution of land, however with limited success. Nevertheless, credible research has revealed that land reform has brought equality in the society in the countryside. But for introducing green revolution, extremely small land holding became a major handicap. That is why green revolution has not been very successful in State like Jamnu and Kashmir.

In the fourth chapter, the researcher has done an analysis of the politics of economic policy in Kashmir. The researcher has tried to find out what had been the Government’s industrial and agricultural policies since 1947. For the better understanding of the subject, the chapter has been divided into five parts. In the chapter, a general understanding on the State’s economy has been presented in which major features of the economy is given. In the second part, the researcher has tried present the role of industries during the Dogra regime in providing employment to the local people and its contribution to the economy of Kashmir. It was found that till nineteenth century Kashmir shawl industry did very well. In France, it was most sought after item. First shawl, which reached Europe, was brought by Napoleon as a present to the empress Josephine and from that time shawls became fashionable. The third section of the chapter covers industrial development in Kashmir after independence. It was found that industrial development in Kashmir emerged as big challenge for the policy makers of India. Certain factors such as lack of resources, treacherous terrain, infrastructural bottleneck, costly transportation and lack of entrepreneurial elite made Kashmir an industrially poor region.

The third and fourth part of the chapter in the thesis has been devoted to agricultural development in State. Jamnu and Kashmir's topography is such that only about 30 percent of the reporting area is under cultivation. Still Large section of the State’s
population is dependent on agriculture. This sector of the economy is not in position to feed its people. Food items are imported from other parts of India and this dependency has been increasing year after year. Although, with the use of improved seeds, fertilizers, double cropping, pesticides etc. the food situation has improved in the State but it has not been able to catch with the increase in the State’s population.

In the fifth chapter, the researcher has tried to relate the political economy of underdevelopment in the valley as a causal factor for the rise of ethno-regional movement for autonomy/azadi. An attempt has been made to show as to how the Central Government and the State Government together over the years have pursued certain policies which in the short run only benefited few but in the long run it turn out to be unhealthy for the economy. The Governments paid no heed to the advice on controlling the fiscal deficit and subsidies. The Centre in order to ‘integrate’ Jammu and Kashmir with India conspired with like-minded leaders to dislodge Sheikh Abdullah from power and when people protested they were flooded with aids. This politics of giving aid in return for support proved dangerous for the State’s economy as this financial assistance did not motivate the State to mobilise its own resources for economic growth. Whenever a deal was struck between the two Governments, its consequences were severe. Central Government aid in post-1953 period to Bakshi Government for supporting greater integration of the State with India proved disastrous for the autonomy of the State making it forever dependent in nature and killing the entrepreneurship and dynamism in the economic sector.

Similarly, when Farooq signed the accord with Rajiv Gandhi after being unfairly ousted by the mechanization of the center’s appointed the State governor, people of the State revolted against this. The rigging that took place in 1987 became the watershed event turning the people against India and its democratic credentials. Pursuing the policy of winning the loyalty of the people by economic appeasement even the basic principles of governance were ignored. To keep the dominant proprietary classes happy, the Government has resisted from collecting taxes from the owners of orchard, rich farmers, transporters and other rich and influential people of the State. Jammu and Kashmir is the least taxed State in India. It has remained dependent on Central Government for everything and this is where Centre in the name of providing aid and assistance has found leverage to interfere in the internal matters of the State to the extent of selecting and sacking of Chief Minister.
The researcher feels that it is always better to learn from others experiences if they are somewhat similar. Although, there is no guarantee that it would give the same result. The recent referendum on independence for Scotland is a good example where people themselves decided to stay with England. Around 55.3 percent people voted against independence for Scotland. What is that India can learn from this example is that people themselves will reject unfeasible demands as happened in the case of Scotland if they are convinced of the merit of living with India? The trouble with India has been that it has not fulfilled its promise of ensuring a democratic regime in the State based on rights and recognition of the uniqueness of the Kashmir situation. Our argument is that Indian State should be open to negotiate the demands for both greater as well as regional autonomy for the State after having multi-layered dialogue. The starting point can be the restoration of the pre-1953 status to Jammu and Kashmir followed by further devolution at the local level and by doing this India’s status as a nation-State will not diminish.

The researcher also feels that this autonomy should not stop at Jammu and Kashmir rather it should be offered to all the States of India. It is further suggested that the local issues are best resolved by the local people and at the local level. Interference by the Central Government only complicates the matter. The advent of liberalized Indian economy, federalization of state-center relations and fragmentation of national political parties that has lessened central interference in state politics and removed the national government as an available scapegoat for regional and ethnic leaders have been helpful factors that create the conducive situation for the resolution of the Kashmir issue. There is a greater realization that the circumstances under which Kashmir’s accession to India took place cannot be reversed or blamed on India so the separatist call to revive the demand for plebiscite has hardly generated much enthusiasm especially as Pakistan has refused to entertain the possibility of the third option of ‘Azadi’. It is our argument that Jammu and Kashmir’s geographical and ethnic composition makes it imperative to listen to the voices coming from the valley as well as from the other regions of the State namely Ladakh and Jammu.