CHAPTER-III
India's Strategic Considerations
INDIA’S STRATEGIC CONSIDERATIONS

(A) Meaning and Concept:

The term ‘strategic’ is primarily concerned with the ways in which nations use military power and capability to achieve political goals and objectives. In interstate relations it signifies the primacy of the military and security disciplines and issues as determinants of the relationship. Another view of the term ‘strategic’ is when each side views the other as integral to its own national security, internal stability and territorial integrity.

A ‘strategic relationship’ between two countries has, therefore, to be founded on a sound and resilient security and military partnership. The strategic considerations forms the substratum of such a relationship in which the ingredients of economy, trade, commerce, culture, technology, politics, education, and diplomatic interactions are substantially important. But when the relationship is strategic in nature it must necessarily be driven by military and security compulsions. The strategic considerations allude to the aims and objectives of the nations which they formulate with a view to safeguard and promote their security interests.

The determination of strategic considerations is an enormously complex exercise as the meaning and concept of security is an ever changing and ever-inclusive phenomenon. The post-world War international strategic order that ushered in an era of bipolarity where military considerations dominated the principles of international relations. In the post Cold War period a new

strategic situation is becoming perceptible in which "the importance of military power is seen to have declined in international relations" and it is no longer viewed as the sole source of power in statecraft. The evolving concepts of national security tend to examine it in a broader context that include non-military threats and domestic security issues. The shift from the military to economic stability and welfare is has begun to attain a greater focus than ever before. The relationship between national security and the internal situation in a state has acquired a new and broader dimensions as "citizens of a state are unlikely to be concerned with national security if there is anarchy, food shortages and absence of governance." In an increasingly complex and competitive world, with nation-states dissimilar in power capabilities and pursuing conflicting interests, issues cannot be solved in the battlefield. "Military victories do not themselves determine the outcome of wars; they only provide political opportunities for the victors" Force is just one component of national security planning; the other elements include diplomacy and psychological and economic levers.

The strategic considerations of a nation reflect the sum total of its strategic culture and the strategic vision. India has been subjected to wars in every decade of its post-Independence existence and increased armed insurgencies, proxy wars and Islamic fundamentalist terrorism, but by and large, it showed the propensity to be pacifist or defensive in nature. Despite its size and resources it refrained the use of power, barring the instances of retaliation, which led her adversaries to perceive India as a "Soft State" incapable of strong military action even when its national

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security interests were threatened and trampled down both externally and internally. India’s emergence of nationhood being essentially civilizational, a strategic thought to protect its territory has been ambiguous and there has never existed a strategic thought and planning to guide the conquest of new lands. The reflection of the lacunae of a credible and categorical strategic culture was due to the fact that “Indian strategic planning has been absorptive, defensive, and inward looking. It has lacked a focused, directed and offensive approach” which has had a direct impact on the nature and dynamics of its security policy formulation. The defensive nature in strategic culture goes with the characterization of India as a “weak-strong” state. The weak-strong hypothesis is one of the paradigms of Indian security perspectives that articulate the mutual nature of internal and external vulnerabilities.

This strategic approach had repeatedly exhibited the tendency to favour synthesis amid decisive actions, a process of compromise, reconciliation of opposing views and doctrines, and accommodation of diverse interests. Hence, the strands of synthesis, compromise, and reconciliation had always produced a defensive, inward looking culture. Indian strategic culture thus allowed for the deft employment of moral and ethical norms to reinforce its policy stand, often justifying its weaknesses as well as its exploits. The geo-political order that emerged after the end of cold war radically altered landscape of the West but the fundamental elements of conflicts in and around India have not been changed by its end. The removal of the cold war template has not

changed either the scope or the intensity of conflicts, which India has been subjected to by the cold war. The post Cold War era has coincided with the emergence of new threat dimensions. The external and military threats to a nation’s territory have receded. The costs of a military adventure through an overt war are now prohibitive and no longer sustainable in post-cold war era. The compulsion to seize territory for obtaining resources has diminished and is no longer a driving force. Control over resource-rich areas through trade, alliance, economic cooperation and interdependence is now possible without recourse to war but the maintenance of large armed forces is still possible at considerable costs.10

(B) (i) India and South Asia:

One of the earliest scholars to consider the South Asian region from a systemic perspective was Michael Brecher.11 His concept of “Southern Asia” included China and Southeast Asia, so that as many as fourteen nations were counted as members of this system. Others have delineated different boundaries and memberships. Bhabani Sen Gupta has treated Iran a specifically a “South Asian Power”12 Maya Chadda has focused on Southwest Asia (the Middle East and South Asia) as a “strategic concept” and observed that, after 1971, Pakistan was “pried loose from its traditional South Asian Moorings”.13 Stephen P. Chohen, in discussing South Asian security, has posited a “pentagonal system” consisting of India, Pakistan, China, the US and the Soviet Union.14

Thomas P. Thornton has included Afghanistan within the South

Asian system. Observers might well be puzzled by such diversity of description and wonder what exactly does constitute the South Asian system. Indeed, one critic has commented that the concept of a South Asian system is not particularly useful because definitions are arbitrary, the so-called system is not exclusive (outsiders play a major role in it), and its members do not have a common orientation. In the study South Asian system is explicitly defined as consisting of the members of the South Asian Association for Regional Cooperation (SAARC): Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka. Relationships involving all other countries are treated as external to the system.

All these nations share more or less a common heritage with some degree of common ethnic, linguistic, cultural, social and historical bonds. Historically, from the earliest times they have been linked by race, culture and religion. Geographically, they are proximate states sharing strong links. India by virtue of its geographical area, and economic and military development occupies the central position in the region. As a consequence of geography and history all countries are connected with India. Indian society is vast and heterogeneous. The ethnic and cultural links between foreign and domestic politics and interstate relations tend to be under constant strain as India is not insulated from her neighbours.

Scholars have advanced Contori Spiegel Model for a broader classification of the South Asian States. This model describes the interaction of the region in the context of a core sector, peripheral

15. Thornton, The Challenge to U.S. Policy in the Third World, pp. 69-78. At one point, Thornton also implies the inclusion of Burma (Ibid., p. 69) but does not subsequently incorporate it in his discussion.
sector and intrusive sector.\textsuperscript{18} The core sector consists of a shared social, political, economic or organizational background or activity among a group of states which produces a central focus of international politics in that region. The peripheral sector includes all those States which are alienated from the core sector in some degree by economic, organizational, social or political factors, and the intrusive sector consists of the extra regional or outside intervention in the politics of that region. India constitutes the core and the rest of the nations belong to the periphery. India by its size, population, natural resources occupies this position. However, Pakistan, though it has not demanded such a core status for itself, has always sought for an equal status with India.

The peripheral powers are the smaller nations that surround India. South Asia excluding India has two types of powers. Pakistan is one major power which attempts at limiting India’s aspirations of leadership in the region. Pakistan’s own limitations come from its geographic locations and economic and military development. Geographically, it is one the periphery of South Asia. Birth of Pakistan in bitterness and bloodshed over India’s partition, along with three wars has left too much mistrust and fear between India and Pakistan to be easily eradicated. There also remains the difference of concept between secular and Islamic States which became concretized in disputes over territory or citizenship between India on one hand and Pakistan or Bangladesh on the other. Economically and militarily it has not been able to out shadow India. India’s economy is at a higher stage and growing more rapidly than those of its neighbours. Pakistan is a complex mix of national prejudice, inflated psyche, injured ego and plain rivalry, rooted in history of partition, along with problems of identity and integration.

Independence set Pakistan and India in opposite directions. If India wanted non-alignment Pakistan followed alignment. India’s purpose was to minimize foreign intervention, Pakistan opted for maximizing foreign intervention. The other countries Nepal, Bhutan, Bangladesh, Sri Lanka and Maldives are small powers in size but not without significance. With Nepal we share historical, geographical, religious and cultural links. As a country surrounded by Himalayas on three sides and its shared territory with India, the mythology of Himalayas is evident. Historically both countries share common security perceptions and there exists a cultural affinity between the two countries which has also heightened interest in the internal dynamics of Nepal. Moreover, the tightening Chinese control over Tibet was to affect India’s security.

The rise of Bangladesh reduced the status of Pakistan in the 1971 war, and also ended the “dual frontier threat” concept which was a product of the geographical location of East and West Pakistan. N.M. Khilnani comments, “The dilemma of Indian politics in South Asia is constant. How to be strong enough to protect its own interest without provoking the antagonism of its neighbours and how to treat their sensitivities gently without appearing to be too weak to protect its own interests.” It is in this background of the region in which India is so uniquely placed that Indian foreign policy strategy towards its neighbours should be reviewed. India is not insulated from her neighbours. Strife with anyone of them tends to spill over into Indian politics.

Structure and Behaviour in the Sub-continental System:

A fundamental assumption of this analysis is that the normal pattern of state behaviour is determined by realist perceptions, i.e. considerations of power and national interest. The focus here is on actual behaviour. Hence, it is necessary to stress that questions of principle or morality invariably play a secondary role, as they have for states throughout history. The point bears repetition because of the strong tendency among the Indian foreign policy elite to indulge in exaggerated rhetoric about the pursuit of universal idealistic principles. The tendency originated in Nehru, whose politics were characterized by a constant contradiction between idealism and realism.\textsuperscript{21} Nehru himself was not unaware of this, as Appadorai has shown.\textsuperscript{22} The war with China was a watershed, and post-Nehruvian foreign policy was characterized by a retreat form idealism.\textsuperscript{23} Unfortunately, the advent of realism has been clouded by official rhetoric, often faithfully reproduced by the media and even by academicians, so that the reality of power politics has been obscured by what one critic has called "the pseudoGandhian, non-aligned pieties that come from New Delhi......"\textsuperscript{24} This analysis cuts through the obfuscations of proclaimed principles and attempts to unveil the real foundations of state behaviour in the system. To understand conflict and cooperation in South Asia, it is essential to focus on the nature of systemic structure and interaction.

\begin{itemize}
\item \textsuperscript{22} A. Appadorai, \textit{The Domestic Roots of India's Foreign Policy}, 1947-1972 Delhi: Oxford University Press, 1981, pp 35-7.
\end{itemize}
Describing the distribution of power is a task fraught with difficulties. Power is an elusive concept, often hard to quantify. Only some of its elements—such as armed forces—are measurable. In the broadest sense, it involves questions of leadership, morale, the quality of diplomacy and political, economic and social stability. Attempts to quantify such intangibles are unlikely to be useful. For instance, Ray Cline has tried to quantity “strategy” and “will” in assessing world-wide power distribution, which leads him into obvious incongruencies: his final ranking places Brazil third after the US and the Soviet Union, while Vietnam (16th) is ranked above India (20th), Pakistan (24th) and Iran (40th). Here, the estimation of power is based on Berridge and Young’s conceptualization of “great power” as resting mainly on military strength, for which it is also necessary to take into account certain non-military indicators such as size (area, population) and gross national product (GNP).

Table 1.1: Sub-continental System: Military Balance, 1999: Selected Indicators

<table>
<thead>
<tr>
<th>Country</th>
<th>Armed Forces (Active)</th>
<th>Main Battle Tanks</th>
<th>Submarines</th>
<th>Principal Naval Surface Combatants</th>
<th>Combat Aircraft (Including naval)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bangladesh</td>
<td>137,000</td>
<td>200</td>
<td>-</td>
<td>4</td>
<td>65</td>
</tr>
<tr>
<td>India</td>
<td>1,173,000</td>
<td>3,414</td>
<td>16</td>
<td>26</td>
<td>853</td>
</tr>
<tr>
<td>Nepal</td>
<td>46,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Pakistan</td>
<td>587,000</td>
<td>2,320</td>
<td>10</td>
<td>8</td>
<td>396</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>115,000</td>
<td>25</td>
<td>-</td>
<td>-</td>
<td>22</td>
</tr>
<tr>
<td>India's total as % of Grand Total</td>
<td>56</td>
<td>57</td>
<td>62</td>
<td>68</td>
<td>64</td>
</tr>
</tbody>
</table>

NB: Figures for Bhutan and Maldives not available.


Tables 1.1, 1.2 and 1.3 are rough indicators of the distribution of power in the sub-continental system. In Table 1.2, military

expenditure is expressed as percentage of total government expenditure as an indication of the range of options available to a government to spend more (or less) in pursuing its perceived capability requirement. For a similar purpose, military expenditure is also expressed as a proportion of gross domestic product (GDP) or GNP, Table 1.3 shows national debt as a percentage of GDP to indicate the relative vulnerability of each nation to external pressures.

Table 1.2: Sub-continental System: Military Expenditures

<table>
<thead>
<tr>
<th>Country</th>
<th>Military Expenditure (US $ m.)</th>
<th>Military Expenditure per Capital (US $)</th>
<th>Military Expenditure % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bangladesh</td>
<td>356</td>
<td>607</td>
<td>4</td>
</tr>
<tr>
<td>Bhutan</td>
<td>7</td>
<td>18</td>
<td>17</td>
</tr>
<tr>
<td>India</td>
<td>8,921</td>
<td>13,780</td>
<td>12</td>
</tr>
<tr>
<td>Maldives</td>
<td>5</td>
<td>37</td>
<td>26</td>
</tr>
<tr>
<td>Nepal</td>
<td>51</td>
<td>37</td>
<td>3</td>
</tr>
<tr>
<td>Pakistan</td>
<td>2,957</td>
<td>3,920</td>
<td>31</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>325</td>
<td>956</td>
<td>21</td>
</tr>
</tbody>
</table>


From these statistics, it is not difficult to conclude that, in the sub-continental system, India enjoys a vast lead over all the other countries in every respect. Indeed, it leads over all the other countries combined with regard to each of the basic military and economic indicators. From this, it may seem natural to conclude that the distribution of power confers a hegemonic position on India. But the popular conception of India as a "regional superpower" or

even an emerging "great power on the world stage" neglects the limitations on the actual exercise of power. Any account of a power structure which fails to acknowledge such limitations serves only to distort reality. The translation of latent into actual power is circumscribed by factors within the system as well as factors operating form without.

Another Limitation on Indian power has been Pakistan's persistent refusal to acquiesce in India's dominance. Through a high level of military spending, Pakistan has been able to raise the potential cost of India of a war with that country. The F-16 combat aircraft, for example, is of a technological sophistication and operational radius that has vastly increased Pakistan's ability to strike deep within Indian territory with devastating results, no matter what the ultimate outcome of a protracted conflict might be. As Robert Wirsing has pointed out, Pakistan's Harpoon and Exocet missiles are a serious threat to the Indian Navy.

The spearhead of the Pakistani challenge is its nuclear weapons programme, which is aimed at achieving a level of deterrence that Pakistan has sought since 1971.

By mid-1989, it was known that Pakistan had imported beryllium, used in manufacturing small sophisticated nuclear bombs, and acquired equipment to process tritium, which helps

reduce the size of a bomb by boosting explosive yield severalfold.\textsuperscript{32} In February 1989, Pakistan announced that it had successfully test-fired two short-range surface-to-surface missiles with ranges around 300 km and 1100 km respectively, each capable of carrying a 500kg payload, which is sufficient for a small nuclear warhead. The nuclearisation of Pakistan, official after the 1998 tests, had by the late 1980s set definite limits on India’s capacity to use its conventional superiority, and hence on India’s ability to use its predominance to exert diplomatic pressure on Pakistan. Hence it is of dubious relevance to speak of a distribution of power that is markedly in favour of India, as a number of analysts have done.\textsuperscript{33}

An examination of the vertical linkage between the subcontinental and global systems reveals that the latter can have-and has had-significant redistributive effects on the “natural” distribution of power. To the extent that Pakistan’s arms acquisitions from abroad have brought in sophisticated technology and increased its strike capacity against India, there has been an externally imposed restraint on India’s Power. Similar is the case with respect to Pakistan’s nuclear programme. As noted in the preceding chapter, it has in the past been the beneficiary of the proverbial “blind eye” on the part of the US. It has also been reported periodically that China has collaborated with Pakistan in the development of the latter’s short-range missile programme.

The downward impact of the strategic politics of the global system is undeniable. In the context of restraints on India’s power, the motivations behind superpower actions have been variously viewed. One view is that during the Cold War, The superpower either

\textsuperscript{32} David Albright and Tom Zamora, \textit{India, Pakistan's Nuclear Weapons: All the Pieces in Place}, \textit{Bulletin of the Atomic Scientists}, Vol. 45, No. 5 (June 1989), pp. 20-6

separately or together, had an interest in ensuing that India did not
emerge as a regional power, thereby upsetting the existing "balance"
of world forces. This view has been expressed by Baldev Raj Nayar,
who was critical of what he saw as a calculated policy of
"Containment" followed by the US against India.34 Alternatively, it
may be argued that arms transfers can have restrictive effects on
free choice, as was evident from India's muted response to the Soviet
intervention in Afghanistan, which is said to have been dictated by
its dependence on the Soviet Union for weapons.35 Others have seen
subordination of the system rather than any particular state owing
to the pressures of strategic politics. Though he does not deal
explicitly with the pressures of strategic politics. Though he does not
deal explicitly with the sub continental system, K. Subrahmaniam
implies this is his critique of the nuclear non-proliferation regime,
wherein he attacks the "cauterization" of nuclear weapons and
continuing efforts to "freeze the international system in the mould of
the present Pan-Americana".36 In similar vein, Brahma Chellaney
warned that, with the winding down of the Cold War, the
superpowers may cooperate to pressurize India into signing the
Nuclear Non-Proliferation Treaty (NPT).37

Against these arguments, Marshal Bouton reiterated a widely-
held view that, in fact, "the goals and motives behind U.S. and
Soviet policies toward South Asia have been almost entirely
globalist" and that "neither the US nor the Soviet Union has had a

vital interest in South Asia." A Common characteristic of all systems through history has been the conservative nature of major powers, which do not wish to see the existing distribution of power disturbed. On the other hand, a major power in decline may well encourage a regional power to step in and share its task. This was done by the US when it entered into a strategic partnership with China following its post-Vietnam War retreat from Asia. This may also be the reason for American acquiescence is India’s intervention in Sri Lanka and the Maldives in the late 1980. It is evident that, overall, this kind of input from the global system—the impact of strategic politics—has a significant effect on the exercise of power by India.

Table 4.4: Sub-continental System: Member Countries Trade with India as % of their Total Trade, 1999.

<table>
<thead>
<tr>
<th>Country</th>
<th>Exports to India as % of Total Exports</th>
<th>Imports from India as % of Total Imports</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bangladesh</td>
<td>1.01</td>
<td>11.61</td>
</tr>
<tr>
<td>Bhutan</td>
<td>93.94</td>
<td>77.20</td>
</tr>
<tr>
<td>Maldives</td>
<td>0.00</td>
<td>1.62</td>
</tr>
<tr>
<td>Nepal</td>
<td>16.50</td>
<td>25.48</td>
</tr>
<tr>
<td>Pakistan</td>
<td>0.42</td>
<td>1.22</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>0.95</td>
<td>11.14</td>
</tr>
</tbody>
</table>


Source:

The limits of Indian power are even more evident in the economic sphere. Here, a distinction may be made between two

aspects of economic power. One is economic power as the basis of military power. The other is the ability to use economic leverage in order to influence the policies and actions of another country. Table 4.3- has shown India’s preponderance in the former sense. Table 4.4 provides an indication of the latter. Of the six other countries in the system, only Nepal and Bhutan have anything like a significant scale of trade with India. Bhutan is the one country which is a very closely tied to India: in 1994-1995, out of its total foreign trade of $184.5 million, as much as $154.3 million (83.68%) was with India.\footnote{Europa World Year Book 1997 Vol. 1 London : Europa Publications, 1997, p. 606.} Nepal and Bhutan are, to a considerable degree, dependent on India because of geography: both are landlocked states with access to the world mainly through India. The other four states in the system have direct access to the Indian Ocean and very little trade with India. As a result, the scope for India to exert economic pressure is virtually non-existent with regard to Bangladesh, the Maldives, Pakistan and Sri Lanka.

In sum, broad indicators of power in themselves do not convey an accurate picture of the nature of India’s capabilities in the subcontinental system. While intervention may succeed, as in the Bangladesh crisis of 1971 and the Maldives coups attempt of 1998, it may not, as was made painfully evident by the experience in Sri Lanka. It would be an exaggeration to describe this last episode as a case of “Imperial overstretch”. But it does show that there are definite limits to the exercise of power. These limits are partly inherent in the subcontinental system, but also partly imposed from outside by the global system. All the same, India’s preeminent position should not be understood. It is the only state within the subcontinental system that possesses the power to intervene directly anywhere in the system, though much less so with respect to Pakistan than the others. More generally, India remains the ultimate
arbiter of the fate of the system in the sense that no other state can realistically conceive of a foreign policy which does not in large measure take into account Indian policy. The same cannot be said of the impact of any other member of the system.

From the discussion of the nature of power in the sub-continental system, it is now possible to move on to identify patterns of behaviour. The fact that India is preeminent without being truly predominant is of crucial significance. India's "limited hegemony" lies at the root of much of the tension that has been a continual feature of South Asian politics over decades. It is pertinent to recall the "ordering principle" of all international political system, anarchy among states, and its role in shaping the policies of nations. In a self-help systems, power politics is inherent, and it is fundamentally a zero-sum game. The power of one state is a threat to the security of others. In South Asia, it is in the very nature of things that India, with its immense power, should evoke caution and suspicion among its smaller neighbours.

This is not without substance. Given the anarchic nature of international politics, it is logical for states to pursue the acquisition of power. As power expands, so does the security radius, so that the probability of a conflict of interests with others increases. The tendency of a major power in any system to expand is sufficient to excite nervousness or hostility among lesser ones. The bigger power's attempts at security management in its own interests can and often do raise the hackles of others, regardless of the actual motivation behind any particular course of action. Most policy-makers are political realists and fear capabilities, since intent is liable to change.

An excellent illustration is the reaction of neighbouring states to India's intervention in the Maldives in 1998. From the Indian standpoint, the operation was an innocuous action which was quite
clearly undertaken in response to an appeal from the Maldives Government, and after informing the superpowers. Yet suspicion was aroused not only within the subcontinent, but even farther away in Malaysia and Indonesia. As on commentator noted, India's efficient demonstration of intervention capability over a fairly long distance "left the neighbourhood wondering". The crux of the matter is that the negative response was caused by the demonstration of capability, not by the assessment of intentions, for in international politics, only the former is a reliable guide to policy. The step from suspicion to hostility becomes a short one for smaller countries worried about the prospect of having to fend off a powerful neighbour. To appreciate the sentiments of smaller power, it is not necessary, as some appreciate the sentiments of smaller powers, it is not necessary, as some have done, to portray Indian policy as characteristic of a predatory hegemon. Equally beside the point is the constant refrain that such-and-such action by India is legitimate and should not be construed otherwise by neighbours wont to complain about Indian "hegemonism"

The fact is that, in terms of capabilities, India looms over the sub-continental system. In keeping with the realist outlook that is typical of international politics, this generates a sense of insecurity among other members of the system, leading them to follow policies designed to keep India at arm's length. This approach is manifested in three major ways. First, there is a tendency to minimize economic relations with India, as Table 4.4 indicates Second, the smaller

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44. A.S. Abraham, India in South Asia : A Lame Duck Superpower, Times of India (Bombay : May 9, 1989), p. 12.
states tend to try and offset their weakness by inviting extra-systemic involvement. This is done by developing closer military and economic relations with outside powers, especially big powers. Pakistan, for instance, has done remarkably well for itself by virtue of its close ties with the US and China, though the former has now all but abandoned it. Nepal has attempted to do the same with China, but with less success because of its geographical constraints. Sri Lanka initially drew close to China, later to the United States. The Maldives Republic has not done the same because of the relative security of distance in the past, but in 1989 it did propose a United Nations mechanism for the protection of small states.\textsuperscript{45} Bhutan has been disposed toward cooperation, but, as will be shown below, has been moving toward cultural moat-building since the late 1980s. Politically, it has stayed close to India because of its economic dependence and for an important structural reason: the threat from China has been perceived as greater than that from India.

A third strategy has been the internationalization of disputes. Small states are inherently at a disadvantage in bilateral negotiations. They therefore seek to offset dyadic asymmetry by combing forces (politically), or by inviting extra-systemic involvement. Examples of the first strategy can be seen in Bangladesh’s attempts to involve Nepal in its Ganga waters dispute with India and by the smaller states’ use of SAARC as a forum for joint pressures on India. The second strategy has been used by Sri Lanka to attempt (unsuccessfully) to involve the United Nations and the Non-Aligned Movement in its differences with India over the Tamil issues, and by Pakistan, which has had some success in taking the Kashmir issue to the UN and the Islamic Conference. From the systemic perspective, the use of these distancing and

\textsuperscript{45} UN Newsletter (August 9, 1989), p.1.
balancing strategies is typical of a system in which there is a single "hegemonic" power.\textsuperscript{46}

In each respect, India, motivated by its own (different) security concerns, and in pursuit of its own advantage, has tended to press in the opposite direction. As the primary power in the system, it has broadly followed a strategy of preserving the structural status quo.\textsuperscript{47} It has constantly invoked the need to strengthen political, economic and cultural ties with its neighbours. It has consistently aimed at preserving and increasing systemic autonomy-and in consequence its own structural advantage-against external intervention. And family, it has insisted (with some exceptions) on the settlement of disputes through bilateral negotiations rather than through multilateral arrangements as this enables it to apply greater pressure on its weaker neighbours.\textsuperscript{48}

This patterns of difficult approaches followed by the weak and the strong is embedded in the fundamentally different structural position of Indian and the other states in the system. In short, it is the result of what I would call "systemic divergence".\textsuperscript{49} Hence, it is not surprising that there has been continual conflict and tension between India and one or more of its neighbours. A detailed examination of relationships in the sub-continental system would be too great a task. Some aspects are presented below to highlight the role of structure in creating periodic problems between the "limited hegemon" and its fellow-members in the system. It would be noted that the limited nature of Indian dominance has, by and large,

\begin{enumerate}
\item Sridhar K. Khatri, \textit{Foreign Policy and Security Perceptions of South Asian Nation}, p.203.
\end{enumerate}
circumscribed Indian capabilities and enabled several of the smaller countries to sustain a generally antagonistic posture and keep their distance.

(ii) **THE REGIONAL STRATEGIC TRIANGLE: CHINA-INDIA-PAKISTAN:**

The strategic policy formulation of India's security needs always keep the fact in mind that India encounters a uniquely adverse situation in her neighbourhood. In fact, India is the only country which shares disputed land borders with two nuclear-armed neighbours that have a long history of "close strategic collaboration". This peculiar antagonistic location necessitates adoption of a policy that "combines strong defence with innovative diplomacy and countervailing strategic partnerships".

The regional triangular strategic competition in South Asia is a very complex and complicated affair that needs building of a more diverse set of tools for India to meet her national security requirements in the face of fast changing geo-strategic realities of presents times. The China-India-Pakistan strategic triangle has unique characteristics which can not be understood by the analytical framework based on the cold war model that is extended to one-to-one competition. The main reference point of each of the three players does not match that of the two. For Pakistan, India is its main reference point, but to India, Pakistan is not its principal point of reference. For India, China remains her major security threat while China does not consider India as its equal. Parliamentary Standing Committee on Defence instituted in 1995 in its report explicitly mentioned that "China is, and likely to remain the primary security challenge to India in the medium-and long-

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term". China even loath to consider India as a peer in the competition in the regional and the world politics. Though the reference point may differ for each of the regional players but the strategic, military and diplomatic developments of all the regional players have implications for one-another. What India does in strategic terms has implications for Pakistan and what China does impinges on Indian interests.

The emergence of "indirect threats" to Indian security is another important feature of regional triangle. Pakistan and China have concentrated their efforts to rear-up "proxy wars" against India. The methodology of unconventional warfare appears to be more cost effective and politically shrewd way than taking on the country directly. India has to tolerate a heavy security burden and it has always searched for diplomatic methods to mitigate the effects of the security burden imposed by the regional strategic equations. "The endeavour to ease the rigours of the one-versus-two competition has been central to Indian foreign policy, whether it related to efforts to woo china in the Nehru years, or the subsequent proximity to the Soviet Union and the signing of the 1971 friendship treaty, or the move in recent years to build a mutually beneficial strategic relationship with the United States".

A very conspicuous feature of the strategic triangle in southern Asia has been the role of "external actors" whose ambitions not only compound the complexities of the area but aggravate the prospects of conflict generation. The United States has been very instrumental in conflict generation in South Asia. During Cold War era Pakistan was being made as a regional spoiler state to checkmate India's natural pre-eminence in the region. United States tacitly permitted China intrusion in South Asia's strategic calculus to play balance-of-power games to serve China's own strategic ends

52. Parliamentary Standing Committee on Defence, Fifth Report, Presented to the Lok Sabha on 24 August 1995, New Delhi, p.5.
of checkmating India and to serve US interests towards the same end.

The United States adopted the strategy of infusing of billions of dollars worth advanced weaponry to Pakistan during the Cold War and post-9/11 period, building-up of Pakistan’s nuclear weapons and missile arsenal by China without any intervention even when actionable intelligence was available and tolerating of Pakistan’s state-sponsored terrorism and proxy war of the Islamic Jihad even in the pre-9/11 period when it had no strategic requirement of Pakistani assistance in counter-terrorism operations against the Al-Qaeda.

China is the second most intrusive power in South Asia and reaps the benefits of a convergence of interests in South Asia with the United States and Pakistan.

While the United States’s record in conflict generation in South Asia has been episodic, China on the other hand has been consistent ever since 1962 to ensure that Pakistan is given the military wherewithal to challenge India and keep it confined with the limits of South Asia.

Towards the closing years of last century South Asia witnessed a change in the strategic dimensions and attitudes of the external actors specifically China, that resulted from the end of the cold war and collapse of the Soviet Union. One of the outstanding features of the new Chinese proactive diplomacy in the region has been increasing interaction between China and India not just on the economic but also on the politico-diplomatic front.

**Dealing with China:**

The unprecedented rise of the People's Republic of China (PRC) is a global reality. From one of the world's least developed
countries in the 1970s, China had developed one of the largest economies of the world by the late 1990s.\textsuperscript{54} The World Bank and the International Monetary Fund (IMF) reported that from 1979 to 1997, China’s gross domestic product (GDP) grew at an average rate of 9.8 percent.\textsuperscript{55} This phenomenal economic growth has spilled over to China’s defense budget, with military spending rising to 17.6 percent of China’s outlays, an equivalent of $3 billion in March 2002 alone.\textsuperscript{56} Because of the burgeoning economic and military power of China, there are enormous worries about the idea of a “China threat”.

The strong apprehensions have been expressed by the mightiest nation of the world, the USA regarding the ascension of China. The Global Trends 2015 prepared under the direction of the US National Intelligence Council argues that the implications of the rise of China “pose the greatest uncertainty in the world”.\textsuperscript{57} The most of the strategic analysts recognize the fact that the rise of China into a military-industrial powerhouse will have a multi-dimensional impact upon the states of the Asia-Pacific region.\textsuperscript{58} The Chinese leadership’s commitment to build comprehensive national power (CNP) is a major factor shaping the stability and security of Asia. CNP is a concept that the Chinese strategic community has used to set its goals since the late 1980s that is developed on the contribution of economic and technological factors to national power


and competition among states. China's rising military capabilities has direct security implications on its neighbours in Asia with whom it has sovereignty disputes, ethnic-related insecurities and tensions, and geopolitical rivalries, and some of whom it sees as potential threats. This has forced Asian states to adjust their post-cold war strategies, with China now the dominant focus of security concern. The international strategic community has recognized the larger dynamics at play especially South Asia.

While South Asia is not central to China's current priorities, it is growing area of interest. The region has vital security, diplomatic and economic interests for China as the South Asian states hold the key to the stability and security of its two troubled provinces of Tibet and Xinjiang. After Russia, China shares its longest border with India- a 4000 kilometer stretch that it has failed to settle in spite of waging a war in 1962.

India's relationship with the People's Republic of China over the past fifty years has traversed the entire spectrum- the initial phase of amity and camaraderie jolted by outright hostility, followed by a protracted period of mutual suspicion and antagonism, gradually heading towards the phase of normalization. After 15 years, since the Indo-Chinese war, India and China restarted ambassadorial level relations in 1976 and despite various rounds of negotiations held between 1976 and 1988 no major breakthrough was achieved. The visit of the then Prime Minister Rajiv Gandhi in 1988 led to the resumption of the political dialogue at the highest level and he initiated the policy of rapprochement towards Beijing with a view to increasing India's strategic space by buying peace with one of its two principal adversaries. A new dynamism in India-China relations was infused and the notable achievement was the

establishment of Joint Working Group (JWG) to resolve the ticklish border dispute.

The visit to India by the Chinese Vice Premier in October 1989 and then by the Chinese Foreign Minister in March 1990, reaffirmed China’s commitment to the principles of Panchsheel and it started treating Kashmir as a bilateral issue between India and Pakistan and advocated negotiations within the framework of the Shimla Agreement. The visit of Premier Li Peng to India in December 1991 was another significant development. Both sides signed a mutual agreement on equal opportunities in the emerging new international order, disarmament, reduction of gap between the North and South, adherence to the UN charter, respect for human rights co-operation in space research and technology. Bilateral relations improved markedly after Narasimha Rao, the Indian Prime Minister, visited China in 1993 and the two governments signed an Agreement on the Maintenance of Peace and Tranquility along the LAC.

Security measures negotiated by the Joint Working Group include twice-yearly joint military meetings, the installation of military communication links at key points along both the eastern and western borders, mutual transparency on the location of military units along the LAC, prior notification of military maneuvers and troop movements along the border, and exchanges between high-level defense officials. The 1993 Agreement on the Maintenance of Peace and Tranquility contains the following key provisions:

- The two countries will resolve the border issue through peaceful and friendly consultations.
- The two sides will “strictly respect and observe” the LAC, pending an ultimate solution.

• The two sides agree to reduce their military forces along the LAC in conformity with the agreed requirements of the principle of mutual and equal security ceilings.

• The two sides will work out effective confidence-building measures (CBM) along the LAC.

The high point of this period of relative Sino-Indian rapprochement was the historic visit by Chinese President Jiang Zemin to New Delhi in late 1996. The two sides signed the Agreement on CBM in the Military Field along the LAC, according to which their governments pledged:

• To limit the number of field-army troops, border-defense forces, paramilitary forces, and major categories of armaments along the LAC;

• To avoid holding large-scale military exercises near the LAC and to notify the other side of exercises involving one brigade group (that is, 5,000 troops);

• Not to discharge firearms, cause biodegradation, use hazardous chemicals, set off explosives, or hunt with firearms within two kilometers of the LAC;

• To maintain and expand telecommunications links between border meeting points at designated places along the LAC.

**India-China Relations Since Pokhran II**

On 11 and 13 May 1998, India detonated five underground nuclear devices at Pokhran and signaled its arrival to the world as a nuclear weapons state. The rationale behind the nuclear explosion was assigned to China threat that has “immensely deteriorated security environment in India’s neighbourhood”. China was vociferous in its criticism of India’s nuclear tests calling it an “
outrageous contempt for the common will of the international community for comprehensive ban on nuclear tests and a hard blow to the international effort to prevent nuclear proliferation".63

Consequent to the Pokhran Tests, relations between India and China plummeted, as did India's relations with the United States and the global community. China with the United States coordinated in convening an emergency session of the Security Council, leading to the adoption of Security Council Resolution 1172 on 06 June 1998 that called upon India and Pakistan to refrain from further tests, and urged both to immediately stop their nuclear programme and refrain from weaponisation.64

India once again took the initiative in resumption of high-level dialogue in sending her Minister of External Affairs Shri Jaswant Singh to China in June 1999. Both sides categorically stated that they were not a threat to each other and agreed on a need to continue bilateral security dialogue. The first round of Security Dialogue65 was held in Beijing on 6-7 March 2000 and the second round in New Delhi on 08 Feb 2001. This visit restored the tattered relationship and post-test normalization process was resumed.

Mr Li Peng, Chairman of the Standing Committee of the National People's Congress, visit in January 2001 outlined five basic tenets of the Chinese policy towards India that inter-alia included a political commitment at the top in Beijing to intensify the relationship, expansion of economic cooperation, enhancing mutual understanding by addressing outstanding issues such as the border

63. China's statement on India's Nuclear Tests Beijing Review, 1-7 June, 1998 P.7
dispute and an assurance that China stood for peace and stability in the sub continent.66

Premier Zhu Rongji's visit to India in January 2002 provided a boost to economic ties between the two countries and bilateral co-operation on counter terrorism. In Bangalore, he proposed that India and China should work together in the Information Technology sector stating that “you are number one in software. We are number one in hardware. If we put software and hardware, we are world’s number one.”67

The visit of Jaswant Singh and George Fernandes to China in March 2002 and April 2003 respectively, maintained the pace of consolidating bilateral relations in a broad front. The six-day visit of Prime Minister Vajpayee to China in June 2003 upgraded political contacts with the new Chinese leadership and succeeded in deepening as well as broadening bilateral relations between the two Asian giants. The signing of Joint Declaration on Principles for Relations and Comprehensive Co-operation (JDPRCC) along with nine agreements, denote the new business like spread of relationship including border trade and underlines a clear demonstration of high level political will to build on the gains made in the bilateral relationship since 1988.

India And China: Competing Interests For Rational Engagement:

At the dawn of the third millennium, the relationship between India and China is at crossroads. Historic revelries and their strategic cultures suggest that a fair amount of tension and competition between these continent sized neighbours in inevitable.

Consequent to the disintegration of the Soviet Union and emergence of the US as the sole super power, the international world order has dramatically changed and brought about a realignment and review of foreign policy options in the entire globe. The winds of change have brought about a discernible shift towards globalization and a tilt towards free market economy. The ongoing economic reforms in India and China could decisively transform these countries as the economic powerhouses of the twenty first century. The nuanced change in the stance of both India and China in recent years has set the trajectory for a more dynamic and co-operative co-existence. The key to success is to engage in dialogue with sincerity and without inhibitions of the historical baggage that nations tend to carry.

**India Perception of China:**

A plurality of views is expressed regarding India’s perception of China. On the one extreme are those who see China as incorrigibly aggressive and expansionist, posing a perennial threat to India. At the other extreme are those who perceive it as benign neighbour and an ancient civilization that has been exploited in the past. But the majority of Indians seem to carry in their minds a more mixed picture, with both positive and negative ingredients.68 One sentiment that pervades the entire spectrum of Indian leaders and public, which is embedded in their psyche, is the belief that Nehru had been betrayed in 1962 and that the Chinese hostility was motivated by it wanting to hold a dominant position in Asia by reducing India to position of subordination.

Some defence and foreign policy analysts in India recommend caution while dealing with China. They cite the reason that China occupies a part of India territory in Ladakh and claims large areas in

Arunachal Pradesh which cannot be ignored and remain potential flash points. Continued military collaboration and collusion with Pakistan and inroads with Myanmar are also of strategic concern to India.\(^{69}\) This strategic encirclement of India by means of military and economic assistance to Pakistan and Myanmar, they contend, reduces India’s military capability against China and limits its strategic options.\(^{70}\)

China is evolving a nuclear doctrine of ‘limited deterrence’, which aims at the development of a limited war fighting capability, which will entail the ability to respond effectively in various kinds of escalation scenarios.\(^{71}\) Unlike other nuclear weapon states, China has consistently used nuclear and missile proliferation as an effective instrument to advance its strategic interest in Asia. Just as China has built up North Korea’s nuclear and missile capabilities as a counter weight to its northeastern rival Japan, it built up Pakistan’s nuclear and missile capabilities as a counter weight to India.\(^{72}\) There are fears in India that this limited war capability could prove decisive, if applied against India, because China’s process of modernizing and expanding its nuclear forces is backed by far greater resources at its command due to their rapidly growing economy.

China’s refusal to back India’s attempt to gain a seat as a permanent member of the Security Council is seen as indicative of China’s calculated designs to maintain pressure on India and ensure her own unquestioned dominance in South Asian world affairs.

\(^{70}\) Brahma Chellaney, Ed. Securing India’s Future in the New Millennium, p.407.  
\(^{71}\) Nimmi Kurian, Emerging China and India’s Policy Options, New Delhi, Lancer Publications, 2001, p.68.  
\(^{72}\) Brahma Chellaney, Ed. Securing India’s Future in the New Millennium, p.355.
The Chinese believe that a great power must have multi-dimensional capabilities-economic, military, technological, political and diplomatic. India, it believes, falls short of all these parameters because of its comparatively poor economic performance, weak government due to coalition politics, chronic social instability and failure to convince other nations of its paramountcy. Other Chinese analysts feel that India is the only rival in South Asia which has the potential in terms of population, land mass, growing economy, technological skills and an over confident Army to deny China her rightful place as a predominant great power.

Due to the system of governance in China, views on international issues are not as diverse as in democratic India and are restricted to policy advisors, military and select officials. China’s negative perceptions of India which often find articulation, especially when bilateral relations deteriorate, include the following: the 1962 armed conflict was entirely the product of Indian unreasonableness and aggressiveness; India is not fully reconciled to the situation in Tibet notwithstanding its stated policy; India is seeking domination of South Asia such as would preclude China from pursuing its leaders, instead of solving its economic problems, seek to maximize military power in pursuit of their ‘hegemonic’ objectives and India is deliberately using the myth of a Chinese threat to find a pretext for its nuclear ambition. China views India’s nuclear test of May 1998 as not an expression of genuine security concerns but a product of domestic politics and India’s desire for international prestige.73

As the seventh economic power in the world with the second highest exchange and over thirty years experience as nuclear weapons state, China considers itself to be economically and

militarily ahead of India and in the league of great powers. It recognizes India as weak but a growing power with great potential.

**Chinese Interest in Engaging India:**

In post 1978 period, China made a strategic shift in her foreign policy that transformed “Maoist radicalism” into “Deng’s pragmatic moderation”. This programmatic and pragmatic change in the policy logically necessitated working for a peaceful international environment particularly in her neighbourhood and adoption of “open door” policy for economic integration and acceptance of the logic of global marketisation of trade, finance, investment and technology flows for its economic development.

Consequent to the disintegration of the Soviet Union, China perceived that India had lost a dependable strategic partner and its dependence on US would therefore increase. With expanding Indo-US relations and the possibility of latter using the former as a counter weight to China in Asia, China made a paradigm shift in her policies. In real politic solution, China started making friendly overtures and signed two historic agreements with India in September 1993 and November 1996 on the Maintenance of peace and Tranquility along the LAC and Confidence Building Measures, respectively.

In 1996, China put forward an initiative that countries in the Asia Pacific region should jointly cultivate a new concept of security, which focuses on enhancing, trust through dialogue and promoting security through co-operation. In China’s view, the core of such a new security concept should include mutual trust, mutual benefit, equality and coordination. It appears that China is working actively to put the new security concept into practice. China is vigorously

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seeking settlement of dispute with neighbours through peaceful negotiations. Upto now China has settled the boundary with most of its neighbours except India. It has signed a Beibu Bay demarcation agreement with Vietnam and has reached an agreement with ASEAN in the Code of Conduct in the South China Sea. Disputes over territorial land and water are no longer an obstacle for China and its neighbours to develop normal co-operation and good neighbourly relations, and jointly build security. China sees economic exchange and interaction as an important avenue to a lasting security in its surrounding areas.  

With regard to India, the following purely pragmatic considerations have led China’s leadership to pursue a policy of improving relations:

(a) The fact that India is the second most powerful state with which China shares a long and yet unsettled border.

(b) India has emerged as the most powerful state in its southern periphery.

(c) India’s historic link with the Tibetan issue.

(d) India, like China, has relentlessly pursued the goal of becoming an autonomous major power in the international system.

(e) India is now a nuclear weapons power, which has not made secret that its nuclear weapons programme was being designed in the context of its threat perception from China.

(f) India’s economy is now growing at a reasonable rate, with a particularly impressive achievement in the IT Sector.


Indian Interest in Engaging China:

India's power has been growing as a result of economic reforms since 1991 and it continues to sustain economic growth rates of 5 to 7 per cent per year, it is well set to emerge as the fourth largest economy in the world by 2020, in terms of purchasing power parity (after China, the US and Japan). It could also become the world’s largest market displacing China and Asia’s second also formidable military power after China.\(^{77}\) India has the strategic vision to realize that it has the potential to play a significant role in the Asian balance of power and hence needs a stable and peaceful neighbourhood to build linkages with important players based on congruence of strategic interests. A co-operative and mutually beneficial relationship with China was therefore inevitable. India also requires the strategic space by buying peace with its powerful northern neighbour so as to deal effectively with a belligerent Pakistan.

Outlook for the future and approach in Dealing with China:

In the decades ahead, India-China equation will profoundly affect regional and global security. A certain amount of competition is inevitable in an equation between two large neighbours. The challenge for both countries is to ensure that their competition does not spill into open confrontation. The manner in which the Indian political leadership manages to engage. China will determine the future security environment in the region.

An ability to protect and promote a country's vital interests in the face of superior military power of a potential adversary is one of the defining features of successful diplomacy. Deep engagement with

\(^{77}\) Brahma Chellaney, Ed. Securing India’s Future in the New Millenium. p382.
Beijing will enable India to better-read Chinese capabilities and intentions. It is true that intentions can change, but it is not necessary that they change for the worse; they could also change for the better. Indeed that is the premise on which foreign policy and diplomacy are based. There must be constant endeavour to ensure that the intentions of a country, which has the capability to threaten one’s security, change for the better. Intelligent foreign policy further requires that a network to relationship be built that, should the intentions of a potential adversary change for the worse, it would be possible to draw on the reservoir of relationship with powers which can countervail the treat. Equally, it is necessary to build up a network of relationships covering diverse fields with the potential adversary so that vested interests are built up in each country, which would act as moderating factors if things turned out for the worse.

Various high level visits since 1998 gave all endorsed the underlying theme to solve disputes in a spirit of co-operation and mutual benefit and there is a shared perception that a peaceful environment was needed for economic co-operation and development to tap the opportunities offered by globalization. Prime Minister Vajpayee’s visit to China in June 2003 has given a renewed impetus to engage China in a more comprehensive manner to overcome irritants in relationship including the fundamental issue of the border dispute. The impediments to good relations were all addressed and progress made on them gives a very positive and encouraging outlook for the future.
Border Dispute:

The long lasting view of India is that it is the aggrieved party and that China is in physical occupation of territory which rightfully belongs to India and hence improvement of relations in other fields was contingent on satisfactory resolution of the boundary dispute. The Chinese have and due to lack of common ground between the two parties and its delicate nature, its resolution be left to future generations. The Indian sector-by-sector approach envisages tackling those where there was less of a dispute but the Chinese reject the proposal and want a comprehensive settlement based on mutual understanding and mutual accommodation. The JWG set up in 1998 and the two agreements of 1993 and 1996 had created the right environment for peaceful and friendly consultation but the progress had been reduced to bureaucratic exercise. The signing of JDPRCC in June 2003 and appointment of special Representatives to explore the framework of a settlement marks an important shift and indicates a new political will in New Delhi to negotiate a final settlement of the boundary dispute. The major political task is now to build a national consensus, not only amongst the political parties but also amongst the Indian public, to solve the issue amicably based on give and take. Any final settlement would have to be along the broad lines proposed by Premier Zhou Enlai in 1960 and Deng Xiaoping’s package proposal of 1980. Both essentially involve India ceding claims to Akai Chin in the West and China giving up its claim on Arunachal Pradesh. This is a pragmatic solution, which involves a basic assumption that the Himalayas are a natural boundary between the two countries. Progress in the sphere of information technology and satellite imagery could facilitate and speed up resolution of disputes. The Indian, by and large, has overcome the

trauma of 1962 and is likely to accept a final settlement based on political judgment and recognition and recognition of India's legitimate interests South of Himalayas, the dictates of the new strategic realities of adjustments in a unipolar world and need for enhanced cooperation for economic well being of the people. There is also a view that over the long term, the Asian balance of power will be in China favour thereby forcing India to negotiate from a position of weakness and hence the need for an early settlement.

**Sino-Pak Collusion:**

The Sino-Pak 'all weather friendship' with military and economic content has been disquieting to the Indians for a long time. Ceding of 5180 square kilometers of territory in Pakistan occupied Kashmir to China and nuclear and missile technology support to Pakistan as a counterpoise to Indian strides in those fields has further aggravated suspicion of Chinese intentions. Some analysts are also skeptical about reports of Chinese role in construction and development of Gwadar port in Pakistan and view this as a matter of serious concern for India's security. Its core interests guide the Chinese foreign policy behaviour, like any other major power in the international system. It made eminent sense for China to militarily collude with Pakistan in the concept of 'my enemy's enemy is my friend'. China's strategy has been to assist Pakistan so as to keep India embroiled with its western neighbour. In practice, however, China has never physically intervened or activated a 'second front' when India was engaged in the 1965 or 1971 conflicts. In 1965, China did not carry out its veiled threats to physically intervene but it did manage to constrain India to retain five of its seven mountain

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divisions on its northern border. Similarly in 1971, China had called India as adventurist, expansionist and aggressor and provided weapons and equipment and even allowed over flights of Pakistan Air Force over its territory, the fact remains that it once again did not physically intervene. In 1979, when India’s External Affairs Minister conveyed to the Chinese that their position on Kashmir prevented the possibilities of improved relations, China responded by ceasing their two-decade endorsement of the Kashmiri right to self-determination. Again, in 1980, Deng Xiaoping described the Kashmir issue as a bilateral dispute and called for its peaceful settlement. Further, during the Kargil conflict of 1999, the first serious encounter between the military forces of nuclear-armed India and Pakistan, the Chinese refused to openly side with Pakistan, despite the personal visit of Prime Minister Nawaz Sharif the Beijing in June 1999. The Chinese neutrality was once again emphasized during the visit of Jaswant Singh to China in July 1999 with the Chinese reiterating their call for eschewing military solutions while simultaneously underscoring the desirability of negotiated settlement. Jaswant Singh’s assurance that “India is not a threat to China and we do not treat the PRC as a threat to India” has a salutary affect leading to China’s shift in stance. The Chinese nation is in a transitional period of economic reform and development and their ultimate aim is to emerge as significant pole of the international system with global responsibilities. There has been a conscious effort by the Chinese leadership since the time of Deng Xiaoping to present a more balanced and less controversial

position with respect to China’s relations with the primary actors in South Asia. This has resulted in marked neutrality in Indo-Pak disputes. It also appears that China is seeking enhanced strategic co-operation with US for its own priority objective and national interest. It wants to leave the pull of South Asian intricate and complex deadweight behind and is institutionally reorienting its policies so as to adjust to the emerging realities of world politics. India too is mature enough to see the changing equations and while continuing to develop military capabilities to fully prepared for the unexpected, should vigorously engage China diplomatically as well as deepen and widen trade and economic ties, the larger platform of international politics mandates this and India should not shy away from taking bold decisions.

**Encirclement of India:**

China’s growing interest including sale of military hardware in India’s neighbourhood is a cause of concern amongst the strategic and defence analysts in India. Chinese presence and interest in Myanmar, sale of military hardware to Bangladesh, Sri Lanka and Nepal are at time seen in adverse light. The entire issue of relations between China and India’s neighbours should be seen in the backdrop of geo-political realities and legitimate fears and apprehensions of smaller nations. All these nations share common boundaries with India but not with each other. Naturally, problems and differences of all individual nations will crop up with India. They feel that India, being a larger neighbour, tends to ignore minor disputes with them. The natural tendency is look for other avenues and in this context, China is the most obvious choice. India should keep a close watch on all such linkages in her neighbourhood and not necessarily view everything through the prism of anti-India
designs. China is already a great power with a vast emerging market. As its economy grows, there would be a greater demand for energy resources. China’s interest in the Indian Ocean through Pakistan and Myanmar appears to be more in the economic context rather than military as the Chinese navy, in the next two decades, is far from attaining power projection capabilities. On the hand, establishment of SAARC, which is widely perceived as useful medium of regional co-operation and coordination of views on issues of shared interests, is dominated by India. It is in Indian interest to strengthen this forum and discreetly keep China excluded. Arms sales to the neighbouring countries has again to be viewed as a legitimate activity by smaller nations to acquire cheaper arms as also to reduce dependence on India. Trouble creating potential of these smaller neighbours being minimal, should be ignored by a more confident and powerful India. Myanmar is crucial to India’s ‘Look East’ policy and relations with ASEAN countries. Northeast India comprises seven Indian states, which are relatively underdeveloped due to years of neglect and isolation. India needs to develop a viable economic strategy to develop of neglect and link its trade through Bangladesh, Myanmar with Southeastern and Southern provinces of China and further on to ASEAN countries. Perhaps, the opening of border trade between India and China at Nathula is a precursor to further opening the door wide open in the North East. Resource rich Myanmar offers a wide range of opportunities to kick-start the economy of the Indian North East. The political leadership needs to take up this momentous decision in which there is an element of risk and challenge but the dividends are bountiful. There is also need for India to engage and upgrade
relationship with the US, Russia, Japan, Vietnam and Central Asian Republics for benefit and also keep China in discreet check.

**Issue of Tibet:**

Tibet plays and important role in the security perceptions and unity of China. It is rich in minerals and adds enormous depth to China's defence. The presence of Dalai Lama and other Tibetan activists in India was always a great and source of concern to the Chinese who felt that India, in collusion with Western powers, can create problems for its greater autonomy or independence. These fears were rather exaggerated as India had accepted Tibet region as part of China as far back as 1954 when an agreement on Trade and Intercourse between 'Tibet Region of China and India's was signed. 85 During the visit of Prime Minister Vajpayee to China, the issue was handled with great sensitivity and India recognized that “the Tibetan Autonomous region is part of the territory of the PRC and reiterates that it does not allow Tibetans to engage in anti-China political activities in India.” 86 A minor nuanced change in the India's formulation on Tibet was very well received in China and raised the credibility of India's sincerity in improving relations. Opening up another point in Sikkim for border trade with China is an important step in engaging China. Once trade picks up and prosperity ensues, the military dimension is likely to be diluted and mutual confidence enhanced for improving and expanding bilateral relations.

**Sikkim**

India assimilated Sikkim in 1975. The Chinese reserved their most vitriolic comments for India's incorporation of Sikkim into the union. China, till date, is the only country that still does not accept

Sikkim’s merger with India.\textsuperscript{87} As late as Mr Vajpayee’s visit to China in June 2003, the Chinese have not recognised Sikkim as part of India. His counterpart assured the Prime Minister that legal recognition would materialize after a while.\textsuperscript{88} China has never physically intervened in Sikkim since its assimilation by India in 1975. Accepting the border trade proposal in Sikkim is a significant step forward in bilateral relations. Formal recognition may come in a flexible and nuanced manner at a certain point in future. Having started the process moving in the right direction, the prime Minister of India has asserted, “Sikkim will cease to be an issue in Indo-China relations.”\textsuperscript{89} In this connection, there is no need to show undue haste, as the Chinese assurances appear to genuine and adequate.

**Sino-Indian future Relations:**

To an average Indian in the 21\textsuperscript{st} century, the image of China elicits a multiple response: as an old friend, as model to be emulated and as a potential adversary. Given a diversity of responses, the task for the Indian leadership and diplomacy becomes even more complex and daunting as to how to deal with and engage China. The demise of the complex and daunting as to how to deal with and engage China. The demise of the Soviet Union in 1990 had a profound impact on the kaleidoscope of complex international relationship. The US became the sole super power with unmatched economic, military and technological power. There was a paradigm shift in the world’s focus from Europe to Asia. The post cold war Asian strategic landscape has changed in many and a new domain of strategic convergence between India and China seems to be emerging. Both states require a peaceful and progressive

\textsuperscript{87} Brahma Chellaney, Ed. Securing India’s Future in the New Millennium, p.329.
\textsuperscript{88} The Hindu, 30 June, 2003.
\textsuperscript{89} The Hindu, 28 June 2003.
environment in the neighbourhood to pursue their developmental imperatives by encouraging inflow of foreign capital and technology.

India is confronted with a difficult geo-strategic reality. As a large, multi ethnic, cultural, multi religious diverse country, it shares land borders with China, Nepal, Bhutan, Bangladesh, Myanmar and Pakistan apart from having a vast coastline. There are few countries in the world that are placed in a security environment as unfavourable and complex as the one in which India is located. The manifest security problems include territorial disputes, refugee influx, cross border terrorism, threat, drug trafficking and smuggling along the frontiers and internal security problems arising out of a developing democratic policy in a state of flux. While problems with smaller neighbours are inevitable, yet they are manageable. The main security concerns of India are in resolving disputes with belligerent Pakistan and its obsession with Kashmir over which it has fought four wars, as also with China, an emerging global nuclear, military and economic power with over a four decade old boundary dispute with physical occupation of captured territory.

India has to be cognizant of the new international environment and reorient her policies to rapidly integrate with the global economy to become economically vibrant and simultaneously undertake military modernization and technological upgradation to pursue its own security interests while respecting those of others. India's attempt at making peace with Pakistan in terms of Lahore and Agra initiatives of 1999 and 2001 respectively have not met with much success due to vested interests of the entrenched military hierarchy in Pakistan. On the other hand, China in her quest for becoming a global power, has made a pragmatic shift and made friendly overtures to India in the last of two decades to maintain peace and tranquility on the border so as to focus on economic
cooperation and areas of convergence to promote world peace and development of all countries.

Mr. Tang Jiaxua, the then Foreign Minister of China while speaking on China-US relations in Washington on 20 September 2001 had stated, "the fundamental objective of China's foreign policy is to maintain world peace and promote common development ....... Having suffered a lot from wars, turmoil, poverty and hunger, china is deeply aware of the value of peace and stability. The Chinese people love peace and want peace"90 Giving another insight into China's world view, President Jiang Zemin in his message to the sixth World Chinese Entrepreneurs Convention at Nanjing on 1st September 2001 had stated "In the new century, China has entered a new stage of development whereby we will make an all round effort to build a society in which people will enjoy a comfortable life and speed up our socialist modernization drive. Our goals are to basically realize modernization by the middle of this century and built China into a rich, prosperous, strong, democratic, culturally advanced and modern socialist country".91

The credibility of Chinese statements are enhanced as George Fernandes, the Indian defence Minister, while summing up his impressions on his visit to China in April 2003. had stated "I found that there is tremendous love for India (in China ) I noticed a genuine desire to build greater friendship with India and also to remove whatever obstructs such friendship with the acknowledgment that resolving some issues will take little time".92

The Chinese have recently enunciated a new security concept which features mutual trust, mutual benefit, equality and coordination. Wen Jaibao has amplified mutual trust as that “the

90. Internet http://www.china-embassy.org
countries should trust each other, rise above their differences in ideology or social system and go for regular dialogue and consultation with respect to their own security and defence policies.” On mutual benefit the Chinese believe that “a country, while pursuing its own security interests should respect those of others”. Equality signifies tat “all countries should treat each other as equals and there should be more democracy in international relations”. Its views on co-operation are most significant in that “all countries should endeavour to eliminate hidden dangers of war through co-operation and to resolve disputes through peaceful dialogue”. The Chinese have been very explicit in their enunciation of views and it is up Indian leadership to interpret them positively, discard the longstanding mistrust and suspicion and seize the opportunity to engage China in a wide ranging bilateral relationship.

The visit of Prime Minister Vajpayee to China in June 2003 rightly sought to place the entire gamut of the bilateral relationship in a new zone of pragmatic realism. The requisite political direction and impetus has been given to address the fundamental issue of boundary dispute while concurrently deepening and widening bilateral relations opening up immense possibilities for enhanced two way trade and economic cooperation. There is reason to believe the Chinese have taken a strategic decision to normalize ties with India as reflected in official statements at high level interactions over the last few years. In a world that has changed, there is a requirement to forge and effective policy towards China by building a national consensus on how India defines her national interest vis-à-vis China. India’s China policy seems to have been inhibited on the misplaced apprehensions that any bold initiatives will impinge on their electoral fortunes. The ability of the India leadership to grasp international strategic changes and consciously adopt cooperative

ties with principal major power is a fundamental dimension to progress on a path of growth. The present Chinese stance of reasonable accommodation should be viewed in benign terms in order to move forward.

India today stands on the threshold of becoming an economic power house in the next decades its current trajectory of about six per cent annual rate of growth. India’s it industry has been a major success story with market capitalization of about $50 billion and exports of $10 billion. In addition to on site software development, India companies also ventured into IT enabled services with a global client base and the highest certification of quality control. Prime Minister Vajpayee during his visit to China had set the tone for the two countries “to concentrate on specific areas of their technological advantage (such) that they could benefit more than by competing across the spectrum. In combination, rather than competition, India and Chinese IT industries can be a potent force. This is a principle which has far wider application in South-South cooperation.”

India has continued to follow the path of military modernization, albeit at a slower, is a nuclear weapon state- a capability acquired more as a deterrent than to be used in an offensive manner, is gradually building up its forged a strategic relationship if not partnership with the sole super power. These are the requisite elements of an emerging great power. A mature country like India cannot afford to be perpetually bogged down in past acrimony and become hostage to old unpleasant memories. The boundary issue needs to be solved amicably by negotiations, which are perceived to be fair reasonable by the people at large, in the new spirit of mutual respect and mutual accommodation.

Indo-Pak Conflict:

The end of Cold War has not even made a small crack in the wall of mutual distrust erected by two countries. Their bilateral relations as well as the regional security complex, have remained largely unchanged despite the fact that both have new had to contend with an entirely new balance of power on the international front. Several developments that occurred at the end of the early nineties have however served to modify India’s perception of her geo-strategic environment.

The end of the East-West face off firstly brought a reduction in tensions between the superpowers in the Indian Ocean. Besides this, by virtue of the defence build-up undertaken in the early eighties, India became a major regional military power, stronger and more and more self-confident. Lastly, the Soviet pullout from Afghanistan considerably eroded the strategic importance of Pakistan, which was now no longer the vector of American policy against the Soviet Union. This led the United States and China to reassess their ties with these two countries. For India this shift in policy resulted in a marked improvement in relations, whereas Pakistan’s links with its two traditional allies became progressively weaker.

During the 1990s Indian leaders gave a fresh look to their foreign policy and attempted to normalize relations in the neighbourhood, especially with Pakistan. The mistrust, suspicion and instability that characterized the relations of the two nations since the partition kept on increasing in spite of several dialogues for normalization between the two nations. The military as well as democratic regimes in Pakistan found themselves handicapped to formulate the realistic and compromising solutions to the roots of conflicts because of their domestic constraints and political
compulsions. The Indo-Pak relations should not be studied in isolation from the domestic politics in Pakistan.

**Domestic Politics of Pakistan:**

After 1975, Bhutto’s political regime faced turbulent pressure on him to take corrective economic measures. Mismanagement of the economy, corruption, and political nepotism made his rule extremely difficult and as a means to political survival against growing political opposition Bhutto took recourse to incorporating certain Islamic tenets to divert public attention and seek legitimacy. As a result, anti-Indianism grew. Thus, the scope of good neighbourly relations with India was derailed by rhetoric.

After Bhutto, Indo-Pak relations took least priority due to the political instability and dissatisfaction that ensued during Zia’s regime. The military government did not encourage Indo-Pak relations to be discussed in public. Moreover, the attention of the political elites was concentrated more on restoration of democracy and removal of Zia. In the pursuit of these objectives they needed external support through international pressure. So they could not afford to displease India by raising issues which would upset India. However, Zia tried to improve relations without giving up the basic Pakistan’s stand on Kashmir. His offer of mutual force reduction was tackled with a diplomatic answer from India i.e. creation of mutual trust and confidence as a pre-requisite for such proposals to be entertained. During Zia’s period, Indo-Pak relations though not at their best, seemed to be manageable. However, each side never missed a chance to beat the other in carefully worded statements.95

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expressing their supposed sincerity towards Indo-Pak friendship but with their own interpretations.

The democratization of Pakistani politics brought in a new era of populism as a part of elections. The advent of democracy in Pakistan after the demise of Zia caused a lot of optimism. The popularly elected government of Benazir Bhutto appeared enthusiastic enough to improve bilateral ties but the shadow of the armed forces over defence, foreign policy especially on matters concerning Indo-Pak relations, was still present.96 Taking up a populist posture, Benazir called for a conference of the political leaders of Pakistan on February 4, 1990, so as to stop any kind of criticism against her Kashmir policy. Taking advantage of disturbances in Kashmir, she relentlessly emphasized on the Simla Agreement97 but never hesitated to internationalize the Kashmir issue.98 She undertook a tour of more than 15 Muslim countries and personally pleaded the Kashmir case.99 Nawaz Sharif, during his first stint in office, followed the same policy. In his 45th independence day speech, Sharif declared, "We shall continue giving them (Kashmiris) full support at the diplomatic, political and human level. This is our duty and we owe it as a debt to our Kashmiri brothers."100 Thus, Kashmir again became a focal point of reference in the domestic populist politics of Pakistan.

On October 20, 1993, after Benazir assumed office for a second term, she said that Pakistan attaches the highest priority to the establishment of normal and tension-free relations with India. But

100. \textit{Nation}, August 15, 1991
she soon went back on her words in order to fight political opposition. Certain developments in India like the demolition of the Babri Masjid in December 1992, and communal riots on both the sides of the border took their toll on the strained Indo-Pak relations. Moreover, Pakistan exploiting the disturbances in Kashmir, insisted on an exclusive discussion on Kashmir. The Indo-Pakistani conflagration over Operation Brasstrack, brought the countries to the brink of war. Pakistan manipulated this to portray a picture of uncertainty and tension in the subcontinent over the Kashmir issue. The over-sensitive advocates of non-proliferation policy started voicing their concern over the Kashmir issue becoming a flashpoint in the subcontinent’s peace. Indian army cancelled the exercise whose objective was more technical-specifically to assimilate the Soviet weaponry that was delivered recently.

Taking advantage of Western sensitivities, Pakistan internationalised the Kashmir issue, linking it to the nuclear issues. The Indo-centric Pakistan’s nuclear programme was linked to resolution of the Kashmir issue. Irrespective of the articulated posture, the seventh round of foreign secretary level talks took place in Islamabad in January 1994. The dialogue took place in the backdrop of the Hazratbal shrine crisis in 1993 and expulsion of diplomats on the charge of espionage. At the end of the Foreign Secretary level talks, however, a joint statement declared both the sides “reiterated the need to engage in a meaningful dialogue with a view to addressing all outstanding issues and it was agreed that sincere efforts would be made to resolve the problems.”\(^{101}\) However, this reaffirmation in a meaningful bilateral dialogue appeared to be short-lived and the declaration by the foreign ministry ended the prospect of bilateral solution, “we should not schedule any talks at

\(^{101}\) POT (Pakistan Series), vol. 22, no. 3, January 4, 1994, p.42
the Foreign Secretary or other level unless there is a visible improvement in held Kashmir.”\textsuperscript{102} Pakistan decided to raise the issues in the meeting of Human Rights Commission in Geneva. However, Pakistan was not successful in raising the issue in Geneva, was compelled to withdraw it. It suffered a setback when its long standing ally China asked Pakistan to settle the dispute with India bilaterally.\textsuperscript{103}

\textbf{Setting up of Bilateral Agenda :}

The agenda to set bilateralism in motion was taken by I.K. Gujral and Nawaz Sharif who were at the helm of affairs in India and Pakistan respectively. They were not only interested in a better relationship between the countries but the personal rapport between them also helped them to dispel some degree of suspicion. It was reported that Nawaz Sharif wanted to “normalize ties with India without Kashmir cluttering the space.”\textsuperscript{104}

Pakistan realising that it could not longer exploit international opinion to its advantage by linking the nuclear issue and Kashmir, made an effort to guard its nuclear option from international criticism and sanction. Thus, nuclear issues replaced other important issues that were included in the eight-point agenda of bilateral talks with India that included a non-use of nuclear weapon pact to India and a non-aggression treaty to India as a part of an arms control package. This emphasized “mutual and equal restraint in the nuclear and missile sectors,” and similar restraint in

conventional weapons to promote "equal security to both the sides, and a wide range of military confidence building measures." 105

**May 1998 Nuclear Tests:**

The nuclear issue defines an asymmetrical relationship between the two countries in the sense the Indian nuclear programme is not primarily directed against Pakistan but forces the latter to adopt a "competitive strategy", one dangerous for its economy. This was obvious during the May 1998 tests. Although the motives for the tests were principally to validate certain technical and political options, they nevertheless threw Pakistan into a quandary. If it gave up the idea of testing its own nuclear device, it ran the risk of seeing its nuclear credibility affected in the eyes of the Indians of course, but also of its own people and Kashmiri insurgent groups. If on the contrary, it followed in New Delhi's footsteps and proceeded with the test, it would invite international sanctions which, given its precarious economic situation, would in fact have a greater impact on it than it would on India.106

However, if in May 1998 the Indian decision to go ahead with the nuclear tests was undoubtedly a cause for concern to Pakistan, it did not for all that permanently shield New Delhi from a potential Pakistani threat. No doubt it considerably stoked Pakistani fears, which were further inflamed by the Indian National Security Council's declaration in August 1998 on the Draft Nuclear Doctrine. But Islamabad in return accelerated its weapons programme. In effect, according to certain observers, South Asia is now faced with the prospect of a Pakistan in possession of a nuclear arsenal, which

is more powerful and more diversified than necessary for its security. Convinced of New Delhi’s strategic superiority and finding itself better armed than it had thought, it could well be tempted to engage in more hazardous strategies.\(^\text{107}\) India would then find itself forced into a potentially destabilizing arms race, not only for Pakistan but also for itself.

**LAHORE DECLARATION:**

The Lahore Declaration was a historic declaration signed by the Indian Prime Minister, Mr. A.B. Vajpayee, and the Pakistan Prime Minister, Mr. Nawaz Shiarif, in Lahore on February 21, 1999. The communiqué was a milestone in the Indo-Pak relations which had slowly deteriorated over the previous decade especially after the 1998 nuclear tests by both nations. Indian Prime Minister Atal Bihari Vajpayee decided to break the ice and traveled to Lahore via bus to normalize relations between the two countries. He was met by the then Prime Minister of Pakistan, Nawaz Sharif. The move was welcomed by everyone in Pakistan and India. The peace declaration was largely built upon the Shimla Accord, drafted in 1972, that stressed for a peaceful and bilateral resolution of all problems related to Kashmir. The event was marked with much optimism about the future of the bilateral relations between the two neighbours. Vajpayee also clarified that India’s nuclear test was only for self-defence and not Pakistan-centric. While appealing to stop Indo-Pakistan hostilities forever in the post nuclear scenario he said, “A small spark can now cause a huge fire. There is no option available to us except peace.”

The memorandum of understanding (MOU) signed on February 21, 1999, strengthens mutual security and minimizes

\(^{107}\) Ashley Tellis, p. 217.
uncertainty. The Lahore Declaration contains major policy objectives. These include mutual consultation over confidence building measures (CBMs) regarding nuclear and conventional forces; advance notification before ballistic missile tests; reducing risks of accidental or unauthorized use of nuclear weapons; prior notification by either side in the event of any such incident and adoption of measures to reduce the risk of such actions. The two leaders reaffirmed their faith on a moratorium on further nuclear tests unless extraordinary situations jeopardize their security interests.

Despite laying out the roadmap for resolution of disputes via peaceful means, the Kargil War derailed the very intent of this declaration. In the months following this historic resolution, Pakistan backed infiltrators entered Indian administered Kashmir by scaling the Kargil-Drass peaks. The mood shifted from optimism to jingoism in both the nations. The Indian government felt betrayed by this hostile attempt to spark a new crisis in Kashmir and responded with force eventually reclaiming the Kargil region. The bilateral relations between the two countries were again at an all time low due to the conflict. The Agra Summit was the next direct high level meting between the leaders of the two countries and it would take place only after 2 years on July 14, 2001. The BJP/NDA Government adopted contradictory and confusing policies related to Pakistan. Whether in Lahore or at Agra, the BJP/NDA Government showed a singular lack of advance preparation leading to disastrous consequences. Because of this lack of foresight, Lahore was followed by Kargil and Agra led to a fresh phase of accelerated tensions in Indo-Pak relations. General Musharraf was invited to the Agra Summit, which was a fiasco. This was followed by the terrorist
attack on Parliament, resulting in Vajpayee declaring: "Now India would fight the Pakistani menace to the finish."

The 9/11 attacks forced US policymakers to refocus interest on South Asia, which had flagged after the 1989 Soviet withdrawal from Afghanistan. Pakistan had ceased to be a strategic ally and in 1998 the US Congress imposed sanctions after the nuclear tests. However, 9/11 brought US back as it unleashed its war on terror in Afghanistan. Pakistan not only recognized the Taliban government but was its key sponsor. As the US leaned on Pakistan to help it in Afghanistan, Musharraf complied but continued to support "Jihad" in Kashmir. Yet Musharraf's shift led to a confrontation with Islamic militants. In 2003 there were two assassination attempts on Musharraf. Recognizing Pakistan's vulnerabilities, US offered a $3 billion aid package with three conditions: Pakistan's cooperation in the US led War on Terror, improvement of relations with India, and greater democratization at home.

The Pakistani establishment realizes that "its 14 year-old policy of trying to bleed India through Kashmir failed. India has not only absorbed the damage, but won a good deal of sympathy from the international community, especially the US".108 There is growing recognition, among the public and elites in Pakistan, that recent surveys have shown discontented (Indian) Kashmiris prefer independence more than joining Pakistan, and that reality needs to be acknowledged.109

The solution of the Kashmir issue is in the interest of both countries, hence the imperative of solution lies with both of them.

Given the parameter of international power politics, it will be in the interest of both countries to solve their problems through the bilateral framework. Internationalization of the Kashmir issue has not helped Pakistan in any manner in the past nor it has been successful in pressurizing India to abandon its position on the issue.

The unabated cross-border terrorism, proxy wars and low-intensity conflicts instigated and supported by Pakistan remains one of the major irritants in the resolution of conflicts between the two countries while "solution to Kashmir issue" is prime concern for Pakistan. "In the past, Pakistan had always emphasized the need for solving the Kashmir problem before taking up other issues. Now Pakistan, while affirming its position on the Kashmir issue, sought to resolve other issues before the Kashmir problem is taken up." 110 The statement by US Assistant Secretary of State Karl Indurfurth delinking the issue of Kashmir from the signing of the Comprehensive Test Ban Treaty (CTBT) by Pakistan clearly establishes the fact that Pakistan cannot ride piggy-back on the issue of Kashmir in its dealing with other countries and global issues.111

THE DIPLOMATIC COST OF THE CONFLICT:

Indo-Pak antagonism also affects India on the diplomatic front. India today has new ambitions, aspiring to an international status, of which it feels it has been unjustly deprived since independence.

If the dynamics of the South Asian sub-system have remained constant, the thinking on international relations has nevertheless evolved considerably over the last few years, at least in India. In 1996, Georges Tanham concluded that India lacked a strategic culture. In the recent past there have been signs of an attempt by the “strategic elites” to systematically rethink international relation and India’s place in the world. This new awareness and intent originate in the events that took place in the last decade (end of the cold war, collapse of the Soviet Union, Kashmir dispute, liberalization policy and opening up of the economy, globalisation) but also in the psychological shock resultant from the nuclear tests of May 1998 as well as the Kargil crisis.

An independent international policy continues to form the basis of Indian strategy. It is based on the conviction that a country its size and might, with an incomparable cultural heritage and considerable potential in all fields, cannot be satisfied with becoming a satellite of any bloc, whether an ideological coalition or a true world power. The goals of Indian foreign policy are thus characterized by a desire for international recognition that finds expression in very different registers, namely its nuclear policy and the quest for a permanent seat in the United Nations Security Council, as also the search for the least restrictive alliances, enabling it to come out of the isolation in which it had found itself at the end of the Cold War, and face or at least diffuse the threats before it. India’s emergence as a regional power and a key global player depends largely on her image and standing in the South Asian neighbourhood. If India cannot effectively generate and ensure her key status in South Asia, how can the would-be convinced that it can carve influence farther afield. India’s nuclear weapons, space programmes, missiles development and her overwhelming
superiority in military strength are of no use, if the South Asian neighbourhood takes India for granted and merrily tramples on India’s national interests and her image. India needs to introduce an element of ‘unilateralism’ in her state-craft in South Asia. Fortunately for India, with the exception of Pakistan, joint convergences of national interests exist between United States and India. This could greatly facilitate India’s forceful assertion in South Asian affairs for greater regional good. Once this is achieved, a marginalized Pakistan in South Asia, may see the dawn of South Asia’s strategic realities.

(iii) India’s US Card:

The re-election of George W. Bush as U.S. president appears to be the most encouraging event for Indian political perception because a further fillip and ‘new strength’ is expected in ‘growing strategic partnership’ and ‘sufficiently institutionalized relationship’ between India and the United States. During its first term, Bush administration had ‘invested a great deal of time and effort’ in ushering in a qualitative change in Indo-U.S. relations. Even when president Bush was the governor of Texas in early 1999, he had “one big idea”, part of which was the “transformation” of U.S.-Indian relations because of India’s emergence as a rising world power, as an more influential leader of the community of democratic nations and because of its potential as a global market. When Mr. Bush became the forty-third President in late 2000, he began to turn his “big idea” into reality. In fact his Republican Administration continued the policy of ‘engagement’ in South Asia, ‘with a special

emphasis on U.S.-Indian relations’ that was belatedly initiated by Bill Clinton Administration in last year his presidency.

President Clinton paid an historic visit to the subcontinent in May 2000, marking the first U.S. presidential visit in 22 years after President Jimmy Carter. His arrival in Indian capital, in the words of Secretary Albright, “was the beginning of a new chapter” and “caused an outbreak of “Clintonmania” which led national newspapers to publish even the most trivial details of his visit on front pages and generated bloated expectations among Indians”. A senior US administration official conveyed the significance of the visit by putting it “what we’ve heard this week is the sound of ice melting a relationship that for 50 years was frozen in the contours of the Cold War”. President Clinton himself admitted, India, the second most populous country in the world, has never been a major focus of U.S. foreign policy. An emerging new warmth in Indo-U.S. relations was also indicated by Assistant Secretary of State for South Asian Affairs Karl Inderfurth when he observed: “This trip should have taken place almost three years ago, in 1997 at the time of 50th anniversary (of India’s independence) when Clinton was going to go, the government fell. Shortly after that, there were the nuclear tests. Then we started thinking again about going. The government fell. So it has been a combination of domestic politics and world events that has delayed this. It’s long overdue.”

The change in American strategic thinking towards South Asia, particularly India and Pakistan was not sudden and abrupt as even the end of the Cold War did not usher in remarkable change in

U.S. policy toward India and she was not considered even a serious geopolitical player in the realization of U.S. foreign policy goals. During the Bush administration and first Clinton administration relations with India were largely ignored and the United States adopted foreign policy goals in South Asia based upon human rights issues, the desire to resolve tensions in Kashmir, and the need to "cap, roll-back and eliminate" nuclear weapons in the region.\textsuperscript{120} Clinton administration repealed Pressler amendment in an attempt to sell F-16 to Pakistan and pressurized India to sign a Comprehensive nuclear Test Ban Treaty (CTBT). During second Clinton administration the change began to be perceived in the U.S. outlook. For the first time a group of independent analysts prepared a report entitled "A New U.S. Policy toward India and Pakistan"\textsuperscript{121} that significantly influenced formulation of a comprehensive U.S. strategy toward the South Asian giant- India. The report determined U.S. strategic goals in the region as:

- To deter a regional nuclear arms race;
- To restrict exports of nuclear technology from India and Pakistan to third countries;
- To assist in resolving Indian-Pakistani disputes that might provoke a regional war;
- To preclude the nuclear capabilities of either India or Pakistan from into the hands of anarchists and ideological extremists; and
- To expand political, economic and military ties with India and Pakistan in the post-Cold War era.

\textsuperscript{120} U.S. Policy Toward South Asia, Dispatch 6, no.13 (27 March1995), Published by the Bureau of the U.S. Department of State. P.M. Kamath, Indo-US Relations During the Clinton Administration : Upward Trends and Uphill Tasks Ahead, Strategic Analysis 21, no.11 (February 1998) : 1604

Infact a reformulation of U.S. policy was needed in the wake of unprecedented alterations those had occurred in the strategic landscape of South Asia on account of Russian decision to withdraw its troops from Afghanistan and then after its dissolution. With the death of communism and disappearance of expansionism threat of Soviet Union it was argued in the ‘decisional calculus’ of the United States “that effective US leadership in the post-Cold War era necessitates a paradigm shift from the earlier mindset”. The shift implied a reassessment of U.S. objectives and goals and the search to identify new sources of conflict and threats to its security. These included international terrorism, the rise of religious fundamentalism, regional instability and aggression, proliferation of weapons of mass destruction (WMD), threats to routes of strategic supply (especially oil) and export of narcotics. The magnitude and nature of threats indicated that Washington began to view the Subcontinent from a regional perspective and started to deal with India and Pakistan in a different manner. In 1993, the State Department of US established the Bureau of South Asian Affairs, which emphatically asserted that India and whole area of South Asia were more important in America’s foreign policy. Gravitating on the internal threats those might emanate from the region to American interests U.S. policy goals for South Asia included economic liberalization, non-proliferation and democracy promotion which remained the key words for an exercise in diplomatic interactions with South Asian nations. Two events that took place in South Asia drastically attracted U.S. attention in the region in the late 1990s. These were nuclear explosion by India and Pakistan and Kargil War from may to July 1999 resulting in a bloodless coup in Pakistan in October 1999. India and Pakistan exploded a total of eleven nuclear devices in May 1998. Indian decision to overtly weaponize after twenty-four years of “restraint” has been the subject of much

scrutiny in nonproliferation studies and these entirely unexpected tests stunned and surprised Clinton Administration who, pursuant to Section 102 of the Arms Export Control Act, otherwise known as the Glenn Amendment, automatically imposed Sanctions on India. However, these measures did not have the intended effect on Indian economy. Both Indian and Pakistani tests were considered for U.S., “as much a long-term policy failure as a near-term intelligence failure” Since India and Pakistan had become de facto nuclear states, Clinton administration thoroughly assessed and reevaluated the geo-political and geo-strategic realities that had emerged after the nuclear explosions in the subcontinent and readjusted its policy formulations accordingly and changed its focus from functional non-proliferation goals to one of nuclear risk reduction, non-deployment and to broad regional interests, which included “preventing possible all out or nuclear war; promoting democracy and internal stability; expanding economic growth, trade and investment; and developing political and- where applicable- military cooperation on a host of regional and global challenges, including but not limited to those posed by terrorism, drug trafficking and environmental degradation”.

After sharp criticism and sanctions, began the process of diplomatic dialogues between the two countries in which India justified nuclear tests due to a deterioration in her security environment which was characterized by persistence of distrust on account of unresolved border problem, covert Chinese assistance in nuclearisation of Pakistan, its encirclement by naval activity off the

123. Testimony of Karl Inderfurth, Asst. Secretary of State for South Asian Affairs, before the Senate Foreign Relations Committee on Near Eastern and South Asian Affairs on May 13, 1998, Washington DC.
coast of Burma, building up of new electronic surveillance on Myanmar’s Coco Islands opposite India’s Andaman and Nicobar islands, the extension of airfield runways in Tibet to handle China’s Russian-built Su-27 fighter aircraft and military modernization programme of China. The eight round of talks, referred to as the Singh-Talbot talks, between June 1998 and February 1999 became the longest extended strategic dialogue between senior American and Indian official ever to take place,127 mollified U.S. anger and convinced their strategic thinking to a considerable extent. The visits of over a hundred officials of the Present’s cabinet and other senior officials in two years after the explosion is a very rare phenomenon128 in itself in the history of Indo-U.S. relations which became indicative of the developing trust and understanding between the two countries. The ensued change became discernible in that in just four years the relations with the United States have taken a dramatic turn with real turn with real transformation underway in the quality and intensity of consultations and co-operation129 especially in strategic areas.

The Kargil war was the another event that exhibited emerging new warmth and a shift in U.S. outlook in Indo-U.S. relations. It was seen as “watershed in Indo-U.S. relations” and “the best thing to happen to half a century of troubled Indo-U.S. relations”130 Between April and June 1999, India and Pakistan almost plunged into another full-scale war “when the Indian troops discovered that Pakistani troops and irregular forces supported by Pakistan had made incursions along the Line of Control, the boundary between India and Pakistan in the disputed territory of Kashmir, at Batalik,

Dras, and Kargil, at altitudes exceeding 16,000 feet."131 During the serious military conflict along the 150-kilometer front in the mountains above Kargil, “the Indian Air Force flew as many as 550” and “not since the 1971 war had air power been used in support of military operation in Kashmir.”132 On other hand there was the danger war assuming nuclear dimensions as Pakistani military forces were reportedly deploying nuclear missiles near the border with India."133 Sensing the danger of escalation of war, the U.S. strongly urged Pakistan to “withdraw behind the LOC immediately, completely and unconditionally.”134 In a break from the past policy, the unequivocal stand taken by the United States “chose to emphasize the importance of maintaining the sanctity of the Line of Control”135 and under great pressure, including a critical talk with President Clinton at Blair House in Washington D.C., on July4, 1999, Pakistan Prime Minister Nawaz Sharif agreed to “take concrete and immediate steps for the restoration of LoC”.136 Kargil-specific support was mooted by the U.S. because-Firstly, the U.S. believed that it was the Pakistani army and its militant allies that crossed the LoC first and “were on the wrong side of the LoC”137; as a result it had to withdraw first. A senior U.S. official Teresita Schaffer candidly confessed that “Washington’s assessment of how this thing started is fairly close to the Indian view of how this thing started”

135. Ranjit Dev Raj, Kargil Seen as Watershed in Indo-U.S. Relations, p.1
137. Bruce Riedel, American Diplomacy and the 1999Kargil Summit at Blair House, Center for the Advanced Study of India.
and "Washington is very clear that the first step [in defusing the crisis] would for those who infiltrated and took these positions [in Kargil to be removed by Pakistan]." Secondly, there was conclusive evidence for preparation for deployment of nuclear missiles by Pakistani military so the U.S. had "to put pressure on Sharif to avoid the dangerous consequences resulting from any resort to a nuclear option." Thirdly, it was extremely difficult to force India to withdraw at a time when the situation in Kargil developed in the direction favourable to Indian side because of its conventional advantage. Fourthly, the U.S. wanted to show that the "cold war hang-over" no longer operates upon its thinking and it wanted to do a justified favour to India because "once the withdrawal from Kargil was done, the U.S. would have more credibility with India." The changed American stance was not lost on New Delhi. Indian policy makers were not only pleased with Washington's "key role in brokering a cease-fire agreement" and its willingness to condemn Pakistani aggression but also correctly assessed it as a shift in American policy toward the region. The Kargil conflict enabled the U.S. publicly announce its new policy toward Kashmir, which rested upon recognizing the Simla Agreement resulting from the cease-fire of December 17, 1971, urging sanctity of the LoC, pleading resolution of the Kashmir tangle through 'direct dialogue' and encouraging both sides to observe the "Lahore Spirit" of Lahore Declaration signed on February 21, 1999 resulting from "bus diplomacy" of then P.M. of India A.B. Vajpayee which stipulated that the respective governments of India and Pakistan, "shall take

138. Ranjit Dev Raj, Kargil Seen as Watershed in Indo-U.S. Relations
140. Bruce Riedel, American Diplomacy and the 1999Kargil Summit at Blair House, Center for the Advanced Study of India., p.10
immediate steps for reducing the risk of accidental or unauthorized use of nuclear weapons and discuss concepts and doctrines with a view to elaborating measures for confidence building in the nuclear and conventional fields, aimed at prevention of conflict”. Sharif’s decision to withdraw resulted in a bloodless military coup and installation of General Parvej Musharraf as President of Pakistan. The U.S. democratic goals were violated, challenged and offended in South Asia as a result of which Sanctions were imposed on Pakistan. Pakistan had become a problematic state, but it could be overlooked of being a cold war trusted ally and its collapse went against the strategical interests of the U. S. in region.142 Therefore, dictates for early restoration were issued and an assured constructive engagement with Pakistan was maintained in order to outbalance the pressure applied on Sharif during Kargil episode.

In the radically shifted circumstances President Clinton’s visit to India attains the status of a milestone in Indo-U.S. relations. At least three lengthy telephone calls from President Clinton to Prime Minister Vajpayee to discuss the Kargil crisis; the general state of Indian-U.S. relations, including his desire to visit India, and military coup in Pakistan indicate that Washinton has been reevaluating India’s position in U.S. foreign policy.143 In the days preceding the visit of President Clinton to India, senior officials of the U.S. acknowledged the emerging tilt and more engaged policy toward India. Karl Inderfurth stated that India was viewed as a “key player in global affairs in the 21st century” and “a vital contributor to overall Asian regional peace and stability”144 A few days later Secretary of State, Madeleine Albright frankly admitted that while

there were differing views between India and the U.S. on nuclear and other strategic issues, they would not be allowed to stand in the way of the development of the overall bilateral relationship."\textsuperscript{145} Indian government also regarded Clinton's visit as "its significant diplomatic victory" and "a new phase is deemed to have begun in Indo-U.S. relations since the visit of President Clinton."\textsuperscript{146}

In a joint declaration issued by the both sides entitled Indo-U.S. relations: A Vision for the 21\textsuperscript{st} Century, the relations between the two countries appeared to have entered a new stage—continuous, constructive in the political area and beneficial in the economic arena. It was to form the basis for mutual strategic, economic, political and social benefit.\textsuperscript{147} In his speech in India's parliament Clinton comprehensively expounded U.S. policy toward South Asia. On the non-proliferation issue he urged India and Pakistan to sign CTBT, to stop production of fissile material and to join the Fissile Material Control Treaty negotiations, and to institute tight export controls on goods and equipment related to their nuclear programme. On regional stability, he ruled out mediation by the U.S. and enunciated adoption a policy of four "R's" in their bilateral relations by India and Pakistan which explained as: restraint by both sides, respect for the Line of Control, renewal of dialogue and rejection of violence. Clinton expressed strong opposition to terrorism throughout the region and also reaffirmed U.S. support of democracy in South Asia. His remarks clearly favoured India over the U.S. long time ally Pakistan. A leading put it as "The Cold War strategic alliance is over, and Pakistan must move to restore democracy and control terrorism in Kashmir or fend for itself in its

\textsuperscript{145} Remarks to the Asia Society, Washington D.C., March 14, 2000, US Department of State.
\textsuperscript{146} Rajiv Nayan, Vajpayee Visit and Indo-U.S. Relations, Strategic Analysis, VOL.XXIV, No.9, p.1709, December 2000.
mounting confrontation with India”. Though there persisted a great deal of difference on the issue of non-proliferation and “nuclear arms cutbacks” and the “vision statement”, the main document signed during the visit reflected contradictions. “The United States believes India should forgo nuclear weapons. India believes that it needs to maintain a credible minimum nuclear deterrent in keeping with its own assessment of its security needs”. Even though acknowledgement for a good working relationship, perhaps even a strategic partnership, with India should be a U.S. priority, an agreement to start an “institutional dialogue” between their countries, including “regular” summit meetings and creation of enormous amount of goodwill among the Indian people and politicians were noteworthy results of President Clinton’s visit to India which also successfully been able to establish that India and the U.S. are turning from “estranged democracies” of the cold war to “engaged democracies” in the post-Cold War era.

The Bush Era:

The Bush era saw the continuation of the Clinton-policy of engagement in South Asia, with a renewed emphasis on U.S.-India relations. Even prior to assuming office, key Bush policy framers had signaled that India would be accorded a higher priority in Washington’s foreign policy formulations. The new administration appeared unsatisfied and unhappy with Pakistan because of its “extensive ties” to the “scoffulous Taliban regime in Afghanistan”

and “its unremitting support for Muslim insurgents” who were spreading bulk of terror in Indian–controlled Kashmir.\textsuperscript{154} It came to be viewed as a real difficulty and a troublesome country because of its “sluggish economy revealed deep structural malaise”\textsuperscript{155} that made it “economically vulnerable, politically unstable and internationally” and it was becoming “a decaying and increasingly Islamic state”\textsuperscript{156} India’s sustained economic growth and growing consensus for accelerating the reforms, along with greater pragmatism in its foreign policy and national security discourse, enhanced the claims for closer attention.\textsuperscript{157} While the convergence on common interests with India was steadily showing ascending curve, the United States encountered friction in its relations with Pakistan. Its refusal to suspend its missile programme, clandestine links with South Korea for a nuclear and missile exchange, the delay in restoration of democracy and close links with Islamic extremist groups resulted in its marginalisation and accordance of a low priority on Bush’s strategic agenda before September 11, 2001.

George W. Bush during his first term election campaign for the presidency of United States clearly showed a shift towards India and made it clear that he understood the security needs of India and therefore its nuclear programme. He advocated removing of economic sanctions imposed for nuclear testing and did not expect India to sign CTBT as he himself did not believe it. After his victory as President of the United States he began concretization and transformation of his cherished convictions of election days. President Bush’s 40minute “unscheduled private dialogue” with

\begin{itemize}
\item \textsuperscript{155} Anupam Srivastava, \textit{Positive-Sum Game Accruals in US-India Relations}.
\item \textsuperscript{156} Ashley J. Tellis, C. Christine Fair and Jamison Jo Medby, \textit{Limited Conflict Under the Nuclear Umbrella}, Santa Monica: RAND, 2001, pp.ix-xii.
\item \textsuperscript{157} Anupam Srivastava, \textit{Positive-Sum Game Accruals in US-India Relations} p.16
\end{itemize}
visiting Indian External Affairs Minster Jaswant Singh was considered as the beginning of a series of steps ushering in transformation of the nature of U.S.-Indian relations. A day before President Bush’s forthcoming speech on his proposals regarding Nuclear Missile Defense (NMD) a telephone call from U.S. administration to India’s External Affairs Minister, Jaswant Singh seeking his advice on the policy statement reflected the improvement in bilateral relations under the new US administration. The appointment of Robert Black will, a confidante of the President, as US ambassador to India further indicated the importance that the Bush administration has attached on its relations with India.

9/11 September:

Since the beginning of the Bush regime Indo-U.S. engagement was proceeding at a fairly fast pace when the unprecedented attacks on United States on September 11, 2001 dramatically reoriented American policy towards South Asia wherein the regional security dynamics stood completely transformed. The profound global and regional implications led many to believe that “the new century began on September 11th rather than on January 1, 2001 and the world has entered the “post-post- Cold War era”. The sense of immediacy generated by the horrendous act of “mega-terrorism” is reflected by terse remark of President Bush—“9/11 changed America”.

The process of re-alignment and reshaping of South Asia forced U.S. administration to reexamine its policy towards Pakistan that had been relegated to the status of a rogue state in the policy framework of the United States before the attack. “The attacks on the World Trade Center and the Pentagon turned U.S.-South Asia

policy temporarily upside down, bringing Pakistan to center stage and putting parts of the U.S.-India agenda on hold.\textsuperscript{160} P. Cohen, a noted South Asian scholar mentioned, "no part of the world was more affected by the terrorist attacks of September 11, 2001 than South Asia"\textsuperscript{161} In recognition of India’s “full support” and Pakistan’s “indispensable help” in the global war on terrorism, President Bush, on September 22, 2001, issued a final determination removing all remaining nuclear test-related economic sanctions against India and Pakistan. The re-emergence of Pakistan from international isolation on account of unexpected turn of events which shifted the strategic weight in its favour. The “uncritical embrace” of Pakistan by U.S. administration meant risking of newly forged Indo-U.S. relations. To avoid the misunderstanding and rupture in newly established relationship, senior American officials reassured their counterparts that a closer relationship with Pakistan would not come at India’s expense\textsuperscript{162}and “would not overlook India’s interests”.\textsuperscript{163}

However, the renewed complexity gripped following a series of terrorists attacks on Indian targets. On December 13, 2001 terrorists believed to be members of Pakistani-based Lashkar-i-Taiba fundamentalist group attacked the Indian Parliament which led to the recall of Indian ambassador from Islamabad, shutting down of road and rail links between the two countries as India had substantial proof for Pak-connection.\textsuperscript{164} India also demanded expatriation of 20 individuals wanted for their involvement in

\textsuperscript{160} Teresita C. Schaffer, The U.S. and South Asia :New Priorities, Familiar Interests, Global Beat Issue Brief, No.66 available at \url{www.nyu.edu/global beat/pubs/ib66.html}.


terrorist activities.\textsuperscript{165} Besides the severe war of words, massive mobilization of troops to the borders began to take place and war seemed inevitable between the two neighbours. In the light of the war might spiral toward a nuclear exchange and impede the operation of U.S. led war on terrorism international stakes had to avoid such a war.\textsuperscript{166} In an attempt to safeguard American interests and satisfy Indian concerns, the Bush administration listed Lashkar-i-Taiba and Jaish-e-Mohammed, another extremist organization, on the State Department List of terrorist organizations and froze its assets in the United States. The growing U.S. pressure made President Musharraf “to denounce the activities of a number of radical Islamic organizations that had been operating from Pakistani soil and arrested some of their leaders”\textsuperscript{167} but refused to discontinue support to Kashmir’s cause by saying, “Kashmir runs in our blood”. These remarks appeared to U.S. administration as a “fundamental shift in the policy of Pakistan” while Indian leaders found it as an act of “unsatisfactory reciprocation”. The continuation of infiltration and enhancing suicide attacks once again led to the escalation of possibility of war that became more apparent when Indian Military Base at Kaluchak in the State of Jammu and Kashmir was attacked. The U.S. intervention once again averted the explosive possibility.\textsuperscript{168} Since the emergence of changed global and regional geo-strategic complexities and the initiation of its Global War on Terrorism (GWOT), U.S. administration was forced to adopt a paradigm shift in its policy towards South Asia with three main goals that consisted of

\begin{itemize}
\item \textsuperscript{165} Tara Shankar Sahay, \textit{India Hands Over List of 20 Wanted Terrorists to Pakistan}, India Abroad, January 11, 2002, p.1.
\item \textsuperscript{167} Sumit Ganguly, \textit{The Start of a Beautiful Friendship? The United States and India}, World Policy Journal, Spring 2003, p.27.
\item \textsuperscript{168} Farhan Bokhari and Edward Luce, \textit{Bombers Kill in Kashmir as US Envoy Visits India}, Financial Times, May 15, 2002.
\end{itemize}
prevention of an all-out war between India and Pakistan, to seek cooperation of both the nations in the anti-terror campaign and keeping the bilateral relations with the two nations on a positive course. For the medium term goal, the U.S. aims at preventing Indo-Pakistani conflict from escalating into a nuclear exchange and block the access of nuclear weapon-related material to the terrorists in order to guard its nonproliferation efforts. For long term, the United States seeks a permanent solution to the Kashmir problem and at the same time it does not want to create a sanctuary for extremist Islamic militants in the area.169

The U.S. strategic community apprehends that Pakistan was no doubt part and parcel of the problem but also a part of the solution170 that is wrought with deeper and far-reaching strategic considerations which have primarily been designed to serve the national interests of “the single most important factor on the global chessboard – the USA”.171 The strategic agenda of the U.S. might not possess the meaning of the “cross-border terrorism” similar to Indian viewpoint but exercise of American pressure on Pakistan to end the sponsorship of terrorism directed toward India should be considered a reasonable effort. Nonetheless the fact remains that because Pakistan, more specially President Musharraf, is so indispensable to US efforts to eliminate the AL Queda and Osama bin Laden, it is willing to go easy on forcing Pakistan to end the cross border infiltration. So long as Osama bin Laden and AL Queda were on Pakistani soil and threatened US interests, Washington had no option but to favour the Pakistani leadership.172

Pakistan's proximity to Afghan borders, its formal diplomatic relationship with the Taliban regime and the two major security threats to the United States: weapons of mass destruction and perceived links with terrorism\textsuperscript{173} were the factors for renewed significance in the eyes of U.S. administration.

Indian diplomacy must adopt a new orientation in tune with the changing global immediacies and it has to come out of its old Pakistan-centric obsessions and to detach Indo-US ties from nagging Pakistan factor. However, despite resurgence of Pakistan, the Bush administration remains very warm towards India\textsuperscript{174} and "absolutely committed to building an enhanced, comprehensive relationship with the Government of India".\textsuperscript{175} This persisting warmth in Indo-U.S. relations is due to change in the Indian attitude towards the changes in US-Pak ties while earlier India always responded in a hysterical manner to any closeness in US-Pak ties.\textsuperscript{176} Pakistan's immediate gains should not overwhelm India's historic opportunity to transform its national security environment.\textsuperscript{177} A careful assessment of the current situation suggests the possibility of an effective pursuit of five national objectives by India. These are cleansing Afghanistan of the current state support for international terrorism, stabilizing Pakistan, restructuring of Indo-Pak relations, promoting political moderation in the region, and transforming the subcontinent.\textsuperscript{178}

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\item \textsuperscript{174} Satyabrat Sinha, \textit{Indo US relations under the new Administration} available at www.indiapost.com/members/story.php?story_id=4187
\item \textsuperscript{175} The Hindu, September 2, 2004.
\item \textsuperscript{176} Satyabrat Sinha, \textit{Indo US relations under the new Administration}.
\item \textsuperscript{177} C. Raja Mohan, \textit{Think positive, Mr. Vajpayee!}, The Hindu October 25, 2001.
\item \textsuperscript{178} C. Raja Mohan, \textit{Think positive, Mr. Vajpayee!}, The Hindu October 25, 2001.
\end{itemize}
The Strategic Relationship:

The NSSP is the short term divergence between U.S. and India over Pakistan, terrorism has not been able to eclipse the evolution of long term convergence of interests stemming from common commercial interests, security co-operation and espousal of democratic values. Since the turn of the 20th century, India’s relations with the United States have begun to acquire a greater complexity, maturity and pragmatism by becoming multi-dimensional and multilayered. In the presidential election conducted last year, the Republican manifesto accorded a considerable space to India and talked of a historic transformation of Indo-U.S. relations under Bush and envisioned a role for India “creating a strategically stable Asia.” This indicates that the relations between the “two natural allies” have traversed a long way since the Cold War years and its survival and evolution to extent of qualitative transformation, despite Bush administration’s compulsive leanings towards Pakistan is demonstrative of the gradual solidification of relationship of the two countries. The Bush administration moved on to forge a strategic relationship with India through enhanced military-to-military cooperation, liberalized access to US high technology and entered into the Next Steps in Strategic Partnership (NSSP) which supposed to lead to significant economic benefits for both countries and improve region and global security and to envisage the transfer of dual-use high technology to India’s series of steps of sequential steps aimed at minimizing decades-old differences on nonproliferation and improving the flow of advanced technology from U.S. to India, was started in January 2004. It sought to boost cooperation in civilian space and nuclear programmes, high-technology commerce and dialogue on missile

defense with the aim to "spur cooperation on the 'quartet' issues of civilian nuclear energy, civilian space programmes, high technology trade and dialogue on missile defense." The expanded cooperation between the two countries was considered to be "an important milestone in transforming relationship between India and the USA." 180

The Manmohan Singh government has continued with the policy framework towards the U.S. formulated by N DA regime. The decisions undertaken by both the governments further prove that an incremental change is taking place in the relationship of both the nations. Before the meeting of the Heads of both the States on the sidelines of United Nations, U S president hailed India's emergence as "a rising world power" and its development in to "a major world economy" 181 and made two concessions – removing the Indian Space Research Organisation (ISRO) from the 'Entities List' maintained by the U.S. commerce Department for purposes of export control of dual-use items promising modifications to its export licensing policies that will "permit certain exports to power plants at safeguarded nuclear facilities." 182 The conclusion of Phase One of the NSSP initiative was also announced before the meeting of the two Heads of states. A joint statement entitled "United States- India partnership; Cooperation and Trust" was issued by Indian P.M. and U.S. president that stated the bilateral relationship "had never been as close as now" and hailed the resent implementation of Phase One of the NSSP "as the beginning of a new era of cooperation and trust." 183 This was called an important accomplishment that now sets up the two Governments to work on Phase Two of NSSP which

would involve some “more regulatory and steps to further reduce the barriers to hi-tech cooperation and to strengthen cooperation on nonproliferation.”

The term strategic is primarily concerned with the ways in which actors use military power and capability to achieve political goals is indicative of that military and security compulsions would be dominant in Indo-US relationship while economy, trade, commerce, culture, politics and diplomatic interaction no doubt would constitute necessary ingredients of the relationship. Given the two side’s history of mutual acrimony and petulance, the Indo-US military—military cooperation exhibit a dramatic shift. The foundation of these cooperative relations were laid during the Clinton administration when "Agreed Minute on Defense Relations" was signed in January 1995 between the Secretary of Defence William Perry and with his Indian counterpart, S. B. Chavan. The Kicklighter proposals, the first US initiative for military cooperation, soon after the first Gulf War in 1991 envisaged an enhanced level of military—military cooperation with India through joint seminars, training and the establishment of steering committees. Since then the defence cooperation between the two countries was reflected in the Naval exercises named Malabar that were conducted in 1992, 1994, 1995 and more recently Exercise Malabar 04, the third such exercise to be held in the post-Pokharan-II phase.

The year 2002 has been a watershed in Indo-US military—military relations as the depth and breadth of joint military exercises increased significantly. The joint exercises of Malabar involve flying operations, anti-submarine warfare and replenishment at sea. The naval exercise also conducted escort operations in Malacca straits

where Indian Navy ship escorted US Naval ship. The joint military exercise, “Balance Iroquois 02-1” in the city of Agra was the such endeavour between the two militaries in four decades and September 2002 American and Indian troops took part in exercise “Geronimo Thrust” in Alsaka. “Cope India 02” an air transport exercise was conducted by the two air forces. The military cooperation is also expanding into peacekeeping and Feb. 2003 a two week peacekeeping exercise, “Shanti Path 03”, involving personnel from the US, India and 11 other nations was conducted with a aim to familiarize the participants with the technique and principles of peacekeeping in a multilateral environment.186

The technological asymmetry and the differences in standards, procedures and doctrines of the two forces do not add much to strategic partnership and conducting exercises with armed forces of allies and friends is a standard policy of the United States. Their importance lay in the political realm. Not since the aftermath of the military debacle of the Sino-Indian border war of 1962, when there was a fleeting moment of Indo-U.S. defense cooperation, had Indian and American troops taken part in a joint military exercise.187 Moreover, the reason for the United States to keep itself militarily engaged with the Indian armed forces lies not at the tactical or operational but at the grand strategic level whose contours are shaped and defined in the short term by the ‘China factor’ and need to obtain a sure foot print in the ‘arc of instability’ extending from Israel to Korea. The military planners in the US also foresee about “different sets of allies and friends for addressing a future strategic environment in Asia that may be dramatically different from today. India appears to be the most attractive alternative for this reason several Americans underscored that

187. Sumit Ganguly, The Start of a Beautiful Friendship? The United States and India, p.27.
eventual access to Indian military infrastructure presents a critical strategic hedge against dramatic changes in traditional US relationships in Asia. The future strategic considerations of US planning are elaborated by a US naval source:

"The US Navy wants a relatively neutral territory on the opposite side of the world the can provide ports and support for the operations in the Middle East. India not only has a good infrastructure, the Indian Navy has a good infrastructure, the Indian Navy has proved that it can fix and fuel US ships. Over time, port visits must become a natural event. India is a viable player in supporting all naval mission including escorting and responding to regional crises. In the same vein the US Air Force would like the Indians to be able to grant them access to bases and landing rights during operations, such as counter terrorism and heavy airlift support"

Even more than the joint exercises, the access to variety of defense technologies is vital component of India’s interests. The export of high-tech equipment to India require the institution of the mechanism to ensure that “dual use” items meant for civilian use cannot be diverted for nuclear or missile programmes. This implies India needs to tighten its export controls of sensitive technologies and institute a regulatory environment. For India technology transfer is the touchstone of any newfound strategic relationship and would prove a determining factor in Indo-US relationships in future.

The Statement of Principles for Indo-US High Technology -Commerce signed by the two countries in Feb., 2003 seeks to facilitate cooperation in high technology. This new agreement addresses all issues concerning space, high technology and civilian

nuclear technology. Trade in these areas is sought to be facilitated by addressing systemic barriers, generating market awareness, conducting industry outreach programmes, reviewing policies and processes on export of dual use of goods and technologies and pursuing export control cooperation. The agreement places Indo-US trade in an entirely new foundation which is consistent with the new strategic partnership and reflects an environment of trust and confidence. Despite the expression of positive and optimistic sentiments the flow of technology will depend how India behaves in the areas of deepest concern to US namely prevention of conflict with Pakistan and nuclear proliferation. But the most significant development in strategic relations is that it has finally been decoupled from US relations with Pakistan.

The transformation in the “strategic relationship” between the two countries is gaining momentum and has become the subject of a regular discussion among the strategic communities of the two nations. It is significant that a kind of dramatic military to military interaction and improvement is evident in Indo-US strategic relations. It is also significant this has happened after India carried out the nuclear tests in May 1998 and declared herself “a state with nuclear weapons”. President Clinton’s visit to the subcontinent in March 2000, is testimony to the sudden importance attached to the region after the nuclear tests. The events of 9/11 only helped to accelerate the process of transformation. However despite this dramatic transformation it is still too early to pronounce that the relationship has acquired a strategic status. The absences of a convergence of regional security interests between the two countries tend to minimize the scope of the strategic relationships. On the issue of cross-border terrorism their perception differ though both

189. US, India to Boost hi-tech trade, Times of India, February, 06, 2003.
190. US, India to Boost hi-tech trade, Times of India, February, 06, 2003.
the nations are strategic partners in “war on terrorism.” India perceives the adoption of ‘double standards’ on the definition of terrorism by USA which has not only ignored Pakistan’s nuclear proliferation but also its role in nurturing and fomenting terrorism across the borders of India for fear of losing Pakistan’s vital supports in hunting down the allusive Taliban and Al – Qaida operatives. Though the Bush administration has failed to achieve even half of its post – September 11, 2001, goals in Kabul and has been unsuccessful to nab Osama Bin Laden and eliminate the dreaded outfit Al- Qaida\textsuperscript{191}, president Bush shifted the epicenter of Global War on Terrorism to Iraq, one of the countries considered by the U.S. to constitute the Axis of Evil along with Iran and North Korea, that produced a great deal of discomfort for Indian leadership as this confrontationist posture and military action “without universal approval and outside the UN umbrella”\textsuperscript{192} directly stood against vital Indian interest in the area. The crucial possible straining juncture in Indo-US relations was averted by pragmatic plain speaking by Indian officials who candidly put forward the damages that might incur to its national interests by conceding to American request to send 17000 strong troops to Iraq. During the meetings with key American functionaries, Indian officials reminded them of country’s “friendly ties” with President Saddam’s Iraq, Indian stakes in the area both for “oil flow and remittances of billions of dollars by the Indians working in the Gulf region”.\textsuperscript{193} The Bush administration publicly declared that growing bilateral ties would not be affected but it also indicated that such a behaviour could have a detrimental effect on Indo-U.S. relations. Unlike military action in Afghanistan which was not only universally

\textsuperscript{191} Hari Singh, \textit{India, America and Pakistan: Mixed signals, new pointers from New York}, The Tribune September 21, 2002.

\textsuperscript{192} Prakash Shah, \textit{Bush War}, The Hindustan Times, 23 September, 2002.

\textsuperscript{193} Hari Singh, \textit{India, America and Pakistan: Mixed signals, new pointers from New York}, ibid.
approved but also promoted Indian interests vis-à-vis Pakistan and its externally sponsored terrorism, the war on Iraq was an unilateral intervention imposed on it with a view to eliminate Saddam’s WMD arsenals, to diminish the threat of international terrorism and to promote democracy in Iraq and the surrounding areas but in reality “it was the implementation of the new U.S. national security strategy formulated in September, 2002, based on distinctly American internationalism that reflects the union of US values and national interests”. Moreover, any further enlargement of war on terrorism towards Iran would again impede the process of evolving Indo-US relations in future. The Bush administration has indicated that preventing Iran from obtaining an atomic weapon will be a priority of the president’s second term”.¹⁹⁴ The intelligence community has started conducting a broad review of its Iran assessments, including a new look at the country’s nuclear programme, the future of its ruling clerics and the impact of the Iraq war on Tehran’s powerful position in the region. Two separate reports- National Intelligence Estimate and a memo focusing exclusively on Tehran’s chemical, biological and nuclear capabilities are meant to guide the Bush administration as it continues to deliberate on a policy for dealing with Iran and its nuclear ambitions.¹⁹⁵ Iran is coming close to India in political, economic, strategic, energy and defence spheres and Iranian President Khatami became the first leader from the Gulf region to be the chief guest at Republic Day’s parade in 2003. Iran is becoming important in India’s West Asian policies and at the moment India does not feel the same concern as the U.S. This could be a cause of concern in the future.

¹⁹⁴ Greg Miller, *CIA operation in Iran failed when spies were exposed*, Los Angeles Times, February 12, 2005.
The Arms Transfers to Pakistan remains the most crucial issue in the future strategic relationship between the two countries. India has lodged its protest against 1.3 billion (USD) arms package for Pakistan with the U.S. as this could adversely affect the peace dialogue between South Asia's two nuclear neighbours and will inevitably impact on positive sentiments and goodwill that have come to characterize India-U.S. relations. Though this will hold not progress in India's relations with the United States hostage to the arms issue. The acid test of U.S. sincerity will lie in its decision on the long-pending supply of F-16 fighter aircraft that Pakistan has already paid for but not yet received.¹⁹⁶ The US administration has its reasons to justify the arms sale to Pakistan. Besides the need to continue to retain Pakistan's support in the hunt for al Qaeda terrorists, the US understands the fragility of the Musharraf regime in the face of Islamic hardliners in the country. Also, India and Pakistan are among the largest arms buyers and no US administration can neglect the military-industrial complex. Though the reasons may appear pragmatic but US designation of Pakistan as a Major Non-NATO Ally keeps on disturbing Indian policy makers.

The factors such as difference in strategic cultures of the two countries, US role in India's quest for a seat in reformed UN Security Council and India's favour for a multipolar strategic and economic order would determine the course of "Glide Path" (nickname for NSSP) in future. India's adoption of market oriented economy and economic reforms, personal equations of the leaders and supportive postures in favour of the US on a number of important policy decisions taken by Bush administration regarding national missile defence and theatre missile defence, stabilization of Afghanistan, its imposition of self moratorium on future tests and its decision to abide

by the non-proliferation export control regimes are the factors which began the era of transformation in Indo-US relations. However, as all mature states in the international system, India should seek cooperation in areas of mutual interests, and fully expect the United States to do the same in its own conduct. In the contemporary international environment of shifting priorities and fluid alliances, mutual gains and shared interests should determine the nature and scope of India's relations with United States as a "full embrace" and total convergence of bilateral interests across all issue areas is the rarest and the remotest possibility.197

(iv) Indo-Russian strategic relations:

The implosion of the Soviet Union and the end of the Cold War brought about a fundamental transformation in the geopolitical map of the world.198 The process of disintegration reduced Russia to a position of a regional power. The domestic environment compounded by instability, economic chaos and political uncertainty confounded Russian leadership which suffered from ambivalence in deciding the future course of implementation and formulation of Russian strategy for Post-cold war International order. The new leaders of Russia besieged by domestic constraints, were not immediately in a position to clearly define the foreign policy goals of their state and it was clearly pulled between a declining nostalgia for past relations with countries like India and growing proclivity towards cultivating relations with the West.199

Unable to stabilize its own domestic environment, Russia's leadership, specifically President Boris Yeltsin,

emphasized a need for the "de-ideologization" of its foreign policy." This "de-ideologization" policy resulted in Russia adopting a "wait and see" policy towards India. "The main thing was that Moscow wanted its policy towards India to be pragmatic and flexible." Perhaps the greatest source of Russian neutrality towards India during the transition period of the early 1990s was a Russian political leadership that was "dominated by 'Westerners' and the 'Atlanticists'" that marked post-Soviet Russia's relationship with India by a great deal of uncertainty, inconsistency and lack of clarity.

The foreign policy struggle between the "Westerners" and "Asia first" groups in the new Russian state placed Indo-Russian relations in precarious position. Two schools of thought concerning India existed within Russia in the early 1990s. The first school was composed of academics, members of the Duma and the defense industry who believed that Russia should maintain its "special" relationship with India. A strong India, they argued, could help fight the wave of Islamic fundamentalism that was sweeping across the Central Asian region between Russia and India. Additionally, this group believed that a strong India could offset the hegemonic status of the United States. If Russia promoted areas of regional strength throughout the globe, this school believed, the United States' ability to rest upon its post-Cold War laurels would be short-lived. Finally, India was the top importer of Soviet armaments during the final years of the Cold War, and many

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202. Jyotsna Bakshi "India in Russia's Strategic Thinking,"
experts in Russia believed that this income source was crucial in Russia's transition to a free-market economy.204

The second Russian school of thought concerning future relations with India was headed by Russian Foreign Minister Andrei Kozyrev. This group believed that Pakistan relations were more valuable in fulfilling Russia's immediate foreign policy and security concerns. The southern periphery of Russia was a hotbed for Islamic fundamentalism and Pakistan held the necessary credentials to be an effective middleman for Russia. The Russian foreign ministry considered Pakistan, Iran and Turkey as having a higher priority than India due to their geographic proximity to Russia.205

As the transition from Soviet to Russian took place, the anti-India school of thought dominated Russian foreign policy-making.

This domination resulted in a major shift in Russian policy towards South Asia. "In November 1991, when the Soviet Union was breathing its last, in a dramatic change of policy, Moscow suddenly supported the Pakistan-sponsored UN Resolution calling for the establishment of a nuclear-free zone in South Asia to the great consternation of New Delhi."206 A nuclear-free zone would mean that both India and Pakistan would discontinue their nuclear programs and become "equals" as non-nuclear states. The signal sent by the collapsing Soviet regime, with many of its leaders taking positions in the new Russian government, was that it sided with the West and

204. Yuri Maslyukov, Russia’s Future Lies With The Defence Industry, Military Parade, July-August 1998 p.36.
Pakistan against India’s ambitions for regional leadership and security.

A second impetus for Soviet/Russian support of the Pakistani-sponsored resolution may have been the strong desire to put closure to the war in Afghanistan. To accomplish, the Soviet/Russian leadership wanted to “secure the release of their prisoners of war who were in the custody of the Pakistan-backed Mujahideen factions.”

In January 1992, one month after a delegation of Afghan Mujahideen travelled to Russia, Moscow severed all “military supplies, ordnance and fuel for military transport” that were sustaining the Najib government’s war effort against the Mujahadeen. The decision effectively negated the air power advantage that the Najib government had held over the Mujahadeen and tilted the conflict back in favor of the insurgents. New Delhi felt a certain sense of betrayal because of the reversal in Soviet policy since the Indian government had worked with the Soviet Union in supporting the nationalist and secular Najib government.”

STRAINED INDO-RUSSIAN RELATIONS:

It was in this atmosphere of uncertain foreign policy objectives that the post-Cold war relations between Russia and India were further strained by two events. The first of these destabilizing events centered around a contract dispute between the Russian space directorate “Glavkosmos” and the government of India for the purchase of cryogenic engines and the related technology. The contract, signed on 18 January 1991, stemmed from India’s desire to gain knowledge of the

208. Ibid, p.718.
liquid oxygen propulsion system of Russian cryogenic engines in order to advance India’s geo-synchronous satellite launch vehicle (GSLV) program. If produced indigenously and without Russian assistance, the project was forecast to require fifteen years until it would be operational.\footnote{209} For Glavkosmos, the $350 million deal would provide crucial funds during a period of tremendous reductions in Russian defense expenditures.\footnote{210}

Over the next two years, the United states protested the proposed transfer of missiles and technology to India on the grounds that the sale would violate the April 1987 Missile Technology Control Regime (MTCR). The growing threat of missile proliferation became well known to the United states following the Iraqi Scud missile attacks during the Gulf War\footnote{211} and the testing of India’s Agni IRBM missile in 1989. However, the ability of the United States to coherently protest the sale was hampered by the changing of government in Moscow as the Soviet Union collapsed and as the U.S. Executive Branch changed administrations from President Bush to President Clinton.\footnote{212}

From the Indian and Russian perspectives, the cryogenic engine deal was legal under the MTCR on the grounds that the treaty did not block the support of “peaceful space ventures.”\footnote{213} Furthermore, India asserted that U.S. attempts to block the sale were financially motivated since General

\footnotesize{210. Ibid, p.22.}
\footnotesize{211. Ibid, p.12.}
\footnotesize{212. Ibid, pp.26-27.}
\footnotesize{213. Anita Inder Singh, \textit{A New Indo-Russian Connection}, \textit{International Affairs}, 71, No.1, January, 1995, p.73.}
Dynamics and the French space-booster manufacturer Arianespace had been outbid by Glavkosmos."

The new Russian government under Boris Yeltsin promised India’s leadership that is would not give in to U.S. diplomatic pressure. This promise was compromised, however, after the United States applied sanctions in May 1992, and threatened further economic measures. On 16 July 1993, Boris Yeltsin agreed to suspend the transaction and to alter the nature of the transfer to the sale of only the cryogenic engines and not the technology. In exchange, Glavkosmos was given bidding rights in over $950 million worth of future U.S. space projects.

While the ability of India to indigenously produce GSLVs and ICBMs was delayed by years due to the cancellation of the original cryogenic engine deal, the main concern in New Delhi was that the Yeltsin government had given in to Western pressure. “The conclusion they drew was that Russia’s overriding need for American economic aid would it susceptible to American pressure. In Indian eyes, Russian is unreliable, and it has also lost its international stature.” As Indo-Russian relations appeared to weaken under Western pressure, direct bilateral interactions between the two states also revealed tensions.

During the same time frame as the cryogenic fiasco, the "rupee versus ruble" debate flared up in Indo-Russian relations. As the Cold War concluded, India had an amassed debt of $12-16 billion owed to the Soviet Union for arms purchases. While India proved willing to pay off its debt, a dispute emerged between the two states over the nature of the currency and the exchange rate that would be used. As noted earlier, the Soviet Union had willing to accept rupee-for-arms arrangements since the initial Soviet intent in the military cooperation was to use India as strategic counter-balance, not a financial pool. Since there was not a huge demand for Indian imports in the Soviet Union, almost half of the rupee-based debt remained in Indian banks uncollected.\(^2\) When the new and financially strapped Russian state took over the old Soviet trade books, the vast Indian debt became an issue of concern. "Goodwill alone cannot forge mutually advantageous economic ties. Trade between Russia and India almost collapsed in 1991-92 because of arguments over the rupee-ruble exchange rate and the amount India owed Russia as the successor state to the USSR."\(^2\) After much domestic squabbling in each country, a resolution was reached in January 1993 that called for India to repay Russia $1 billion a year in Indian goods until 2005, after which the remaining thirty-seven percent of the debt would be repaid, interest free, over forty-five years.\(^2\)

Although a repayment schedule was established, controversy over distribution of the "Rupee Fund" continued. Russia had originally agreed to establish a three-year import schedule with India which would allow Indian exporters to

\(^2\)\textit{India, Russia To Sign Seven Accords, The Hindu 20 December 1998.}
\(^2\)\textit{Anita Inder Singh, \textit{A New Indo-Russian Connection, International Affairs,} 71, no.1, January, 1995, p.76.}
\(^2\)\textit{Arun Mohanty, \textit{Russia Allots Rs.28,000 Core in Rupee Fund for Indian Imports, The Times of India, 23 March 1999.}
forecast the amount of products needed in advance. In September 1994, the Russian government reversed this decision out of fear that long-term financial commitments would be too constricting. The new plan offered by Moscow provided a 180 day export forecast to Indian producers.222

During cold war years, India’s leaning and proximity towards the Soviet Union, in spite of its adherence to her non-aligned activism, was a historic necessity created by the geopolitical compulsions. The proximate India-Russia relations embraced intense political, economic and military cooperation. The strategic cooperation reached all time high in August 1971 with the signing of the “Indo-Soviet treaty of Peace, Friendship and Cooperation”, incorporating security clauses. V.P. Dutt in his candid analysis describes the Indo-Soviet relationship in these words-

“They (India and Soviet Union) could counter any other equation in the region and, from India’s point of view, contributed to the maintenance of peace, security and balance in the region. The threat that both countries perceived from the Pakistan –US military alliance and at times from the Pakistan-USA-China equation was substantially mitigated by the Indo-Soviet link. From India’s point of view, this relationship was not used for any aggressive purposes, but was significant in preventing any aggressive action against it, although inevitably both Pakistan and China were suspicious and unhappy about it. The USA looked askance at this connection, but for India it provided security from the rigours of the peculiar and often changing security perceptions of these powers and held it to insulate itself from the consequences of their action in pursuit

of their own strategic interests. For the Soviets too these ties with the second largest country were beneficial in averting isolation in Asia, enhancing security and winning more friends in the non-aligned community around the world”.\textsuperscript{223}

The strategic shift in Russian foreign policy was discernible when President Gorbachev came into power. He initiated what can be described as Russia’s “China First” priority. In his Vladivostak speech in 1986 Gorbachev initiated the Russian switch towards China and “called for a new China Policy” and “called for an end to a China encirclement policy” and conceded China’s “basic demands for normalization of relations: Soviet withdrawal from Afghanistan, Soviet pressure to get Vietnamese withdrawal from Cambodia and the reduction of Soviet military presence along its borders with China”.\textsuperscript{224} By the middle of 1989, Indo-Soviet relations drifted into a situation, presaging the need for their complete recasting.\textsuperscript{225} The contextual imperatives-US-Pakistan military alliance and aid, Indo-US estrangement, the Sino-Pak strategic relationship and the Sino-Pak-US strategic convergence and the containment of China and Pakistan that forged India-Russia relationship stood irrelevant in the face policy shift adopted by Russia. The “China first” policy meant the removal of the planks on which rested the India-Russia strategic cooperation. A contemporaneous review of the regional and international scene reveals the following changes took place on the diplomatic and political scene after the cold war:

- The Cold War ended a decade before, resulting in the emergence of the United States as a unipolar power.

\textsuperscript{223} V P Dutt, \textit{India’s Foreign Policy in a Changing World}, New Delhi, Vikas,1999, p.65.
\textsuperscript{225} J.N.Dixit, \textit{Across Borders: Fifty Years of India’s Foreign Policy}, New Delhi, Picus Books, 1998,p.180.
• The disintegration of the Soviet Union, the collapse of the economy and the economic upheaval have diluted Russia’s countervailing power both regionally and globally.

• Sino-Russian confrontation stood replaced by a growing strategic nexus between Russia and China with a view to dilute America’s unipolar status.

• Post-Afghanistan withdrawal, Russia embarked on repairing relations with Pakistan.

• Islamic fundamentalism and Islami Jehad raised their heads in India, Central Asian Republics, China, Russia and targeted USA also.

• In March 2000, the United States embarks on building and repairing its relations with India.

• China has embarked on building its military power and force projection capabilities as pre-requisites for its aspirations for super power status.

The contextual imperatives which shaped the India–Russia relationship had either been swept away or stood significantly diluted. Further “In the cold war years, super power rivalry tended to aggravate or even perpetuate conflict in South Asia in the form of contending alliances. The end of cold war and breaking up of the Soviet Union have however transformed that rivalry into Washington-Moscow policy coordination and in its wake brought about a grand shift from alliance to realignment in South Asia.”

The break-up of the Soviet Union did initially disrupt India’s relationship with the Russian Federation and the ending of the East-West rivalry meant that Moscow appeared

less interested in supporting India against Pakistan. In the early 1990s, the Russian leadership pursued an Atlanticist foreign policy, and took an equidistant stance between India and Pakistan. In 1993, then Russian foreign minister Andrey Kozyrev followed the US line on nuclear non-proliferation and Kashmir, Yel’tsin complied with US wishes and refused to supply India with cryogenic technology for its civilian space programme. In 1993 a new Russo-Indian treaty was signed, which dropped the security clause that had existed in the 1971 Soviet-Indian treaty. According to Indian press reports, the Russian side had asked for deletion of security related articles from the original treaty.227

India was finally revived in the Russian strategic focus in January 1996, when Yevgeny Primakov replaced the pro-Western Andrei Kozyrev as Russia’s Foreign Minister.228 The result was an immediate swing in Russia’s foreign policy focus that included considerations for both the Western and Eastern Hemispheres. In defiance of a Nuclear Suppliers Group ban which forbade all nuclear-related sales to states that do not subject all of their nuclear facilities to full IAEA safeguards,229 an agreement was reached to build two Russian light water reactors (LWR) in India.230 Diplomatically, Russia appeared to no longer look strictly westwards.

Primakov saw India as an important strategic partner for Russia and spoke of the formation of a possible Russo-Indian-Chinese strategic triangle to stimulate the process of multipolarism and it could be a viable answer to American uni-

lateralism and uni-polarism. The similar proposal was mooted by President Yeltsin in 1993. The hypothesis advocated that countries like Russia-China-India need a multi-polar world in order to get their national across and have autonomy of decision-making.\textsuperscript{231} The Indian leadership applauded the Russian decision to upgrade the relationship in the second half of the 1990s. However, it had no interest in forming a strategic triangle with China because from New Delhi’s viewpoint, Russian friendship, though desirable, was now of less value in countering China, given the improvement in the Moscow-Beijing relationship in the 1990s. Moscow in the second half of the 1990s continued to see its relationship with India as one means of countering the USA’s post-cold war dominance of the International system.

Indian leadership, sensing the emerging geo-political and global realities, adopted two-track approach that aimed at resurrecting the vital elements its economic and military relations with Russia and on the other searching out alternatives in West. On both these counts, however, India’s efforts were rewarded to a limited extent. India’s difficulties were compounded both by the magnitude of its dependence on Russia and the political-economic uncertainty faced by the latter. It meant that it often had to ‘wait and see’ what Russian would do and how this would effect the relationship of the two countries.\textsuperscript{232} However, Russia seemed to have shredded its initial hesitation, inconsistency and unclarity. The contours of new Russian foreign policy had become clearer. It now gave all the indications of its ability and intentions of redefining its foreign policy goals, priorities and international role. With

India the objectives and character of its relations are being defined with a measure of clarity. The national goals of two countries are being looked upon in the light of new international realities. The two countries have once again begun to rediscover the mutual importance but with a qualitative difference, which commensurate with the realities of the post cold war era.

Putin's emphasis on developing close ties with Europe and the USA did not preclude the policy of cultivating India as an important partner. This was seen in his visit to India in October 2000, where a declaration on strategic partnership was signed, along with several economic and military-technical cooperation agreements. During his second visit in December 2002, the framework for India-Russia relations was firmly set. This was a framework of another special relationship of 'strategic partnership', expanding cooperation and multiplying contacts in various fields, some of them of critical importance to India-Russia both. This special relationship was not born out of any cold war considerations nor was it either seemingly or even indirectly directed against any other country. It reflected the changed and changing international situation and their mutual needs and requirements. The understanding between Russia and India flowed from the complimentarity of their interests both in historical, geopolitical and futuristic terms. The phases of the Russian-Indian relations can be classified as covering the span as 1947-1956, 1956-1971, 1971-1985, 1985-1996 and 1996 onwards. In each of these phases Indo-Russian relations have grown or declined depending on the perceptions and

experiences that both countries have had mainly with the Western powers. The post-Soviet Russian "Eurocentric" worldview combined with domestic economic chaos jeopardized its commercial ties with developing countries and placed Indo-Russian relations on the backburner. However, the Russians were soon disillusioned with the West and hastened to mend fences with India and other Asian neighbours. The Russian-Chinese and Russian-Indian dialogues on strategic partnership are directed to strengthen the international forces to work for the establishment of a multi-polar world. The rough period in Russian-India relations after 1985 clearly arose from the felt need of both to connect more seriously with the West. Each of these phases has some distinct characteristics in terms of trade and political relations.

**The Economic Relationship**

Although the politico-military relationship between India and the Russian federation is a good one, the economic relationship is at a low level. Trade turnover was $3.3 billion in the period January-December 2003, compared with $2.1 billion for the period January-December 2002. In comparison with India's trade with the European Union, the USA, Japan and Switzerland, Russo-Indian trade levels are very modest. However it should be noted that trade levels are now not that much lower than during the Soviet period. In 1990, the Soviet-Indian trade turnover was $5.5 billion (of which the Russian republic had a 60% share), and much of that was oil supplied by Iraq as Baghdad's way of paying for Soviet military equipment.

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## Indian Trade Figures with Selected countries 1999-2003

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Source: Direction of Trade Statistics, International Monetary Fund Yearbook 2003 and Quarterly June 2004. Figures are in millions of US dollars. NB. Trade with China does not include trade with Hong Kong.

An Inter-Governmental Indo-Russian Commission on Trade, Economic, Scientific, Technological, and Cultural Cooperation was established in May 1992.

### India’s Military Needs

The primary short-term military concern for India in the early 1990s was its limited supply of spare parts and supplies for its Soviet -produced armaments.236 After three decades of reliance on Soviet-produced hardware, India was in a position in 1991 in which seventy percent of Army armaments, eighty percent of Air Force armaments, and eighty five percent of Navy armaments were of Soviet origin.237 Lacking the indigenous capability to produce spare parts supplies for these systems, India’s military faced an immediate crisis. The break-up of the Soviet Union had caused a fracture in the Soviet –Indian military supply line as the administrative control and actual location of the Soviet defence industries were situated throughout the newly independent states. Indian think tanks

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237. Yuriy Golotyuk, *Russia and India are experiencing a Military-Technical Renaissance*, Translated by FBIS, Document Number: FBIS-UMA-9-080-S.
realized "the dependence on Russian weapons over 30 years was a serious strategic defect".238

In response to its economic crisis in 1990-91 and the temporary loss of its primary foreign arms supplier, India imposed a reduction in defence expenditures and a sharp reduction in arms importation. (Figures 1 and 2).

After having been the top importer conventional weapons in the world during the period from 1988 to 1992,239 India was raked as the twenty-third largest importer of conventional arms by

238. Yuriy Golotyuk, Russia and India are experiencing a Military-Technical Renaissance p.2.
Meanwhile, Russia’s share of the global arms market dropped from thirty-two percent in 1989 to eight percent in 1994. The inability of Russia to continue the Soviet flow of military hardware, coupled with the sharp reduction in Indian military expenditures, weakened the primary bond that had united India and the Soviet Union during the Cold War.

**The Role of Russian Interest Groups:**

Until the communist collapse, the Indo-Soviet relationship against the West, and shared security and geopolitical concerns. The new Indo-Russian relationship will have to be based primarily on business interests, and colored only marginally by geopolitics and security. By the mid-1990s however the recovery of the Indian economic Complex quickly mended the temporary “hiccup” in Indo-Russian military cooperation. In 1995, the sale of Russian arms on the international market increased by sixty percent over the previous year’s total as the state shifted from “an ideological to a market-driven approach to selling its military hardware.” Along with this shift in Russian arms sales practices came the decisive influence of Russian interest groups. During the Cold War, decisions to sell Soviet weaponry abroad had been made by the Politburo. But in the post-Cold War era, the choice of where and when to sell Russian arms rested with the power-brokers of the

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Russian military-industrial complex. As Vitaly Kataev, the General Director of Russia’s Center of Military Industrial Complex, remarked, “Economics dictate the routes of trade.”

The likelihood of Russian interest groups dictating future military cooperation with India appears high. India buys more hardware from the Russian defense industry than Russia’s own military forces. Estimates show that about eight hundred Russian defense production facilities are kept in operation by Indian defense contracts. Russian exports to China and India amount to about forty-one percent of the total revenue brought in by Russia’s defense industry. The signing of a ten-year Indo-Russian agreement on military-technical cooperation, worth $15 billion, in the aftermath of the Pokhran II tests is an example of this trend. “In this sense it can be assumed that at the very least up to 2010, when aging begins of the most advanced Russian models already existing (SU-30MK and SU-35/37, T-90S tanks, Mi-28 and Ka-50/52 attack helicopters), Russia can count on preserving a stable India demand for relatively large lots of arms and for their manufacturing technology.”

Outside the paradigm of arms sales, several trends are emerging that may promote strong Indo-Russia cooperation. The first is a common security interest as both countries have strong concerns about the spread of Islamic fundamentalism, the potential Chinese threat, and the prospect of

246. Igor Khrupinov and Anupam Srivastava, p. 239
249. Igor Khrupinov and Anupam Srivastava, p. 246.
U.S. world hegemony.252 “In private discussions Russian and Indian diplomats willingly open the cards: both Moscow and New Delhi see a threat in the excessive strengthening of China and the Islamic extremists.”253 Furthermore, by promoting the rise of Indian power, Russia may be able to offset the “heat of NATO’s eastward extension.”254 There also remains a school of thought that Russia may be able to learn from India some lessons for sustaining a multi-ethnic, multi-linguistic democratic state, finally, both states face an increasing criminal threat centered around narcotics and illegal arms smuggling.255

**May 1998 : Pokhran II**

The current disharmony, therefore, between India and the rest of the globe is that India has moved from being totally moralistic to being a little more realistic, while the rest of the nuclear world has arrived at all its nuclear conclusions entirely realistically. With a surplus of nuclear weapons and the technology for fourth-generation weapons, the other nuclear powers are now beginning to move towards a moralistic position. Here is the cradle of lack of understanding about the Indian stand.256

A decisive turn was made along the historical path of India’s nuclear program when the Rajasthan desert was rocked by three nuclear explosions on 11 May 1998. This decision to overtly weaponize after twenty-four years of “restraint” has been the subject of much scrutiny in nonproliferation studies. The reasons normally


254. Jyotsna Bakshi, “India in Russia’s Strategic Thinking.” Page 15 of 18.


256. Jaswant Singh, “Against Nuclear Apartheid.” Foreign Affairs 77, no. 5 (September/October 1998):47. the term “shakti” can be translated to “strength,” “force,” or “power”. It is quite revealing that the code name assigned to India’s nuclear tests in May, 1998, was Operation Shakti.
highlighted as possible catalysts include: technological considerations, in that India needed to update the limited test data acquired in the 1974 test to allow supercomputer simulations for designing future warheads; security concerns, in that the recent testing of Pakistan’s IRBM Ghauri missile and increasing Sino-Pakistani military cooperation reduced India’s geo-strategic buffer zone; normative factors; in that nuclear weapons remain a symbol of international power, and domestic politics, in that the Bharatiya Janata Party (BJP) had recently become the major party in the ruling India coalition after an election campaign which included an open promise to make India a nuclear power. Of these four rationales for India’s 1998 tests, the normative and domestic politics motivations appear most salient when subjected to close scrutiny.

**Post-Cold War Trends: A Balance Sheet:**

In the post-cold War era, several definitive trends have emerged that do not bode well for American security interests in South Asia. India and the United States have allowed Cold War differences to persist untreated. These differences have consequently festered into a “we versus they” dialogue that promotes conflict rather than cooperation. While the decision to conduct the Pokhran II tests was motivated only partially by sentiments against American unilateralism, the effect has been a widening gap in Indo-Russian military ties, driven by economic factors, has placed the United States in a quandary in which the Indo-Russian connection can only

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257. Russia had increased its reliance on nuclear deterrence to compensate for crumbling conventional forces. Additionally, Gen. Sundarji, the former Indian army chief of staff, pointed at the recent defeat of Iraq in the Gulf War and stated that true lesson of the war was that one should not fight the United States unless one possessed nuclear weapons. Mario E. Crenza, “An Impossible Game: Stable Nuclear Deterrence After the Indian And Pakistani Tests,” the Nonproliferation Review (Spring-Summer 1999): 14.


be severed by counteroffers of third-party arms or the slow but eventual emergence of Indian self-sufficiency. These options are long-term in nature and cannot offset India’s short-term dependence on its Soviet-era military systems. Moreover, the likelihood of the United States authorizing the sale of high-technology arms to India after years of nonproliferation-centric diplomacy is minimal.

Finally, the most recent developments in Indian strategic culture have rejuvenated India’s quest for global status and equity. The rise of the BJP has resulted in a new approach to international nuclear politics in New Delhi. India has played its nuclear card in the hope of receiving international power status. Having based Indian nationalism on the image of nuclear strength, it is unlikely that India will unilaterally roll back its program.

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