



Discussion Session **The Sub-Continent "Peace in Peril"**

Organized by: The Center for Research & Security Studies - CRSS
December 31, 2008



Executive Summary:

On December 31, 2009, The Centre for Research and Security Studies (CRSS) conducted a seminar on '*The Sub-Continent: Peace in Peril*'. Lt General (Retd) Talat Masood, renowned defense analyst; Nirupama Subramaniam, *The Hindu's* correspondent in Islamabad; Waqar Sheikh, a business consultant formerly associated with SAARC Chamber of Commerce and Industry, and Dr Farrukh Saleem, Executive Director at CRSS, were the main speakers.

Dr Farrukh Saleem, in his introductory remarks, said that Pakistan and India were born in violence but there was no reason that violence should continue. "A war is in no one's interest but peace in the sub-continent is once again in peril", added Dr Saleem". General Talat Masood said that Pakistan "cannot afford to be phony any more." General Masood asked whether Pakistan had stopped using proxies for achieving its objectives in Kashmir. "Both countries must realize that a war can be economically disastrous for both countries and extremely beneficial for the terrorists," said Gen. Masood.

Nirupama Subramaniam said that the good news is that the worst--as far as military escalation is concerned--is over. The bad news, however, is that 26/11 has changed Pakistan's perception in Indian eyes. "India now considers Pakistan as the big-bad wolf," said Ms Subramaniam, adding that "democracy in Pakistan and the Indo-Pak relations are the two sides of the same coin." She opined that Pakistanis must acknowledge that the post-1979 policy – that produced Jihadi organizations – was a mistake and had proved damaged Pakistan itself. Waqar Sheikh, representing Pakistan's business community, said that the Mumbai terror incidents have adversely impacted private business contacts on both sides.

Welcome Address

Dr Farrukh Saleem Executive Director - CRSS

Dr Farrukh Saleem was trained in the discipline of finance and has been the Sunday-columnist for The News, Pakistan's largest English-language daily, for the past 8 years. He covered Pakistan, India and Iran for the Vancouver Sun, Canada's 2nd largest English daily. Prior to writing for The News, he wrote a weekly column for The Business Recorder and The Dawn. He has also been a guest-columnist for the Hong Kong-based, Far Eastern Economic Review.



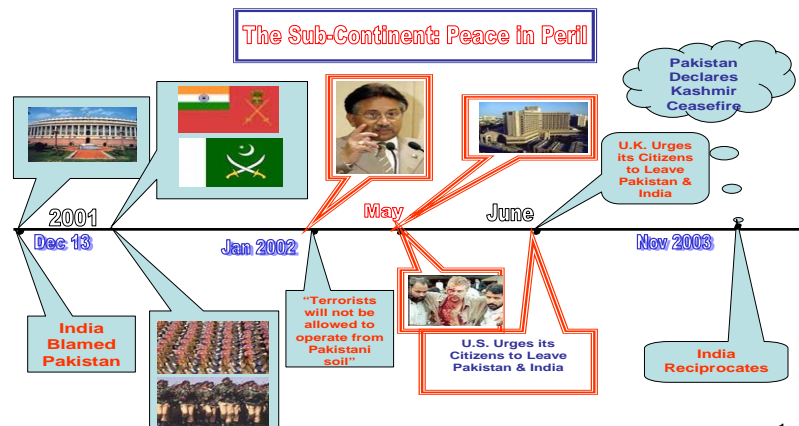
India-Pakistan: Troubled Relations

1947 to 2001 - Timeline by BBC

Ever since the partition of the sub-continent in 1947, when Britain dismantled its Indian empire, India and Pakistan have been arch rivals. India and Pakistan first went to war in October 1947 after Pakistan supported a Muslim insurgency in Kashmir. In 1965, The two countries went to war again after Pakistan launched a covert offensive across the ceasefire line into Indian-administered Jammu and Kashmir. India retaliated by crossing the international border at Lahore. In 1971, Pakistan descended into civil war after East Pakistan demanded autonomy and later independence. India invaded East Pakistan in support of its people after millions of civilians fled to India. At the end of 1971, Bangladesh was created out of East Pakistan. In 1998, fears of a nuclear confrontation grew, after both sides conducted nuclear tests. The US ordered sanctions against both countries, with several European nations doing the same. Tensions were reduced early the following year after the two sides signed an accord pledging to intensify efforts to resolve all issues – including that of Jammu and Kashmir. In 1999, conflict again erupted after India launched air strikes against Pakistani-backed forces that had infiltrated Indian-administered Kashmir. In 2001, tension along the ceasefire line continued. In October 38 people were killed after an attack on the Kashmiri assembly in Srinagar. A month later, 14 people were killed in an attack on the Indian parliament in Delhi. India again blamed Pakistani-backed Kashmiri militants. A dramatic build up of troops along the Indo-Pakistan border ensued.

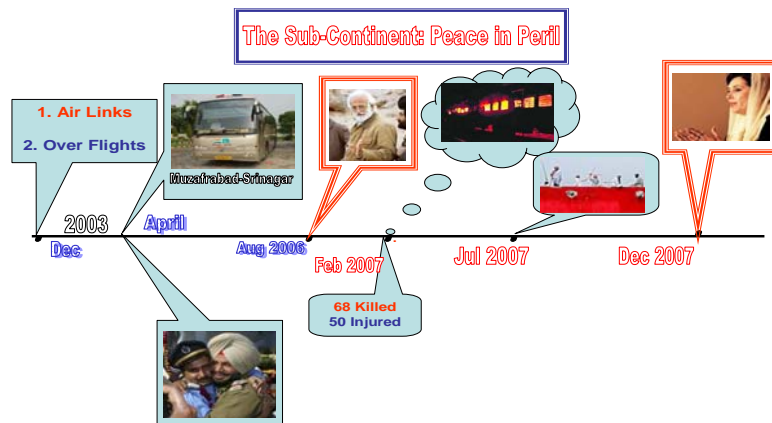
The Sub-Continent: Peace in Peril

2002 to Present - Timeline by CRSS



In 2002, the armies of Pakistan and India stood eye-ball to eye-ball. The same year, President Musharraf promised the world that “terrorists will not be allowed to operate from Pakistani soil.” In June, both the U.S. and the U.K. urged their citizens to leave Pakistan and India. In November, Pakistan declared ceasefire and India reciprocated. By the end of 2002, India and Pakistan, under tremendous international pressure, were back to negotiating confidence building measures (CBMs). In April 2003, the Srinagar-Muzaffarabad Bus was launched as a symbol of normalization efforts.

In 2007, Samjhauta Express, a twice-weekly train service connecting Lahore and Delhi, was attacked by terrorists. In September 2008, terrorists exploded powerful explosives at the entrance of the Marriott Islamabad killing some 5 dozen and injuring close to 300. Two month later, came at least ten coordinated terrorists attacks across Mumbai, India’s financial heartland, killing at least 170 and injuring more than 300. On December 2, Parnab Mukerjee declared, “Pakistan must expedite suspects.” On December 7, Pakistan’s Intelligence Bureau (IB) and the Federal Investigation Agency (FIA), under severe international pressure, began an operation against Lashkar-e-Tayyaba and Jamat-ud-Dawa related camps. On December 11, the UN’s Al Qaeda & Taliban Sanctions Committee imposed sanctions on Jamat-ud-Dawa (Pakistan also banned Jamat-ud-Dawa the same day). On December 13, Indian Air Force’s (IAF) strike fighters violated Pakistan airspace following which IAF’s South Western Air Command also put Utarlia AFS, Bhuj AFS and Jaisalmer AFS on high alert. On December 23, the UN declared that Pakistan has “satisfactorily complied” with UN sanctions.



Cost of War

Kargil

Per Air Sortie - \$1,190,476
 Total Sorties – 350
 Total Cost - \$416 million

Army Operations - \$2,000,000,000

Operation Meghdoot

(Operation Launched to Capture
 Siachen Glacier – 1984)

\$3,500,000,000

In Islamabad - Rs10
 In Siachen - Rs85

Rs100,000 each

India and Pakistan cannot afford another war. Just look at the figures: During the Kargil operation the cost of a single air sortie was estimated at a mind-boggling \$1.1million, and there were a total of 350 air sorties costing a colossal \$416 million. In the case of the ongoing Siachen conflict, a *Roti* that costs Rs 10 in Islamabad becomes a Rs 85 *Rotti* once it reaches the heights of Siachen. Pakistan incurs somewhere between \$200 million to \$300 million per year as the cost of keeping some 3,000 troops 20,000 ft above sea level. Pakistan had to beg the world and the IMF finally released a total of \$3.1 billion while Pakistan has already spent close to \$5 billion in the strategically insignificant Siachen.

Once again, Pakistan and India were both born in violence but there is no reason that violence should continue. There was a war in 1947, another one in 1965 and another one in 1971 and yet another one in 1999, eye-ball to eye-ball in 2002. Peace is once again in peril in the sub-continent. Look at the facts: 75 percent of Indians earn \$2 or less a day, 74 percent Pakistanis earn \$2 or less a day, 40 per cent of world poor live in South Asia and half of the sub-continent's population lives on less than one dollar a day. War is not an option.

Speaker - 1

Lt General (Retd) Talat Masood *Defense Analyst*

A retired Lieutenant General of the EME (Electrical, Mechanical, Engineering) Corps of Pakistan Army. He is a graduate of the Command and Staff College and also of the National Defense College. He has also been the Secretary for Defense Production.



Well, I want to give some context or background of the present situation so that we can relate how things developed in the last few years. What we have to understand is that Indo-Pak peace process slowed down in the last two and half years, and there were reasons for that. One was that Pakistan was going through a very difficult domestic period and was involved in its own problems; at the same time it did not give India incentives to move forward on the peace process. India also had certain serious domestic problems. Its coalition was going through a difficult period and it had serious problems on the Indo-US nuclear deal. Being a global player, India opted to shift its attention from the peace process with Pakistan to other urgencies. The Indian government did support a dialogue with the Musharraf Administration but when an elected government took over, India wasn't too sure of how to deal with a civilian government in Islamabad. President Zardari, however, came out with friendly statements like, "*We can leave Kashmir behind.*" These were good signs for India but India did not reciprocate. They did not know whether these statements would be backed by the intelligence agencies.

The Mumbai incident surprised both India and Pakistan. India was in a state of rage, nationalist and military impulses quite visible. Pakistan was on the defensive. Indians, on the other hand, launched a massive diplomatic campaign. India had two choices— isolate Pakistan through diplomatic pressure or use military force. In India, there were two schools of thought regarding these two options—one school of thought insisted that Pakistan should be punished as this is a great opportunity and also because Pakistan was the weakest at that moment. Others said 'No'. The second school of thought claimed that "there is democracy in Pakistan, we are getting good gestures from there, and if we do it, it will have very serious consequences."

I will now try to conclude by saying two or three things. If India opts for a limited attack, there's reason to believe that it will always escalate to a full fledged war having unlimited consequences. Both Pakistan and India want economic development. I have no hesitation in saying that Pakistan has no desire to go for an offensive. An offensive will have to come from India. India's economy will be adversely affected, militancy will grow further, terrorists will be the greatest beneficiaries and there could be many Mumbais and many Marriotts in South Asia. Another Indo-Pak war would mean India

and Pakistan fighting each other as oppose to fighting against their common enemy. Then there's the nuclear factor. Even if there's a limited strike, the limited strike can always escalate into a nuclear war. In Pakistan's case, we never wrote off our right of 'first use'. Pakistan thus reserves its right of 'first use' if and when the red line is crossed—and that red line itself is ambiguous.

Then there's the foreign factor. America's 'war on terror' will be deeply compromised if Pakistan makes a strategic shift from its western border to the east. Additionally, NATO's logistic supply system will be greatly disturbed.

In the end, I would say at this point of time, the real emphasis should be on crisis management, de-escalation of the conflict and to genuinely cooperate with each other. Pakistan's credibility, Pakistan's prestige and Pakistan's future really lies in trying to be as honest as possible. If there are people from Pakistan, I do not think Pakistan should cover them. If Pakistan covers them then Pakistan has no future whatsoever as far as its credibility and its cooperation with the international community are concerned. This brings me to the question: Is Pakistan prepared to change its policy vis-à-vis using militants as a proxy? Is it prepared for a strategic paradigm shift in the sense that it should rely essentially on its military and essentially on its state forces rather than using non-state actors for the purposes of pursuing its foreign policy?

Speaker - 2

Nirupama Subramaniam *Journalist (The Hindu)*

The Hindu's correspondent in Islamabad. A senior journalist and a political analyst. She was awarded Prem Bhatia Award for the best political reporting for 2008. Ms Subramaniam was honored for her sensitive and astute coverage of major developments in Pakistan.



Since the Mumbai attacks, a big question is that whether the worst is over. My answer to this question is, 'yes', in terms of military escalation the worst is over. Now two or three months later, it is no time to strike. However, I do not think the worst is over as far as many other things are concerned. Mumbai has changed the way India views Pakistan. The romance is over. India now thinks of Pakistan as a big-bad wolf that can strike India at any time through these non-state actors. It is okay that the military escalation is over but the main thing is how to avoid another Mumbai. International diplomacy has been able to prevent a war this time around but if there's another Mumbai war may be India's only option.

Is it mere a coincidence that there were 41 violations of ceasefire on the LoC from March to November 2008? This gained an impression that there is somebody who did not want the civilian ruler in Pakistan to move on the issue of national security. Democracy in Pakistan and its relationship with India are two sides of the same coin. The survival of democracy in Pakistan and the supremacy of its elected leaders over its non-elected stakeholders is dependent on the future of Indo-Pak ties. Everybody who is interested in democracy is to reexamine what General Talat just so eloquently said, 'Should Pakistan reexamine its role of proxies in India'? When Zardari says it is a cancer, we applaud it, but as long as Pakistanis do not give him political strength to act against the cancer, he cannot do anything.

I know Kashmir is an issue between the two countries, but it cannot be sorted out through Jihad or a proxy war. It, however, can be solved through dialogue. We know the Kashmiris have a problem with India but the idea of India is multi-cultural, multi-ethnic, multi-linguistic and above all multi-religious. If Kashmiris want independence on the basis of ethnicity, I could still live with that but if Pakistan has a claim on Kashmir on the basis of religion, I would detest that. To me, the solution lies in bringing the Kashmiris together as much as possible without changing the LoC.

What will it take for us to make peace a reality and to live as decent, civilized neighbors? I have two ideas. Both India and Pakistan need to confront history. Other countries like Japan and Germany have

done it. First, we need to confront 1947, the partition, we are two countries and it is over; but the number of people we killed during the partition is not something two civilized nations do. We need to acknowledge that we killed each other; about a million people and displaced 10 million people. Unless we confront our barbarity and apologize as countries and as two nations to each other, we are not going to ever get over our past, which is such a big ghost. And, the second is for Pakistan to do. As a state, Pakistan needs to acknowledge that 1979, the whole Afghan Jihad and thereafter, I mean using Jihad as an instrument of foreign policy, was a mistake. Once we do these two things—first step for India and Pakistan and the second for Pakistan, we will come close to each other to move forward jointly.

Speaker - 3

Waqar Ahmed Sheikh *Business Consultant*

A young business consultant, formerly associated with the SAARC Chamber of Commerce and Industry.



Pakistan-India relationship can be described as one-step forward and two-steps backwards. Looking at the trade figures, there's been a recent surge in India-Pakistan official trade that has risen from \$800 million a year a few years ago to a current level of around \$2 billion a year. Unofficial or third-country trade—through Dubai, Hong Kong or Singapore--in the meanwhile, is reportedly in the \$4 to \$5 billion range. By 2012, Indo-Pak trade is expected to surge to over \$10 billion a year.

The current Pak-India tension is likely to affect the bilateral trade. As far as the export of cement from Pakistan is concerned, we are already seeing lengthy delays in the opening up of new L/Cs by Indian companies and banks. The Indian government has asked its citizens not to visit Pakistan and the total number of businessmen crossing the border is sharply down from previous years. The other sad piece of news is that the Indian government is changing visa rules especially for business visitors while Pakistan's business visa policy has always been very restricted and stringent.

For India and Pakistan to prosper trade is a prerequisite and for free trade to take place India and Pakistan must resolve long outstanding issues.

Question-Answer Session:

Mrs Yakut Rehman *Political Activist*

Central Vice President Pakistan Muslim League (Q);
Political activist



Q: The main issue, for me, is India's acceptance of Pakistan as a separate sovereign state. My second question is about Kashmir. I was part of Musharraf's entourage in Agra. It's like the whole of India was beaming with expectations. Then came that breakfast meeting—and then everything changed. Nirupuma, people of Pakistan have accepted India. Has India accepted Pakistan?

Ans: Nirupama: The feeling that India has not accepted Pakistan is more so in Pakistan than in India. Pakistanis should get over it. I studied in India and I can tell you that there was nothing in my syllabus that even remotely suggested that we should take over Pakistan. I was never taught that we should not accept Pakistan. As for Kashmir, we are dealing with it. The short-term solution is to accept what President Musharraf was talking about.

Dr Zafar Moeen Nasir

Dr. Nasir is the Chief of Research at the Pakistan Institute of Development Studies. A former faculty member at the Department of Business Administration, Muhammad Ali Jinnah University, Islamabad.



Q: My question is that whenever something happens either in India or in Pakistan they blame each other. The blame game suggests that the two do not trust each other. Why have we failed to develop a relationship based on trust? Now in this episode of Mumbai attacks, India was about to attack Pakistan. Again, an absolute lack of trust. Why?

Ans: Lt General (Retd) Talat Masood: It is due to the poor legacy of the past. As far as Pakistan is concerned, India can only be trusted once India moves towards resolving Kashmir. I am not saying that Kashmir should be solved according to Pakistan's desires but that Kashmir should be resolved on the basis of what Pakistan desires, what India desires and what Kashmiris desire. Then there are problems like Siachin and Sir Creek to be resolved. India is bigger, much bigger. India thus ought to be more generous and more accommodating.

Ans: Nirupama: From Indian point of view, I would say that the use of proxies should be stopped. If this happens, a lot of things would improve for the Indian side. I agree with General Sahib that if you work on Kashmir, you can get rid of the smaller issues like Siachin, Sir Creek etc.

Dr Shaheen Akhter

Research Scholar at Institute of Regional Studies (IRS) on South Asia. Her area of current research is 'Security & Development, Conflict Resolution and Intrastate Conflicts'.



Q: General Sahib, what prospects do you see of the CBMs between the armies of the two countries?

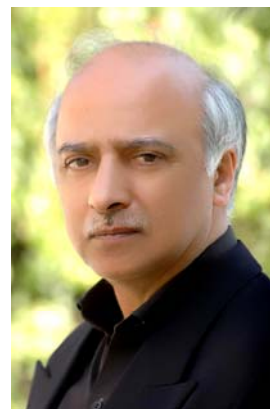
Ans: Lt General (Retd) Talat Masood: Let us try to understand how we can reconstitute and reconstruct the whole peace process. At the moment what I feel is that the peace process has gone into a holding pattern. It cannot move forward till a certain level of trust is restored between India and Pakistan. The international community and India have put the blame of the Mumbai attack on Pakistan. Now Pakistan has to prove that it is innocent. We have to be as open, as transparent and as genuinely cooperative. We cannot play phony anymore. Either we do this or we say that these strategic assets are ours, they are going to stay and are a matter of

our national and defense policy and we will not abandon them till such time that the Kashmir problem is resolved, and we will face the consequences. A firm line from Pakistan needs to be adopted. You cannot fool the people and say, 'No, we do not have any proxies'. India is using its proxies in Afghanistan, Balochistan and elsewhere, nobody is blaming them. Have you heard anyone saying 'why are you doing this', although some of them know they are interfering in Balochistan, because the Indians say that it is tit for tat because you are doing it in Kashmir. When the peace process was moving forward I thought that time was coming when the two Chiefs and the Intelligence Chiefs would soon meet. But, before that this Mumbai thing happened. It is not just Mumbai, for the last six to eight months, our relations with India had been going down. In the last one and half years, both the countries neglected each other and because of that we have to see this.

Note of Thanks

Imtiaz Gul
Chairman - CRSS

Imtiaz Gul, is the Chairman of the Center for Research and Security Studies. He is also Deutsche Welle's, Germany's prime overseas broadcaster, correspondent in Islamabad. Gul is one of the leading media persons of Pakistan focusing on the issues of politics, governance, security, terrorism and religious extremism. Since 1995, Gul has been working as the Islamabad correspondent for Pakistan's most influential political weekly, The Friday Times and his columns on the issues mentioned above keep appearing in The News, Pakistan's largest English daily. Gul has also authored a book titled "*The Unholy Nexus*".



First of all, I thank General Sahib, Nirupama and Waqar Sahib for sharing their views with all of us. What has come across from their presentations is that perhaps Pakistan still does not want to give up the traditional security paradigm. General Sahib also says that Pakistan needs to give up using its strategic assets. Waqar basically said that once an incident happened and the entire flow of goods and people from both sides came to a halt. It basically suggests that the bilateral relationship is still beholden to the establishments of the two countries, and this brings us to the question of trust deficit. So basically the establishments have to come clean on both sides and ensure that regardless of what happens on the political front, contacts at least between people and businessmen stay in tact.

