

**THE EVOLUTION OF THE POST-COLD WAR
REGIONAL SECURITY INSTITUTIONS IN SOUTH
ASIA**

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I. INTRODUCTION

This paper analyzes the evolution of the regional security institutions in South Asia in the “Triple-Post” period of 1989 onward, including the evolution of not only the architecture of regional security in South Asia but its interaction with the evolution of the regional security architecture and institutions of the rest of Asia to its east, i.e., that of Southeast Asia and Northeast Asia. As regards the latter I limit myself to the interaction of South Asia with China, which has *de facto* borders and a history of security interaction with South Asia, and omit reference to other countries of Northeast Asia as these have not had any significant security interaction with the region. I also analyze, where relevant, the interaction of regional security institutions with multilateral regimes. My focus is on the strength of regional security institutions, the depth of their institutionalization, and the timing of their evolution. Overall, I follow the framework of the project proposal (Aggarwal, Koo and Tsunekawa).

One major difference I must mention at the outset is a *deviation* from the “Triple-Post” framework suggested. That is, while I retain the notion of “Triple-Post” to characterize the post-1989 period and its sub-periods, I would like to base myself on altering one of the sub-periods and defining events from post-Asian Financial Crisis (1997) to Post-Nuclear Tests (1998). As far as South Asian security is concerned this was the defining event, not the Asian financial crisis of 1997 which, incidentally, did not precipitate an economic collapse in South Asia, particularly not in its dominant economy, India, which continued its post-1991 economic reform GDP growth path of 5-6%. However, I retain the other two landmark events as timeframe markers, i.e., the end of the Cold War (1989) and the events of 9/11.

The Lack of Institutionalization of Regional Security in South Asia during the Cold War

India and Pakistan emerged as independent nation-states in August 1947 following the ending of British rule and the partition of British India into the two new states, the Muslim-majority areas of Western Punjab, Sindh, Baluchistan, the North-West Frontier Province and Eastern Bengal becoming Pakistan and the rest remaining India. Sri Lanka followed in 1948. Nepal and Bhutan were traditionally formally independent monarchies but de facto British protectorates. Bangladesh emerged as an independent state in 1971 with the secession of East Pakistan. Maldives gained independence in 1965.

The security interactions of the region, overwhelmingly dominated by developments between India and Pakistan, evolved as follows. The rulers of the formally independent princely states of India, which were in effect British protectorates, were given the choice to accede to one or the other of the two new states and so merged into either India or Pakistan. In the case of one of these princely states, Jammu and Kashmir (J&K), the ruler, the Maharaja, was a Hindu ruling over a Muslim-majority but multi-religious, multi-lingual and multi-ethnic state with sub-state non-Muslim majority areas in Jammu and Ladakh, contiguous with West Pakistan. The Maharaja delayed accession amid mounting tensions. In October 1947, a few days after Pakistani-supported tribal irregular forces invaded Kashmir, the Maharaja acceded to India and Indian forces intervened to push back the invaders, leading to the first Indo-Pakistan war of 1947-48. The Instrument of Accession was itself not conditional upon a plebiscite but the accession was accepted by Lord Mountbatten with a wish that the question of accession should be settled with a reference to the wishes of the people once the soil had been cleared of the invader. India took the matter to the UN Security Council and at the end of the war the ceasefire line left one-third of the original state (including the Northern Areas) under Pakistani control. However, India did commit

itself to a UN-supervised plebiscite as per the UN Security Council Resolution of August 13, 1948 and the UN Commission on India and Pakistan (UNCIP) Resolution of January 5, 1949 read together, that is, subject to conditions laid down in Part II Truce Agreement A of the UN Security Council Resolution of August 13, 1948.¹ The main conditions were the withdrawal of Pakistani troops from all of J&K, a condition which was never fulfilled by Pakistan. Pakistan, on the other hand, has always totally rejected the accession as illegitimate and fraudulent, arguing that the Maharaja signed the accession to India under duress. Rival territorial claims over Jammu and Kashmir have remained unresolved since then and have been the main issue between India and Pakistan and the main security issue in South Asia, impeding the institutionalization of cooperative security arrangements in the region.²

While Pakistan became an American ally, receiving U.S. military aid from 1954, joining the South-East Asia Treaty Organization (SEATO) and the Central Treaty Organization (CENTO, or the Baghdad Pact) shortly afterwards India was one of the co-founders of the non-aligned movement, and from 1956 began to draw closer to the Soviet Union which emerged as a supplier of economic assistance. India began to argue from 1954 onwards that the changed circumstances made the plebiscite no longer relevant or applicable, basing itself on the non-fulfillment by Pakistan of the conditions preceding a plebiscite. India also argued that the elections held in Kashmir under Indian auspices, and from 1962 as part of the Indian general elections, were equivalent to a plebiscite in which the Kashmiris opted for India. Pakistan maintains that Kashmir, as a Muslim-majority state contiguous with Pakistan, should have gone to Pakistan and regards it as the unfinished business of the Partition of India.

¹ Ganguly (2002), pp. 158-161.

² There is a voluminous literature on the Kashmir issue. For some leading examples, and recent debates, see Ganguly (1998), Thomas (1992), Lamb (1991), Jha (1996), the roundtable on Jha's book in *Commonwealth and Comparative Politics*, Vol. 36, No. 1, March 1998.

The next major landmark in India-Pakistan relations was the war of 1965 which began with a Pakistan-supported infiltration of Kashmir in the hope of sparking a general uprising against India there. The war was inconclusive but failed to spark the hoped-for Kashmiri uprising. This was preceded by the 1962 Sino-Indian border war which India lost, as a result of which about a fifth of the original state of J&K came under Chinese control, a part of which resulted from Pakistan's ceding a portion of the part under its control to China in 1963. India now controls slightly under half the original J&K state. China went nuclear in October 1964. The net result of these developments was that India faced a perceived two-front threat from China and Pakistan, whose diplomatic closeness and strategic cooperation vis-à-vis India grew steadily since the 1960s, gaining momentum in the 1980s and 1990s. As a result of these developments, plus the lack of a security guarantee against China by the U.S. and UK, sought twice in late 1964/early 1965 and in April 1967, India decided not to sign the nuclear Non-Proliferation Treaty of 1968 and therefore retained its nuclear option.³

In 1971 the secessionist mass movement in what was then East Pakistan received covert Indian support, leading to a December 1971 war in which India defeated the Pakistani army in the eastern wing and enabled the independence of Bangladesh. This improved India's strategic position and was followed by the first Indian nuclear test in 1974. India restored diplomatic relations with China in 1976 after fourteen years of rupture. In its relations with the superpowers, India drew progressively closer to the Soviet Union in the 1960s, culminating in the Indo-Soviet Treaty of 1971 which, while more of a non-aggression and cooperation pact than a formal military alliance, marked a distinct tilt towards the Soviet Union, reflected in India's foreign policy during the 1970s and 1980s.⁴ The Soviet Union emerged as a key supplier of military

³ Ganguly (1999), pp. 148-177, for the above account.

⁴ Ganguly (2002), pp. 164-167, for text of Indo-Soviet Treaty.

equipment to India, and Russia remains so to this day. Relations with the United States reached a low in 1971 when the U.S. aligned with Pakistan in the Bangladesh war and remained correct but cool in the next two decades, until well after the Cold War, with South Asia being an area of marginal significance to U.S. foreign policy.

The 1971 war left India as the dominant country on the subcontinent. In 1972, India and Pakistan signed the Simla Agreement to mark a settlement of the hostilities.⁵ India returned 90,000 Pakistani prisoners of war, but did not press for the dropping of Pakistani claims to Kashmir. It was decided that both countries would, without prejudice to their respective positions on Kashmir, conduct negotiations without resort to force, either bilaterally or in any other mutually agreed way, and would respect the Line of Control, as the 1948 ceasefire line was renamed. In effect, this enabled India to bilateralise the Kashmir issue, thereby staving off the possibility of third-party intervention of any kind, and being able to maintain the status quo.

However, developments in the 1980s worsened India's strategic position despite a major arms buildup, the launching of a missile program, and the gradual maturing of its nuclear program during that decade. This was because the Soviet invasion of Afghanistan in 1979 provoked a new closeness in U.S.-Pakistani ties in cooperating to support the Afghan resistance, in which China, which was at loggerheads with the Soviet Union until the end of the Cold War, also joined. This led to massive military and economic aid to Pakistan while turning a blind eye to the Pakistani nuclear program and Sino-Pakistani cooperation on nuclear and missile technology transfers. By early 1987, Pakistan had a minimal nuclear weapon capability in place.⁶ These developments during the 1980s, especially after 1987, enabled Pakistan to clandestinely support first the Sikh separatist movement in Punjab and the Kashmir separatist insurgency

⁵ Ganguly (2002), pp. 168-169, for text of Simla Agreement.

⁶ "We have the bomb, says Pakistan's Dr. Strangelove", *Observer*, London, 1 March 1987, for interview by Pakistani nuclear scientist, A. Q. Khan, admitting Pakistani nuclear weapon capability.

which broke out from the end of 1989, without having to fear a conventional military response from India.

II. NEGOTIATING NEW SECURITY ARRANGEMENTS IN THE “TRIPLE POST-PERIOD”

The post-Cold War period, dating from the end of 1989 with the fall of the Berlin Wall and the Soviet withdrawal from Eastern Europe, or from the end of 1991, with the dissolution of the Soviet Union, was a major turning point for Indian foreign and security policies. The ending of global bipolarity pulled the rug from under the feet of non-alignment as a foreign policy paradigm, which India had skillfully exploited to acquire economic and military resources from both superpowers while maintaining autonomy. It also ended the deterrent effect on China of the Indo-Soviet Treaty of 1971. The 1989-91 period also saw two important domestic developments and one international development that affected India's foreign policy and security. The first was the ending of the Congress party's four-decade political hegemony. The Congress party which had ruled India with a parliamentary majority from 1947-1989, except 1977-79, lost the 1989 election. In the six elections from 1989 to 2004, no single party has achieved a parliamentary majority, leading to a series of minority and/or coalition governments, and a fragmented multi-party system nationally, complicating cohesive decision-making on economic and foreign policies.⁷

The second major development was the launching of a comprehensive economic liberalization program from June 1991, in response at first to a balance of payments crisis that necessitated recourse to an IMF stand-by loan but which has sustained itself up to the present (early 2006) as a gradual program of long-term structural adjustment toward a globalizing

⁷ See Sridharan (2002) for an account of the fragmentation of the party system and the patterns of coalition politics.

market economy, going beyond mere stabilization policies, unlike earlier IMF-supported stabilization episodes following balance-of-payments crises in 1957, 1966, 1973 and 1981.

The third and international development was the outbreak since December 1989 of the Kashmir insurgency, supported by Pakistan, which has posed a serious security threat as well as threat of war with Pakistan, since then.

The post-Cold War period of the 1990s has been a period of heightened and continuous tension between India and Pakistan due to the ongoing Pakistan-supported insurgency in Kashmir, despite the gradual growth of economic and other ties as part of the anemic but nevertheless real progress of the regional cooperation process under the aegis of SAARC (South Asian Association for Regional Cooperation) and the advent of economic liberalization in both India and Pakistan in the nineties, and democracy in Pakistan, since the late 1980s.⁸

Relations reached their nadir following the nuclear tests by both countries in May 1998. Pakistan, emboldened by the shield of its explicitly demonstrated nuclear capability, launched the Kargil operation of May-July 1999, in which Pakistani forces, claimed to be Kashmiri freedom fighters, crossed the Line of Control to a depth of several kilometers in the heights of the Kargil sector of the Ladakh region of J&K. This was a classic case of the “stability-instability paradox” of deterrence theory, where the possession of nuclear capability may embolden states to follow adventurist policies.⁹ They were pushed back to the extent of 70-80% of the intrusion before an agreement to evacuate them was reached between Pakistani Prime Minister Nawaz Sharif and U.S. President Bill Clinton on July 4, 1999, an intervention requested by Pakistan and brokered by the U.S., with India being kept informed.¹⁰

⁸ See www.saarc-sec.org for the activities of SAARC. For SAARC intra-regional trade see RIS (2004), pp. 47-61.

⁹ See Krepon and Gagne (2001), for a set of analyses on the stability-instability paradox in South Asia.

¹⁰ See Riedel (2002) for a participant account of the American diplomatic intervention in the Kargil conflict.

Pakistani policy on India under all governments since at least 1994 remained conditioned on the resolution of the Kashmir issue, the Pakistani position being that there can be no improvement of relations unless there is movement on this “core” issue. In this sense, and in its clandestine military support of the separatist insurgency, Pakistan remains an actively revisionist power. India, while formally claiming Pakistan-Occupied Kashmir, has never actively sought to press its claim and is de facto in favor of the status quo.

Relations plummeted further due to India’s ten-month border mobilization called Operation Parakram from December 2001 to October 2002, in response to a terrorist attack on the Indian parliament on December 13, 2001. During Operation Parakram, a near-war situation came about in May-June 2002, in which the United States had to unofficially facilitate a retreat from brinkmanship. The Indian mobilization failed to cow Pakistan or to decrease its level of support for the Kashmir insurgency significantly. A policy shift by India that began with a fresh initiative announced by Prime Minister Vajpayee in April 2003, led to an improvement in relations to an uneasy calm following the Vajpayee-Musharraf meeting on the sidelines of the Islamabad summit of the South Asian Association for Regional Cooperation (SAARC) in January 2004.

The Weak Institutionalization of India-Pakistan Security Relations

Security relations between India and Pakistan are not institutionalized by a security treaty. Rather they have gradually come to be weakly institutionalized over the years since the early 1990s by a series of Confidence-building Measures (CBMs).¹¹ However, it may be premature to call a collection of CBMs, implemented with varying degrees of effectiveness, institutionalization. The

¹¹ In this section, I draw heavily on the accounts in Ganguly and Greenwood (1992), and Misra (2004), and press clippings over 2004 and 2005 too numerous to cite, and an interview with Dr. Ashutosh Misra of the Institute of Defence Studies and Analysis, New Delhi, who tracks India-Pakistan talks, on October 28, 2005.

history of military CBMs dates back to the late 1940s. The Karachi Agreement (1949), which helped maintain peace along the Cease-Fire Line of 1949, until the 1965 war, can be considered the earliest CBM-like agreement. The Simla Agreement of 1972, following the 1971 war, has clauses similar to the guiding principles of the Helsinki Final Act of 1975 in Europe, and was successful in maintaining peace along the Line of Control (LoC) in Jammu and Kashmir until Pakistan resorted to supporting the Kashmir insurgency from December 1989.

However, the first concrete military CBM was the hotline between the two Directors-General of Military Operations that the two countries agreed to operationalize after the 1971 war. It was, in practice, ineffective. Following the near-war situation in 1986-87 during India's Operation Brasstacks military exercise near the border, the United States nudged both states to agree to some CBMs to avoid accidental war. This resulted in several CBMs inked in the early 1990s including revitalizing the hotline between the Directors General Operations and Management (DGMOs) to usage on a weekly basis, and Agreements on Advance Notice of Military Exercises, Manouevres and Troop Movements, Prevention of Air Space Violation (both agreements signed in April 1991, ratified in August 1992), Prohibition of Attack on Nuclear Installations and Accord on Chemical Weapons (a Joint Declaration signed in August 1992 reaffirming their adherence to the 1925 Geneva Protocol, with both becoming parties to the Chemical Weapons Convention in the late 1990s).

The most important of these is the agreement not to attack each other's nuclear installations. This idea originated in 1985 in the meeting between Prime Minister Rajiv Gandhi and Gen. Zia ul Haq, and was the brainchild of strategic expert K. Subrahmanyam. It was eventually signed on December 31, 1988, by Prime Ministers Rajiv Gandhi and Benazir Bhutto, ratified in January 1991, and implemented from January 1992. Both sides exchange a list of

nuclear installations on January 1 of each year and commit to refrain from attacking such installations, directly or indirectly. Further, in the Lahore Declaration and Memorandum of Understanding, of February 1999, both sides agreed on additional nuclear CBMs including a range of declaratory, transparency, communication, notification and consultative measures, including, most importantly, prior notification of ballistic missile tests.

The outbreak of the Kargil war in May 1999 and Operation Parakram in 2002 led to a collapse of mutual confidence although the key CBMs continued to be implemented. Following the Vajpayee government's reopening of dialogue from April 2003 there has been, from June 2004, a resumption of the composite dialogue process agreed to between Prime Ministers Inder Kumar Gujral and Nawaz Sharif in 1997. The composite dialogue process covered eight baskets of issues – Jammu and Kashmir, Siachen, Wullar Barrage/Tulbul Navigation project (on the Indus river), Sir Creek (boundary in Gujarat/Sindh), Terrorism and Drug Trafficking, Economic and Commercial Cooperation, Peace and Security, and Promotion of Friendly Exchanges. Five of these concerned security issues. The composite dialogue process had been suspended since October 1998 following the nuclear tests of May 1998. The last round of talks had been held in October 1998 on CBMs and Jammu and Kashmir.

The Joint Statement following the meeting of the two heads of government on the sidelines of the SAARC Summit in Islamabad in January 2004, marked a breakthrough in that (a) Pakistan agreed to resume the composite dialogue in all its facets without preconditioning it on a resolution of the Kashmir issue, marking a shift of position held since 1994, and (b) agreeing not to permit any territory under its control to be used for supporting terrorism in any manner. Following resumption of the composite dialogue, in June 2004 the number of hotlines was increased to two, and upgraded into three – “upgraded”, “dedicated” and “secure” between

DGMOs and Foreign Secretaries. More information was to be given in the pre-notification of missile tests, and the unilateral moratorium on further nuclear tests by both sides was reaffirmed. A major loophole in the missile testing notification agreement has developed following the acquisition/development of cruise missiles by both sides in that the agreement is limited to ballistic missiles. Also, following Kargil and 2002, a ceasefire agreement is in effect since November 2003 along the international border, the LoC and the Actual Ground Position Line (AGPL) on the Siachen Glacier.

Post-9/11, the security scenario in South Asia has been significantly changed by Pakistan's renewed strategic closeness to the United States. While Pakistan declined to allow U.S. troops to use Pakistani soil to invade Afghanistan and dislodge the Al Qaeda-hosting Taliban regime in late 2001, it allowed its airspace to be used to bomb and paradrop forces into Afghanistan. It also cooperated in cracking down on Al Qaeda and Taliban extremists in Pakistan. In the process it acquired significant economic and military aid from the United States, revived its economy and strengthened its conventional defenses vis-à-vis India. However, as noted earlier, the United States has since 1999 encouraged a process of dialogue and CBMs between India and Pakistan, which is an ongoing process with ups and downs.

India-Pakistan CBMs have not been very effective since as Sumit Ganguly and Ted Greenwood have said: "CSBMs (confidence and security building measures) cannot serve in South Asia, any more than elsewhere, as substitutes for tackling underlying sources of conflict. They are also of limited value when states deliberately choose to go to war."¹² They conclude that CSBMs would not have made a difference to the three wars between India and Pakistan and the "proxy war" in Kashmir in the 1990s or Siachen (and later Kargil), since these were all

¹² Ganguly and Greenwood (1992), "Introduction: The Role and Prospects of Confidence- and Security-building Measures in South Asia" in Ganguly and Greenwood, eds. (1992) p. 2.

calculatedly launched whereas CSBMs are useful only for preventing wars by accident or miscalculation. The *roots* of conflict need to be addressed and visions for a viable and stable regional peace and cooperation framework need to be developed.

At the regional, South Asian level, despite the existence of SAARC since December 1985, there has been no institutionalization of security relations. This is primarily because of the tense relationship between India and Pakistan. Bilateral relations cannot be discussed at SAARC under its charter. The most that the SAARC has come up with is the 2002 declaration at its annual heads of government summit, condemning terrorism in all its forms, which was reiterated in 2004.¹³ The only other meaningful point was a mention in the Islamabad declaration of the Twelfth SAARC Summit of January 2004 that the members of SAARC are “particularly mindful of the security concerns of small states,” a gesture toward its five smaller member states, which called for strict adherence to the UN Charter, international law and universally accepted principles and norms related to sovereign rights and territorial integrity.¹⁴ Therefore, all security dialogues in SAARC remain bilateral, not even minilateral (with the exception of the declaration on terrorism, which has no operational substance). SAARC’s bilateralism effectively means that security dialogues are between India and each of the other countries on a “hub-and-spoke” basis since India is the only country to have a border with any of the others.

Since neither India nor Pakistan are members of the nuclear Non-Proliferation Treaty (NPT), the only multilateral security arrangements of the region are the smaller countries’ membership in the NPT and the adherence of all to the Chemical Weapons Convention. However, there might be some other multilateral security regime participation from the region if the bilateral Indo-U.S. agreement on civilian nuclear cooperation, the broad framework of which

¹³ See Islamabad Declaration, p. 4, on <http://www.saarc-sec.org/main.php?id=14&t=7.1>.

¹⁴ See Islamabad Declaration, p. 6, on <http://www.saarc-sec.org/main.php?id=14&t=7.1>.

was agreed to in July 2005, actually comes about.¹⁵ This would require amendment of the U.S. Atomic Energy Act and also U.S. agreement to relax the provisions, for India, of the cartel called the Nuclear Suppliers Group (NSG). If so, it might possibly lead to Indian participation in the NSG in terms of modifying its export control laws on nuclear products, now unilaterally and voluntarily observed, and possible Indian adherence to the Missile Technology Control Regime (MTCR), another technology cartel, and possible participation in the U.S.-promoted Proliferation Security Initiative (PSI), an arrangement outside international law which entails boarding of ships suspected to be trafficking in Weapons of Mass Destruction (WMD) and their parts and components.

The Emergence of the Institutionalization of Security Relations between South Asia and China after the Cold War

There is no institutionalized security relationship between South Asia and China since there is no institutionalized security arrangement within South Asia. Rather, the two South Asian states with a de facto border with China—Pakistan and India—have independent security relationships with China. The Pakistan-China security relationship emerged after India's defeat in the India-China war of 1962. In 1963, Pakistan ceded to China about 5000 square miles of territory in the extreme north of the part of Jammu and Kashmir State that it controlled, north of the Karakoram Range bordering Chinese Xinjiang. Military cooperation followed, with China supporting Pakistan diplomatically in the 1965 and 1971 wars with India, and in the post-Cold War period becoming the principal arms supplier to Pakistan. More significantly, China (and later with China's tacit acceptance, North Korea) proliferated nuclear and missile technologies to Pakistan

¹⁵ Delhi Policy Group (2005).

since the late 1970s, enabling Pakistan to become a nuclear weapons power. China and Pakistan remain undeclared allies although this stops short of a formal military alliance.

India and China have had a strained security relationship that has improved in the “Triple-Post” period. Following the October-November 1962 India-China border war, diplomatic relations were severed and not restored until 1976. Relations improved gradually since then resulting in a visit by Prime Minister Rajiv Gandhi to Beijing in December 1988.¹⁶ The key problem in India-China relations has been the disputed nature of the border, a legacy of British rule in India, the boundaries established by the British having never been accepted by the Chinese, both in the western sector (the Ladakh region of Jammu and Kashmir) and in the eastern sector (the MacMahon Line drawn by the British in the north-east of India). An India-China Joint Working Group on the Boundary Question was established, which has since then been through several rounds of negotiations. In the “Triple-Post” period, there have been three major India-China bilateral agreements on security issues. The first was the Agreement on Maintenance of Peace and Tranquility along the Line of Actual Control on the Indo-China Border, of September 1993, signed during the visit of Prime Minister P. V. Narasimha Rao.¹⁷ The agreement was essentially a set of military CBMs and border management measures in which both sides agreed to respect the Line of Actual Control (LAC) established after the 1962 war without prejudice to their claimed positions.

The second agreement was the Agreement on Confidence-Building Measures in the Military Field Along the Line of Actual Control in the India-China Border Areas, of November 1996.¹⁸ This was an enlarged set of military CBMs and border management measures, including

¹⁶ See Ganguly (2004). I also draw upon information gleaned from Dr. Sujit Dutta, China expert at the Institute of Defence Studies and Analysis, New Delhi (interview, 28 October 2005).

¹⁷ For the text of the 1993 agreement see: <http://www.geocities.com/siafdu/confidence1.html>.

¹⁸ For the text of the 1996 agreement see: <http://www.stimson.org/?sn=sa20020114290>.

advance notification of military exercises, separation and standoff agreements, management of airspace, and military restraint and communication measures.

The third was the Protocol on Modalities for the Implementation of CBMs in the Military Field Along the Line of Actual Control in the India-China Border Areas, of April 2005.¹⁹ This builds on the agreements of 1993 and 1996 and includes enhanced transparency and institutionalization of military communications along the border.

In recent years, India-China relaxation along the border has been driven by the increased volume of trade (China became India's second largest trading partner in 2004-05) and by the Chinese perception that it should not allow the United States to influence and use India as a counter-weight against it. The relationship is characterized by a mixture of cooperation and rivalry. However, during the Kargil war and 2002 border tension between India and Pakistan, the Chinese position was less pro-Pakistan than in earlier times. China, in the April 2005 agreement implicitly recognized Sikkim as a part of India, something it had not done since Sikkim's merger with India in 1974. India has always recognized Tibet as a part of China and supported a one-China policy on Taiwan.

These agreements still fall far short of an institutionalized, treaty-based comprehensive security relationship between India and China, let alone South Asia. Significantly, there was a proposal put forward by Indian Foreign Minister Natwar Singh for a shared doctrine between India, Pakistan and China, but China is unlikely to entertain it.

¹⁹ For the text of the 2005 agreement see: <http://www.mea.gov.in>.

The Emergence of the Institutionalization of Security Relations between India and Southeast Asia after the Cold War

In the “Triple-Post” period, India’s relationship with Southeast Asia has grown rapidly. India adopted a Look East policy from 1993, motivated primarily by economic considerations given the rapid economic growth of the East and Southeast Asian region. However, in the security sphere it has taken the form of Indian membership of the ASEAN Regional Forum (ARF) since 1996, and in the 2000s, Indian naval cooperation with some of the ASEAN states in the form of coordinated patrols and limited naval exercises in ASEAN waters.²⁰ Before this, India was for some time a sectoral dialogue partner and then a full dialogue partner of ASEAN. In October 2003, it signed the Treaty of Amity and Cooperation (TAC) with ASEAN. However, this falls short of a security treaty relationship with ASEAN or with any of the member states, so the military relationship cannot be described as institutionalized in either dispersed bilateral or minilateral form. Singapore is, in economic and political terms and also in naval terms, the key partner of India in ASEAN, while in security terms Vietnam has had a longstanding relationship given that both India and Vietnam have perceived China as a threat.

The security relationship of India with Southeast Asia is overwhelmingly naval. India has been drawn into a naval relationship with Southeast Asia at the encouragement of the United States and Singapore, primarily because the Indian navy is the largest naval force among the Indian Ocean littoral states and because of the vital importance of the security of the sea lanes across the Indian Ocean from the Gulf to the Straits of Malacca to world trade and energy flows. In 1994, when the UN Conference on the Law of the Sea 1982 (UNCLOS-3) agreements came into force, it bestowed extensive Exclusive Economic Zones (EEZs) to the littoral states, all of

²⁰ For the information in this section on naval cooperation, I draw heavily on Khurana (2005), and an interview (October 28, 2005) with Commander G. S. Khurana, an Indian Navy officer who served in the Andaman Islands and participated in patrols and exercises with Southeast Asian and Chinese Navies.

which, except Singapore, lacked the naval capabilities to defend their new responsibilities. The 1997 Asian financial crisis also constrained naval expansion. The extended EEZs also meant that island possessions assumed greater economic importance since sovereignty over islands would bestow extensive EEZs and undersea oil and gas resources. This accentuated conflicts between Chinese claims in the South China Sea and various ASEAN states. By 1995, the United States had withdrawn its military bases in the Philippines. China in the meantime has expanded and modernized its navy and continues to do so. Japan is constrained by its Constitution from playing an active naval security role, while Australia is too far away. The Straits of Malacca are also plagued by non-conventional naval threats including piracy and, after 9/11, the threat of terrorism on the seas. The United States' post-9/11 approach to terrorism is considered heavy-handed and not wholly endorsed by Malaysia and Indonesia, which rejected the U.S.-proposed Regional Maritime Security Initiative, which was suspected to be more about U.S. control of the seas than it was about assisting regional navies in combating maritime threats.

Reports since the July 2004 ARF meeting indicate that ASEAN countries are favorably disposed to integrating India into regional maritime security arrangements, though Malaysia and Indonesia had reservations for many years. The United States is also favorably disposed, India having provided a naval escort for high-value U.S. vessels in the Straits of Malacca in October-November 2002. India is already a part of both the Asia Maritime Security Initiative (AMARSECTIVE-2004) of June 2004, and the Regional Cooperation Agreement on Combating Piracy (Re-CAAP) of November 2004.²¹ Coordinated patrols of maritime boundaries are being conducted with Malaysia and Indonesia in the Andaman Sea since 2002, and have been agreed to

²¹ AMARSECTIVE-2004 entails anti-piracy cooperation among regional coast guards and was initiated by Japan's Coast Guard. Re-CAAP is a Japan-initiated treaty signed by Japan, China, South Korea, the ASEAN states, India, Bangladesh and Sri Lanka. See Singapore government press release, April 28, 2005, at: <http://app.sprinter.gov.sg/data/pr/2005042801.htm>.

with Thailand in April 2005. Exercises have been regularly conducted with the Singapore Navy since 1993, and in March 2005 the first such exercise was held in the South China Sea. Naval visits to Vietnam have taken place since the 1990s and in July 2005 India's aircraft carrier, *Viraat*, visited Vietnam. Part of India's incentive to develop a presence in the Straits of Malacca and the South China Sea is economic, while part of it is to counter China since China's presence in Myanmar's Cocos Islands in the Bay of Bengal has been worrying India. These motivations dovetail to some extent with the interests of both the United States and ASEAN states. However, the relationship also has elements of cooperation as evidenced by Indian-Chinese naval exercises in the East China Sea in November 2003.

However, this emerging relationship is too limited, recent and lacking in depth to be characterized as an institutionalized dispersed bilateral (with any ASEAN country) or minilateral (with ASEAN) security relationship between India and Southeast Asia let alone between South and Southeast Asia.

III. SCENARIO ANALYSIS FOR REGIONAL SECURITY ARRANGEMENTS IN SOUTH ASIA

From the foregoing account, security relations within South Asia are only very weakly institutionalized and not robust enough to withstand disruption. The same applies to security relations between India and China and between India and Southeast Asia. These are limited to military CBMs and joint naval patrols and low-level exercises respectively, and cannot be described as strong or deeply institutionalized. Little economic cooperation has taken place between India and Pakistan, except for one major treaty on the sharing of the Indus basin waters, signed in 1960 and surviving all the wars. This is despite some albeit limited progress in regional economic cooperation in South Asia since the 1990s.

In attempting to speculatively draw up a scenario for regional security in the next five to ten years I argue, basing myself on recent international relations (IR) theory, that there is likely to be increased economic cooperation between India and Pakistan and within the region generally, beginning with bilateral cooperation and extending to minilateral regional cooperation, because of the relationship between the two countries' nuclearization and economic cooperation.²² I would argue, basing myself on the hypothesis of reduced relative gains sensitivity for both India and Pakistan, especially the latter, that economic cooperation in this tense bilateral relationship is contingent on *either* prior security cooperation to pre-empt the possibility of war, *or* nuclear deterrence as a substitute. The 1998 nuclear tests, the failed attempt to change the status quo by force in Kargil, and the fact that India was effectively deterred from exercising a limited punitive conventional strike option in 2002, all implied a state of *de facto* deterrence.²³ Pakistan's options have changed in two ways, both of which would probably make it less inclined to resist greater economic cooperation in the future, as well as be more inclined to agree to institutionalized war risk-prevention measure (including at the instance of the United States). One, explicit nuclearization with a demonstrated missile capability has assured Pakistan's security in a way that reduces the sensitivity to relative gains in the military sphere. Two, the Kargil and 2002 confrontations and the U.S. role in ending the former and scaling down the latter have demonstrated to Pakistan that using nuclear capability as a shield to launch a military offensive to force India to come to the table on its terms on Kashmir is no longer a feasible option.

²² See my argument Sridharan (2005).

²³ While there is no doubt that India was effectively deterred it is also likely that restraint was also partly self-restraint so as to keep the focus on Pakistan as an aggressor in Kargil. Whether the *de facto* deterrence in place is a stable one can be debated but the fact is that existential and then explicit deterrence has demonstrably been present in the three major eyeball-to-eyeball crises – 1990, Kargil 1999 and 2002, none which escalated into full-scale conventional war.

Following from these two points, Pakistan is *more* secure vis-à-vis a possible Indian military threat than ever before, as well as *less* able to threaten conventional force to resolve the Kashmir dispute. It therefore has less to fear and much to gain from greater economic engagement with India. When viewed through the prism of cumulative relative gains there are incentives for economic cooperation for both countries, without having to fear an adverse fallout on security, particularly in common projects such as gas pipelines and inter-linking of electricity grids. Such common projects can create stakes in continuing cooperation and can catalyze trade and investment over time, and remove some issues from the arena of conflict - as the Indus Waters Treaty removed river waters - while enlarging the areas of common interest, and contributing to forward movement on conflict resolution.

In turn, greater economic cooperation in trade and infrastructure will over time lead to greater stakes in peace and greater willingness to institutionalize, more strongly than at present, a range of military CBMs, perhaps upgrading these to a comprehensive non-aggression treaty. That in turn should open the door to a regional-level security treaty. This would have to precede any meaningful inter-regional security architecture, as distinct from bilateral India-China or India-ASEAN, between South Asia and Southeast Asia or China/Northeast Asia.

IV. CONCLUSIONS AND IMPLICATIONS

From the foregoing analysis one can draw the following conclusions and implications for the institutionalization of regional security arrangements in South Asia, and derivatively for the institutionalization of inter-regional security arrangements between South Asia and the Southeast Asian and Northeast Asian regions.

First, as long as the India-Pakistan territorial and ideological conflict over Kashmir is not resolved, and there is no non-aggression pact let alone a comprehensive peace pact between the two countries, SAARC as a regional organization will not be able to institutionalize security arrangements and speak as a region on security issues. Second, as long as the Sino-Pakistan security alignment and supply relationship continue, as is most likely, this will be perceived as a threat by India. This will be further accentuated by the building of the proposed highway from the Khunjerab Pass on the Sino-Pakistan *de facto* border all the way through Pakistan to ports/naval bases on the Baluchistan coast and the offering to China of naval facilities there, if this occurs. This implies that India and Pakistan will tend to deal separately with ASEAN and with China. Third, growing economic cooperation within the region will only slightly mitigate but not transcend this state of affairs, as in Northeast Asia, particularly given the much more limited scope for, and ratio of, intra-regional trade in South Asia due to India's overwhelming dominance. Fourth, rapidly growing Sino-Indian trade will mitigate but not transcend the implications of China's basic alignment with Pakistan, at least so long as the Sino-Indian border problem, which has been put on the backburner by the 1993, 1996 and 2005 agreements, is not comprehensively resolved. Fifth, the one factor that might push both India and Pakistan toward more serious conflict resolution efforts, and which has been operating over the years since 1999, is American pressure toward this end. Likewise, the growing naval cooperation of India with Southeast Asia is at least partly the result of American encouragement, although retarded by Malaysian and Indonesian reservations about U.S. plans and perceived intentions. A more vigorous Chinese naval modernization and presence west of the Straits of Malacca could also push India and the Southeast Asian nations toward greater naval cooperation.

All in all, South Asia will most probably remain a region approximating Northeast Asia in lacking comprehensive regional security arrangements, with the leading power, India, dealing individually with the other regions rather than SAARC as a regional organization playing a meaningful role in regional and inter-regional security arrangements.

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