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South Asia's Persistent Cold War

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South Asia's Persistent Cold War

Rajesh Basrur

The end of the Soviet–U.S. Cold War shook the discipline of international relations as no other event had done in the half-century since World War II. The utter failure of international relations theory to anticipate the dramatic changes that occurred in the late 1980s was the subject of a powerful attack on the validity of the theoretical enterprise itself.¹ While it is generally recognized that it is not the business of theory to anticipate particular events, but rather to specify the conditions under which events can be expected to occur, it was nevertheless true that theorists had failed to examine the scope for change systematically, and that “measured by its own standards, the profession’s performance was embarrassing”.² The truth of the matter is that the profession had not *looked* for the conditions that might bring an end to the Cold War.

A somewhat similar situation exists with regard to the cold war between India and Pakistan.³ When the Cold War drew to a close, regional conflicts in Southeast Asia, Southwest Africa, and later the Middle East began to unwind. In the expectation that an opportunity is at hand for bringing peace to South Asia, a number of analysts have offered diverse solutions to the region’s conflict, but without careful inquiry into the range of potential factors that might alter the politics of the subcontinent. Theory was not properly applied to anticipate the end of the Soviet–U.S. conflict. The same error is being made with respect to South Asia. This paper assesses the future of South Asia’s persistent cold war, and the conditions under which it is likely to recede, in theoretical terms, so that, in this case at least, we might not be surprised.

In undertaking this exercise, I adopt a modified realist perspective. Broad patterns of state behavior can be best understood in terms of the structure of the international system, which is defined as the outcome of anarchy among states and the distribution of power among them.⁴ Anarchy or the absence of a central authority makes states self-centered and power-seeking, thereby limiting their scope for cooperation. Power distribution determines state preferences in balancing, alliance making, distancing, and other state strategies. However, realism does not adequately explain important behavioral anomalies, such as war-avoidance between nuclear powers and economic cooperation among states that are highly competitive.⁵ A modified formulation of realism explains these anomalies by incorporating the conflict-mitigating effects of high levels of interaction among states. When interactions among states become very intense (regardless of whether the interactions are hostile, as with nuclear confrontation, or cooperative, as in the case of economic exchanges), the role of structure recedes and cooperation results.⁶ This explains the extensive cooperation between the United States and the Soviet Union *before* the end of the Cold War, notably the Intermediate Nuclear Forces (INF) Treaty and the creation of the World Trade Organization (WTO), despite rising economic tension among the United States, Japan, and the European Union.

In the light of this modified realist stance, what might one prognosticate about the relations between India and Pakistan? Following a brief survey of past India–Pakistan relations, I examine the structural and interactional potentialities for change. The picture that emerges belies the optimism of those expecting early

¹ John Lewis Gaddis, “International Relations Theory and the End of the Cold War,” *International Security*, 17:3 (Winter 1992/93): 5–58.

² Richard Ned Lebow and Thomas Risse-Kappen, “Introduction: International Relations Theory and the End of the Cold War,” in Richard Ned Lebow and Thomas Risse-Kappen, eds., *International Relations Theory and the End of the Cold War* (New York: Columbia University Press, 1995), p. 2.

³ While distinguishing between the U.S.–Soviet “Cold War” and the South Asian “cold war,” I do not attempt a comparative analysis of the two (a more complex exercise), but focus only on applying a specific theoretical perspective to the second. In either case, I use the term to mean a hostile relationship characterized by constant tension as well as war-avoidance. The latter, which does not preclude covert intervention across the border, is the product of the “opaque” nuclearization of both countries.

⁴ Kenneth N. Waltz, *Theory of International Politics* (Reading, Mass.: Addison-Wesley, 1979).

⁵ Waltz’s structural theory, which treats interactions as exogenous to structure, is inherently incapable of accommodating these anomalies, notably extensive Soviet–American strategic cooperation and Japanese–American economic cooperation.

⁶ Rajesh M. Basrur, “Structure and Interaction in the Global System,” *International Studies*, 31:4 (October 1994): 377–97. Here, the intensity of interactions, which is not a property of states, but stands apart from them, is treated as a systemic variable.

change, but nevertheless shows that, in the long run, the relationship will move in the direction of greater cooperation. In the concluding section, I evaluate a number of proposals seeking to mitigate, perhaps even end, cold war tensions in South Asia.

The India–Pakistan Security Dilemma

The history of conflict between India and Pakistan is too well known to need detailed recounting. Because of the trauma of Partition in 1947, India and Pakistan have fought three wars in 1948, 1965, and 1971, the last causing the dismemberment of Pakistan and the birth of Bangladesh. In the quarter-century since, there has been peace of a sort, marred by tensions over cross-border intervention in internal ethnic conflicts, periodic exchanges of fire over a long and partly undelineated border, and the development of both countries' nuclear and missile programs. Aside from the accumulated weight of history, the main sources of discord between them are three.

First, neither country has put behind it the trauma of communal conflict and Partition. Both carry into the present a sense of vulnerability about national identity. India, with a self-image of itself as a secular state, is experiencing the rise of religious fundamentalism that seriously undermines its putative identity as a society characterized by "unity in diversity." The mere existence of Pakistan is a constant reminder of its weakness in this respect, as is the frequency of domestic Hindu–Muslim violence. Pakistan, created on the basis of the assertion that the subcontinent's Muslims have a unique and independent political identity of their own, has yet to come to terms with the sundering of its Bengali population, which cut at the root of its religio-political identity. In addition, the uncomfortable fact is that India has a larger population of Muslims than does Pakistan. These insecurities have a focal point in the vexing issue of Kashmir that, in a sense, has come to challenge the *raison d'être* of each. The tussle over Kashmir represents a struggle for identity in which the insecurities of the one are exacerbated by the claims of the other—a classic example of the security dilemma at work. This is not to say that a resolution of the Kashmir dispute will bring an end to Indo–Pakistani tensions. But, in the event that a solution *is* found, it would certainly reduce the overall level of tension in the region.

For that to happen, both India and Pakistan would have to develop a degree of internal cohesiveness that is absent today. Neither has known sustained social and political stability since 1947. Besides a period of political repression in the seventies, India has experienced recurrent outbreaks of violence among religious, caste, and linguistic groups and separatist movements in the northeast, Punjab, and Kashmir. Pakistan has undergone long periods of military rule, regular sectarian tensions, and militant movements in Baluchistan, the North West Frontier Province, and Sindh. Governments hard put to resolve their internal difficulties have been inclined to point their fingers across the border, not always without justification. So long as there is social turmoil and political uncertainty within each polity, cross-border tensions are bound to reign high. Moreover, given that the region is undergoing a period of economic change, which invariably weakens existing social structures and generates crises, it seems likely that both countries will tend to bolster the identity of the "self" in opposition to the "other."

Finally, the structure of the India–Pakistan relationship makes rapprochement problematic. In accordance with the modified realist standpoint outlined earlier, the two countries may be treated as major powers in the South Asian system, with India as the dominant or "hegemonic" power and Pakistan the "challenger" resisting Indian dominance.⁷ In their respective systemic "roles," the two exhibit typical behavioral characteristics.⁸ India tends to play the role of regional security manager, resists external involvement in South Asia, prefers bilateral negotiation, and favors closer economic and cultural relations with Pakistan. It also feels the necessity of maintaining a regional power "balance" to its advantage. Pakistan's preferences are the opposite. It tries to

⁷ For a comprehensive discussion of hegemons and challengers in international systems, see Robert Gilpin, *War and Change in World Politics* (New York: Cambridge University Press, 1981). Systemic boundaries are arbitrarily defined, depending on the analyst's perspective. One might with equal justification speak of a South Asian "system" which includes China and the United States. Here, the South Asian system is defined as the member-states of the South Asian Association for Regional Cooperation (SAARC), i.e., Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan and Sri Lanka.

⁸ System-driven roles are best illustrated in Michael Mandelbaum, *The Fates of Nations: The Search for Security in the Nineteenth and Twentieth Centuries* (Cambridge and New York: Cambridge University Press, 1988).

internationalize disputes with India, seeks to strengthen itself by obtaining strategic support from outside the system, and avoids close economic and cultural relations with India.

The dynamics of the South Asian system are inevitably affected by the policies and actions of extra-systemic powers pursuing their own interests. During the Cold War, the United States bolstered Pakistan as an ally against the Soviet Union by supplying it with weapons. The resultant strengthening of Pakistan's position face-to-face with India led the latter to depend on the Soviet Union for a proportional increase in its power. China's support for Pakistan, aimed at the containment of India, had a similar effect. However, barring a brief period between 1966 and mid-1971, when India was isolated as the Soviet Union seemed to be reconsidering its commitment to India, external involvement did not alter the power equation in South Asia, although the inflow of weapons did intensify regional tensions.

The end of the Cold War has changed both countries' options. India has lost its Soviet card. Pakistan can extract relatively little from the U.S. and continuing military aid, but not strong political support, from China. Chinese aid undoubtedly enhances Pakistan's power, but it would be hard to argue that it changes the equation in South Asia. In essence, the strategic relationship between India and Pakistan remains the same. Analysts have posited one major change. The acquisition of nuclear capability by Pakistan effectively nullifies India's clear superiority in conventional weapons. In a pure military sense, because India and Pakistan appear to deter each other, the structure of the system appears to have changed.⁹ But there is a caveat here. To the extent that neither side has clearly demonstrated and deployed its nuclear capability, conventional war is improbable rather than highly unlikely and cannot be ruled out. In this sense, India retains a balance-of-power advantage. As regards economic power, India is clearly far ahead. Thus the structure of the system is still that of Indian dominance. Even if existential deterrence in South Asia were to be granted, the hostility between India and Pakistan would still be sustained by the "deep structure" of the system—anarchy—that drives states to accumulate power and be inimical to that of others. Expectations of a transformation of the Indo-Pakistani relationship must be backed either by a change in structure or by a change in the relationship such that the effects of structure are mitigated. As noted at the outset, the latter can happen when interaction intensifies.

Potential Sources of Change

Structural Sources

Three major possibilities can be readily identified. First, anarchy itself might disappear. More precisely, it is conceivable that the state of anarchy between India and Pakistan will cease to exist if the two countries are amalgamated into one political unit. The probability of such an event is negligible: there are no visible indicators of integration at present. In the long run, however, amalgamation cannot be ruled out because, notwithstanding disintegrative tendencies at the local level, regional integration into larger units does seem to be the secular trend in world politics. But that is at best a distant possibility.

A second and somewhat less improbable structural change would be the disintegration or near-collapse of either India or Pakistan, which would dramatically alter the distribution of power in the subcontinent. Something of the kind occurred when Mikhail Gorbachev, in an effort to revitalize a country threatened with entropy, launched a process of restructuring that ended the Cold War as well as one of its two protagonists. In the subcontinental cold war, the rivals are certainly vulnerable. India has recently undertaken the difficult task of transforming itself from a controlled autarky to a liberal economy integrated with global capitalism. Such fundamental change carries with it the risk of political and social upheaval of the kind that periodically convulsed Europe during the process of industrialization from the late eighteenth century to the middle of the twentieth, particularly when popular forces were mobilized to political action. As noted, Indian society has seen repeated outbursts of social and political violence that have raised serious questions about the viability of the state. This has occurred in spite of its relative insularity from the ups and downs of the global economy. Integration with the latter now makes it increasingly vulnerable to external shocks such as sudden changes in exchange rates, stock market crashes, and rapid capital flight. Indeed, the global economy itself has become more and more difficult to regulate as the transfer of information and of money has become increasingly

⁹ For a discussion of "existential deterrence" between India and Pakistan, see Devin T. Hagerty, "Nuclear Deterrence in South Asia: the 1990 Indo-Pakistani Crisis," *International Security*, 20:3 (Winter 1995/96): 79–114.

independent of state authority. Many developing countries, such as Argentina, Brazil, Mexico, and Nigeria have, in undertaking their transformation to liberal capitalism, experienced severe economic problems, especially high levels of inflation, followed by political crises.

So far, India has managed change prudently. But it is conceivable that exogenous shocks will destabilize the political framework and cause it to deteriorate. In that event, either of two possible outcomes may follow. The country may disintegrate into two or more political units; or it may survive in seriously debilitated form like the Ottoman Empire in the nineteenth century. In either case, the structure of the South Asian system will have been transformed. All of the above applies at least as much to Pakistan, which is even more vulnerable to disintegration because of its weaker political institutions. It is also possible that, unable to bear the strain of military competition with India, which eats up much of its resources, Pakistan may go the way of the Soviet Union and throw in the towel. One Pakistani analyst has warned as much.¹⁰

The structural change envisaged here would dissolve the enduring hostility between India and Pakistan, but there is good reason to believe that it is unlikely to occur. States do not die easily. The former communist states that disintegrated did so speedily because of the sudden shift from totalitarian systems to relatively loose systems of political control and because their earlier solidarity was a veneer based on an ideology the citizenry never internalized. The same cannot be said of India and Pakistan, whose people were mobilized in popular movements in the creation of a national identity that, however tenuous, has been built on a modicum of democratic experience. In particular, India has shown a remarkable capacity to absorb fissiparous pressures by combining repression with accommodation. Notwithstanding their propensity for instability, their capacity to survive should not be underestimated.

A third structural possibility is the emergence of a common threat, which could push India and Pakistan into a strategic alliance against a third state. If such a threat were to arise, it would come from outside the region, because no other South Asian state has the potential to cause anxiety in India and Pakistan. Historically, this kind of threat has brought about strategic alliances among formerly hostile states on many occasions. Britain and France drew closer following the rise of German power in the late nineteenth century. The United States and the Soviet Union became allies as a result of Hitler's aggression. The many regional tensions in Southeast Asia were defused by the Chinese threat, which led to the birth of the Association of Southeast Asian Nations (ASEAN). Along the same lines, India and Pakistan might conceivably come together if there were a significant threat from a neighboring country. For instance, if Iran were to acquire nuclear weapons and assume a threatening posture toward Pakistan, it would be in India's interest to back the latter, because the disintegration of Pakistan might have a spillover effect. Or, a resurgent Russia expanding into Central Asia could bring about a turnaround in Indo-Pakistani relations.

While these possibilities cannot be ruled out, they are also not very likely to occur. In the first place, Pakistan is in a position to deter external threats unilaterally because of its acquisition of nuclear capability. Second, Pakistan (for that matter, India too) has an option other than strategic alliance with its long-standing adversary: recourse to support from an outside power such as China or the United States.

Clearly, the scope for structural change in India-Pakistan relations is very limited. It is often argued that democracies do not fight, and from this one might infer that the trend toward mature democracy, if sustained, will steadily soothe their troubled relations. However, the evidence on this is insufficient. Moreover, in the late 1980s, despite the growth of democratic trends in Pakistan, there was no discernible improvement in Indo-Pakistani relations. On the contrary, the most serious post-1971 crises—over Kashmir in 1990—occurred *after* Pakistan's democratization. It is also arguable that the ties that truly bind democracies together are economic rather than ideological. Indeed, the two kinds of states that do not fight are highly integrated industrial economies and nuclear powers. In either case, the concerned states are highly interdependent. Intense interactions impel them to cooperate despite structural pressures to the contrary.

Interactional Sources of Change

The deployment of nuclear weapons and economic integration are potential sources of cooperation between India and Pakistan. Nuclear weapons, by virtue of their immense destructive power, dramatically alter the structure of a system. Having a wide qualitative and quantitative margin over one's adversary does not bring

¹⁰ Inayatullah, "The Nuclear Arms Race and the Fall of the Soviet Union," in Zia Mian, ed., *Pakistan's Atomic Bomb and the Search for Security* (Lahore: Gautam Publishers, 1995).

advantage in the way that it does in the conventional sphere, although most U.S. and Soviet–Russian strategists have been slow to recognize this. A small nuclear power can “balance” a large one. But peace based on balance of power can and does break down. The unique quality of nuclear weapons is that, unlike conventional weapons, they produce a powerful urge among their possessors to go well beyond classical balancing behavior: they generate policies designed to avoid their use altogether. In this sense, they have an effect that is not structural, but interactional. Because of their devastating power, they create intense strategic interaction by their mere existence. The interdependence that is generated compels their possessors to override structural pressures toward conflict and cooperate in order not to use them, a process that encompasses arms control and disarmament.

The nuclearization of South Asia, although incomplete in its current “opaque” form, appears to have created a deterrent balance that negates India’s conventional superiority. This is true not so much in an objective sense, because the capabilities of both India and Pakistan are unclear, but in the sense that decision-making circles in these countries believe that “existential deterrence” is already in place.¹¹ Regional stability rests on “virtual arsenals” rather than on deployed nuclear weapons.¹² This stability is not firmly grounded, although it has been claimed that India and Pakistan are undergoing a learning process that can, if sustained, build a stable nuclear relationship.¹³ The fact that nuclear weapons are not deployed means that the intensity of strategic interaction is not as high as it would be if they were deployed: the possibilities of use by miscalculation and of accidental war are at present relatively low. The state of nonweaponized deterrence allows some level of risk-taking and brinkmanship in the form of non-adherence to confidence-building measures previously agreed upon, regular exchanges of fire and covert intervention in ethnic conflict. It is arguable that, if India and Pakistan had their nuclear weapons overtly deployed, deterrence would be more stable: they would be compelled to take measures to prevent war by miscalculation or accident. Weaponization would intensify their strategic interaction and induce stabilizing measures. This, of course, is contrary to the conventional wisdom of nonproliferationists; but the history of nuclear antagonists is also a history of war-avoidance.

How “peaceful” an overtly nuclearized subcontinent would be is an altogether different question. Nuclear adversaries seek to prevent the outbreak of war, but in doing so, do not eliminate the causes of their hostility. The prospect of reconciliation between a nuclear India and a nuclear Pakistan is remote. On the positive side, the risks of conflict, including nuclear conflict, would be lower. At present, nuclear decision making in both countries is extremely restricted and there does not appear to be any clear doctrinal understanding or strategy related to nuclear weapons, let alone informed public debate. As Stephen P. Cohen puts it, there is no evidence of the systematic development of doctrine, only of “half-doctrines” (more appropriately, “half-baked” doctrines).¹⁴ The risk of nuclear weapons being used in a crisis, although remote, is still higher than it would be if nuclear weapons were a deployed reality, in which case, their dangers better appreciated, they would be discussed threadbare and surrounded by a zereba of caution.

But that is unlikely to happen. Although there are vocal proponents of weaponization in India and Pakistan, and both countries have ample reason not to sign the Nuclear Nonproliferation Treaty, weaponization is not cost-effective for either. A decision to deploy nuclear weapons overtly, or even to carry out a nuclear test, would invite immediate sanctions from the international community.¹⁵ In particular, the U.S. Nuclear Proliferation Prevention Act of 1994 imposes strong economic sanctions on proliferants: the U.S. government is required, among other things, to deny credit and credit guarantees, oppose the extension of loans and technical assistance by international institutions, prohibit U.S. banks from making loans or providing credit (except for food or agricultural commodities), and disallow exports of specific goods and technology. Neither India nor Pakistan can afford to overlook the costs that testing or deployment would entail. As against the potential cost

¹¹ For doubts about the credible capabilities of both countries, see P. R. Chari, *Indo–Pak Nuclear Standoff: The Role of the United States* (New Delhi: Manohar, 1995), pp. 105–17.

¹² On virtual arsenals, see Michael J. Mazarr, “Virtual Nuclear Arsenals,” *Survival*, 37:3 (Autumn 1995): 7–26. For an application of the concept to South Asia, see Devin T. Hagerty, “Virtual Nuclear Deterrence and the Opaque Proliferants,” in Michael J. Mazarr, ed., *Nuclear Weapons in a Transformed World* (New York: St. Martin’s Press, forthcoming).

¹³ C. Raja Mohan and Peter R. Lavoy, “Avoiding Nuclear War,” in Michael Krepon and Amit Sevak, eds., *Crisis Prevention, Confidence Building and Reconciliation in South Asia* (New York: St. Martin’s Press, 1995).

¹⁴ Stephen P. Cohen, “Regional and International Dimensions of South Asian Nuclear Proliferation,” in David M. Law, ed., *Regional Security in South Asia* (Kingston, Ontario: Centre for International Relations, 1995), p. 23.

¹⁵ Varun Sahni, “Going Nuclear: Establishing an Overt Nuclear Weapons Capability,” in David Cortright and Amitabh Mattoo, eds., *India and the Bomb: Public Opinion and Nuclear Options* (Notre Dame, Ind.: University of Notre Dame Press, 1996), pp. 96–7.

of overt nuclearization, the potential gain is not significant. Because a state of deterrence is already believed to exist, there is no major advantage in actually deploying nuclear weapons. With the potential costs outweighing the potential benefits, it is highly improbable that overt nuclearization will occur in South Asia. This calculus is likely to persist in the foreseeable future. Consequently, the state of India–Pakistan relations is unlikely to change through the intensification of strategic interaction.

That leaves economic interaction as a potential source of positive change in South Asia. Until very recently, the possibility of close interaction between India and Pakistan was virtually non-existent, for good structural reasons. As the smaller and weaker of the two powers, Pakistan has rationally pursued a policy of “moat-building” because interdependence among unequal states is really dependence of the weak upon the strong. Pakistan has also had the external option of meeting its economic requirements by means of close relations with the advanced industrial countries. There is certainly a demand for trade with India: unofficial trade between India and Pakistan, mostly routed through Dubai, is currently estimated at about \$ 1.5 billion a year. In 1948–49, just after independence, India accounted for 56 percent of Pakistan’s exports and 32 percent of its imports; today, the respective figures are just more than 1 percent and 0.7 percent.¹⁶ Pakistani officials insist that they are keen to improve economic relations, but that the Kashmir dispute must be resolved first. However, if political resolution is the necessary precursor to economic cooperation, then an end to the Kashmir issue will not be a turning point because the structure of the India–Pakistan relationship will continue to be a political obstacle.

Despite present political barriers, economic cooperation is likely to stem from economic compulsions. Having liberalized their economies, India and Pakistan have become part of a global process of economic change that has two central and inseparable features: integration and the transnational movement of knowledge. This necessitates the loosening of political barriers to free economic exchange. For states, it means the inevitable loss of autonomy and of control over their economic lives, but that is a necessary sacrifice because the alternative is the retardation of growth and, ultimately, economic and hence military enfeeblement. The process of change involves, among other things, the maximization of competitiveness, to which end states are compelled to overcome long-standing inhibitions to free exchange relationships and to join hands with other states in order to advance their economic interests as effectively as possible in the same way that competing firms have already begun to do. To be competitive, states must seek the expansion of economic ties with those states that offer the most beneficial prospects in the form of trade, technology transfer, and joint ventures. Despite its understandable caution, Pakistan’s interest lies in enhancing its economic ties with India through the import of tea, coffee, iron ore, aluminum, and industrial equipment, the export of cotton and pig and scrap iron, and a range of industrial joint ventures.¹⁷ It will change its policies with abundant caution, but the shift will inevitably occur.

Some change is already under way. Pakistani officials today publicly recognize the potential gains from closer economic relations with India. In January 1996, President Farooq Leghari, while harping on the primacy of the Kashmir problem, stressed the positive prospects for regional development and poverty alleviation.¹⁸ India has granted Pakistan Most Favored Nation (MFN) status and awaits a Pakistani response. As members of the World Trade Organization, both countries are subject to a common set of rules and procedures that propel them in the direction of further liberalization and competitiveness. After a decade of ineffectual existence, the South Asian Association for Regional Cooperation (SAARC), of which they are key members, has created the South Asian Preferential Trade Agreement (SAPTA), which grants members tariff relief. In the long run, economic relations between India and Pakistan are likely to grow and they may gradually “be constrained to move toward cooperative and away from unilateralist security measures”.¹⁹

Economic exchange, however, does not necessarily translate quickly into political understanding. New interactions can also bring into play new sources of tension. Disputes between India and Pakistan will in all likelihood arise over a range of new issues such as market access, dumping, informal trade barriers, and reciprocity. Along with economic cooperation will come the acrimony arising from competitiveness and

¹⁶ Shefali Rekhi, “Indo–Pak Trade: Talking Shop,” *India Today*, 29 February 1996, p. 57.

¹⁷ Poonam Barua, “Economic CBMs between India and Pakistan,” in Krepon and Sevak, eds., *Crisis Prevention, Confidence Building, and Reconciliation in South Asia*.

¹⁸ “India, Pakistan Trade Keeps Pace with Hostilities,” *C-Reuters @clari.net* (Reuter/Jawed Naqvi), 1 February 1996.

¹⁹ Kanti Bajpai and Stephen P. Cohen, “Cooperative Security and South Asian Insecurity,” in Janne E. Nolan, ed., *Global Engagement: Cooperation and Security in the 21st Century* (Washington, DC: Brookings Institution, 1994), p. 464.

accompanying “neo-mercantilist” pressures.²⁰ The relationship between the United States and China is illustrative of this combination of cooperation and conflict, in which two countries need each other, but are also highly competitive and mutually suspicious. Only when economic relations are highly interdependent do disputes remain in the realm of economics instead of taking on a strategic character. India–Pakistan relations are for this reason likely, in spite of an economic breakthrough, to remain troubled for a fairly long period of time.

Conclusion

The picture that emerges from this analysis is that there is little scope in the near term for the transformation of India–Pakistan relations from hostility to camaraderie. Neither the structural nor the interactional factors identified point in the direction of significant positive change, although it must be said that sudden and unforeseeable structural changes of the sort identified earlier are always possible. On the other hand, it is also unlikely that the situation will deteriorate significantly. Existential deterrence makes war improbable, and economic necessity is propelling the adversaries in the direction of a relationship that, while generating new tensions, will compel them to cooperate. Indian and Pakistani decision makers will have to learn to cope with an increasingly complex environment calling for nuance thinking. There is no reason to believe that they will not be able to respond adequately over time.

This places in perspective the range of thinking that has concerned itself with the alleviation of tension in South Asia, much of it driven by fears of a regional nuclear conflagration. The ideas offered may be divided into two: transformative proposals and incremental ones. Transformative proposals envisage radical change in South Asia. Sunil Dasgupta has outlined a scheme for powerful economic incentives in the form of consortium aid for infrastructural development to India and Pakistan.²¹ The idea is a provocative one, envisaging the extension of the nonproliferation regime to South Asia through irresistible economic inducement. But it does not adequately address the structurally-rooted hostility between the two countries and the political risks confronting decision makers who might consider such an option seriously. Another incentive-based plan, put forward by David Cortright and Amitabh Mattoo, proposes that the United States undertake a South Asia policy that would liberalize export controls on dual-use technologies, ease debt burdens, promote economic liberalization, and sponsor a phased resolution of the Kashmir dispute.²² The difficulty again is that the proposal does not show how the structural sources of the adversarial relationship between India and Pakistan can be overridden, except as an act of political will, which is an insufficient basis for anticipating dramatic change in international politics.

Even less realistic is the notion that substantive change for the better can be expected through people-to-people interaction.²³ While it is true that knowledge often removes misperceptions and helps dissolve stereotypical images, it does not by itself alter interests. It is the divergence of interests between India and Pakistan that is the root of their animosity and which breeds misperception, rather than the other way round. Similarly, the idea that political confidence-building can precede the resolution of difficult and long-standing political antagonism is overly optimistic.²⁴ It is doubtless useful for adversaries to talk to each other on a regular basis. This keeps open a channel of communication and puts in place a process that can be of utility in reinforcing technical confidence building measures (CBMs) as well as providing a vehicle for negotiation when there is scope for substantial change in the relationship. Beyond that, it is doubtful if political CBMs can in themselves be the harbingers of good will.

Less ambitious (and more realistic) are proposals that recognize the limits to change and focus on stabilizing the India–Pakistan relationship. The narrow approach taken by the U.S. government has tended to

²⁰ For “neo-mercantilism,” see Theodore Geiger, *The Future of the International System: The United States and the World Political Economy* (Boston: Unwin Hyman, 1988), pp. 100–13.

²¹ Sunil Dasgupta, “Engagement in South Asia: Towards an Effective Nonproliferation Policy,” unpublished paper, Program in Arms Control, Disarmament, and International Security, University of Illinois at Urbana–Champaign, April 1996.

²² David Cortright and Amitabh Mattoo, “Carrots and Cooperation in South Asia,” in David Cortright, ed., *The Price for Peace* (Washington, DC: Carnegie Commission for the Prevention of Deadly Conflict, forthcoming).

²³ Sameena Yasmeen and Abha Dixit, *Confidence-Building Measures in South Asia*, Occasional Paper 24 (Washington, DC: Henry L. Stimson Center, September 1995); and Sundeep Waslekar, *Track-Two Diplomacy in South Asia*, 2nd ed., ACDIS Occasional Paper (Program in Arms Control, Disarmament and International Security, University of Illinois at Urbana–Champaign, October 1995).

²⁴ Moonis Ahmar, *Indo–Pakistan Normalization Process: The Role of CBMs in the Post-Cold War Era*, ACDIS Occasional Paper (Program in Arms Control, Disarmament and International Security, University of Illinois at Urbana–Champaign, October 1993).

concentrate on the risks posed by nuclear proliferation and has largely confined itself to ways and means of coercing India and Pakistan to cap and eventually forego their respective nuclear and missile capabilities.²⁵ Other analyses, recognizing the South Asians' security concerns and the element of stability conferred by their nuclear capabilities, argue that the risks of weaponization and missile deployment demand a series of stabilizing measures. The United States should therefore continue to try and freeze the nuclear status quo in the subcontinent, to which end it ought, in addition to existing policies, offer technical assistance and other inducements to stability to India and Pakistan and encourage strategic dialogue between them.²⁶ To the extent that the proposals are contingent upon the acquiescence of India and Pakistan to U.S. nonproliferation objectives, it is to be expected that they will come to nought because it is hard to imagine either of the two governments abandoning the nuclear option. Otherwise, at worst they can do no harm; at best they can genuinely contribute to the stabilization of a cold war relationship that will in all likelihood continue for some time to come.

This paper has sought to identify and evaluate in theoretical terms the scope for positive change in the acrimonious relationship between India and Pakistan. While it cannot be ruled out, structural change is improbable. Change in the form of heightened strategic interaction may actually bring greater stability, but is also unlikely. The only realistic expectation is with regard to the intensification of Indo-Pakistani economic relations. But it would be simplistic to assume that growing economic ties would necessarily bring to an end the tensions in the subcontinent. These tensions will in all probability remain for some time, and can at best be assuaged by pragmatic and incremental approaches to stabilization uncluttered by excessive expectations of an early end to the subcontinent's cold war merely because the bigger Cold War is over.

²⁵ See for example, United States Department of Defense, *Proliferation: Threat and Response* (Washington, DC: USGPO, April 1996), pp. 35–41.

²⁶ *Preventing Nuclear Proliferation in South Asia: A Study Group Sponsored by the Asia Society* (New York: The Asia Society, 1995); Devin T. Hagerty, "Nuclear Stability and Arms Control in South Asia: A Policy Analysis," Paper presented at the thirty-seventh annual convention of the International Studies Association, San Diego, 16–20 April 1996.