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India: Security Challenges and Response

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Introduction: Policy Setting

Since its Independence in 1947, India's security concerns have revolved around three main and equally significant objectives: the safeguarding of India's borders and its wider strategic environment, the creation of a stable democratic political system, and the realization of a balanced economic growth. The first has involved protection of India's territory and sea waters through reliance on its armed forces as well as the building of a network of diplomatic relationships in South Asia and the global system; the second, gradual development of a democratic constitutional framework under the constant challenge of social inequalities as well as violent anti-state movements; and the third, a search for equitable economic growth, first through state-led development, and, since the early 1990s, through an increasingly free-enterprise orientation.

The three components of security – the military, the political, and the economic – have never been distinct. In a world beset by globalization and by the increasing blurring of the external and domestic realms of the state, the challenges to security have become ever more complex, characterized by cross-cutting linkages between the external and the internal, and among the three dimensions of security. This paper seeks to identify the major security challenges faced by Indian policymakers, assess policy responses to these challenges, and consider the prospects for regional bilateral and multilateral cooperation within the wider setting of the global system.

Major Challenges and Responses

Military Security

The main threats to security are posed by China and Pakistan. India has fought a war with China (1962) and has an unresolved territorial dispute over its long border. Though relations have improved considerably over the past two decades, the military threat remains, particularly in view of the Chinese transfer of nuclear and missile capability to Pakistan. With Pakistan, India's relationship has been far more difficult, encompassing

three wars in 1947-48, 1965, 1971, and a series of crises – the Brasstacks Crisis of 1986-87, the Kashmir crisis of 1990, the Kargil conflict of 1999, and the prolonged border confrontation of 2001-02. The last two, in particular, reflect the phenomenon known as the “stability-instability paradox,” which allows sub conventional conflict to persist between nuclear rivals.¹ But both countries have been prudent in observing what I call the “two-steps-short rule” that applies to nuclear powers in confrontation: they have strained at the leash, yet avoided crossing two thresholds – the first between low-intensity conflict and regular conventional war, the second between conventional and nuclear conflict.²

Both these military-strategic relationships have linkages with political security, particularly the central question of national identity that defines the postcolonial state. For India, territorial disputes challenge its self-definition as an integrated political community comprising diverse social groups. This is particularly true of the dispute over Jammu and Kashmir, which is regarded as a cornerstone of the notion of a unified, heterogeneous society in which all religious groups flourish. There is also a linkage between military security and economic security. On the negative side, the existence of a military conflict situation as an everyday reality prevents the emergence of economic cooperation between India and Pakistan. Crises also put a question mark on investment. On the positive side, and in remarkable contrast, the ability of India and China to set aside the compulsions arising from their territorial dispute has resulted in a rapidly growing mutually beneficial economic relationship. This raises an important question: can India-Pakistan relations emulate India-China relations?

Confrontation has not brought either India or Pakistan anywhere close to their respective goals. Like other hostile nuclear pairs (the United States and the Soviet Union, the Soviet Union and China), they have come close to the abyss and stepped back, first over Kargil, and again in 2001-02. In both instances, they attempted a complex game of compellence involving bilateral coercion as well as trilateral pressure (through the global community, and especially the United States) to extract concessions from each other. Pakistan wanted India to yield on Kashmir, while India wanted to force Pakistan to withdraw its support to several terrorist groups active in Kashmir. Both failed to achieve their objectives. At the same time, neither failure closed the compellence option entirely, which has left open the

possibility of recurrent crises. At one level, the problem seems intractable. Neither side is in a position to compromise as that might entail a serious domestic crisis. Former Prime Minister Vajpayee's offer of an olive branch in 2003, and President Musharraf's acceptance of the opportunity may signify that there has been a process of learning from failure, but it is too early to be sure. A key question is over the significance of Kashmir, which is a powerfully emotive issue for both countries. A comparison with the equally problematic territory of Alsace-Lorraine, over which France and Germany fought repeatedly for essentially the same reasons, is useful. In one sense, Alsace-Lorraine's future was decided by war: it became part of France in 1945, and remains there. But the more important point is that, subsequently, it ceased over time to be a contested territory. Why did this happen? The reason is partly that post-war France and Germany built a close political and economic relationship as part of the Western alliance against the Soviet Union. But a major part of the answer lies in the reality that Alsace-Lorraine ceased to be a definitive marker of national identity in the new era. India and Pakistan need to consider carefully whether they can and will be able to rethink the defining role of Kashmir in their respective national self-images.

If they are able to cross this hurdle, there is every possibility that the India-Pakistan relationship will develop along the lines of the India-China one. The latter bears the characteristics of *oligopolistic competition* in a competitive market, in which rival firms compete, but do so within a stable market. Disputes and disagreements may persist, but they are not allowed to undermine the essential stability of the relationship. This may then be further transformed into a truly cooperative relationship in which cooperative exchanges steadily outweigh competition. This seems to be the trajectory of India-China relations. In contrast, India and Pakistan have not been able to break the shackles of a relationship of *spiralling hostility*, in which they are caught up in recurring crises under the shadow of nuclear weapons. From the Indian standpoint, such a setting is not conducive to the growth of democracy in Pakistan, since Indo-Pakistani tension nurtures military rule. India needs a stable and preferably democratic Pakistan as its neighbour. While democracy is not necessarily an instant harbinger of peace, it is likely to sustain peaceful relations in the long run. Stability is more immediately desirable. The prospect of a weak Pakistan evokes two major fears in India: that of a radical takeover of

government, and of nuclear leakages to terrorists. The main point for Indian policy is that there is little scope for a unilateral resolution of the Pakistan “problem”. Collaboration of the kind that is currently under way must be persisted with. Rather than breakthroughs sought through summits held in the harsh glare of media publicity and high expectations, a sustained and incremental approach to progress is likely to bring more positive results. India’s defence posture must be consistent with the possession of nuclear weapons: low-key non-deployed minimum deterrence must be complemented by a downgrading of capabilities for major conventional war, and an upgrading of border control capabilities.

Political Security

India’s political security as conceived here has three main components: ethnic and class-based challenges to the state, communal conflict, and migration. The three are interrelated. For instance, ethnic movements are often inextricably intertwined with religious conflict. Communal violence adds to militancy. We know, for instance, that, after the mass killings of Muslims in Godhra and elsewhere in Gujarat in 2002, radical Muslims from Gujarat have received training from jihadis active in Kashmir. Communal conflict frequently reflects tensions arising from large-scale migration. All three have external and domestic dimensions. Ethnic movements in India have received varying degrees of support from the governments of China and Pakistan; Hindu-Muslim tensions are closely associated with India-Pakistan conflict; and communal riots have resulted periodically from the migration of large numbers of people from Bangladesh into northeastern India. India’s borders are porous, as a result of which insurgent groups and economic migrants are able to find their way into India (and out of it) from (and to) Bangladesh, Myanmar, Nepal, Pakistan, and Sri Lanka. The regional dimension of terrorist activity is reflected in a report from Dhaka which states that Maulana Abdur Rauf, leader of the Islamic militant group al-Jamiatul Islami in Bangladesh, was educated in India, trained in Pakistan, fought in Afghanistan, and had close links with two terrorist organizations in Myanmar.³ Organized crime on a regional scale also plays a major role. The nexus between the drug trade – which is well entrenched in Central Asia, Afghanistan and South Asia – and terrorist groups is a complicating factor.

India has a long history of ethnically based terrorist activity, with Punjab, Kashmir and the north-eastern states the hardest hit. Class-based movements have also been expanding in the heartland. While most terrorist movements and insurgencies are narrowly local in their focus, some Islamic extremist groups (or jihadis) have the potential for indiscriminate violence on a large scale. The threat from such groups, mainly based in Pakistan and Afghanistan, is aggravated by periodic outbreaks of mass violence targeting Muslims, such as the Mumbai riots of 1992 and the Gujarat pogroms of 2002. In the worst case, such violence could lead to a highly destructive response in the form of nuclear or radiological terrorism, in which terrorists could detonate nuclear weapons or Radiation Dispersion Devices (RDDs), causing chaos, riots and mass violence. Given the vulnerability of state and society in South Asia, the potential availability of expertise and material from the region and outside, and the known interest of Al Qaeda – to which several regional groups are linked – in acquiring nuclear/radiological capabilities, the possibility of a nuclear-terrorist act being perpetrated cannot be ignored.⁴

Clearly, the task of obtaining political security is a huge one. The transnational character of terrorism erodes external-internal security distinctions and requires a combination of unilateral, bilateral and multilateral approaches. There is a degree of cooperation at the regional level through SAARC. India has been able to obtain bilateral cooperation with some of its neighbours – Bhutan, Myanmar, Nepal, and Sri Lanka – but not with others – Bangladesh and Pakistan. Hence, apart from attempting to tighten domestic control, India has to continue its efforts to collaborate with these two countries. It is in the interest of both of them to extend their cooperation as they too are at the receiving end of terrorist threats. Besides, terrorists have the capacity to provoke a serious crisis and possibly war, as the events of 2001-02 showed. But gaining cooperation may require more intensive efforts on the part of the Indian government; say through package deals encompassing economic as well as political cooperation. The one area where domestic control has to be the main approach is communal conflict. The worst examples of mass killing – of Sikhs in 1984 and of Muslims in 2002 – reveal a deliberate lack of response and even active encouragement of pogroms by the government and the ruling party of the day. If governments do not show the political will to restrain communal violence, it is likely to

breed counter-violence among the disaffected, who in turn are likely to obtain assistance from sources within and outside the country.

Economic Security

Economic security is closely connected with military and political security as both of these tend to detract from the stability that is a prerequisite for economic investment. In the reverse direction, economic security is a necessary base for both military and political security. The main economic challenge for contemporary India is to try and put an end to the widespread poverty and inequality in India by means of accelerated growth accompanied by equitable distribution. The difficulty is that the competing objectives are often in tension: growth calls for reduction of state controls and distribution for their retention. In the context of globalisation, the problem is more acute because foreign investment, a key element of growth, finds state intervention distasteful. On the other hand, it is the state which provides the fundamentals that investors find attractive, notably stable political conditions, a sound legal and judicial regime, and a strong infrastructure. A central issue is whether a liberalised economy is stable and equitable. Certainly, as the global market becomes more tightly knit and complex, the risk of cascading instability is significant. Yet there is no fundamentally different path to growth other than as part of a global capitalist economy. This requires integration with the institutions of that system, such as the World Trade Organization, in spite of some of the difficulties that may arise, for instance with regard to intellectual property rights and pharmaceutical pricing.

With respect to distribution, the important question is whether equity is compatible with a liberalised economy. Most pessimists look at a very short historical experience. An economic revolution can have short-term negative effects before generating positive change. This was true of the industrial revolution in Europe, which eventually led to an all-round increase in welfare. The faster growth that is evident from liberalisation and integration with the global economy in India will likely have the same effect. Moreover, the short-term negative effects will be mitigated by the corrective impact of the democratic political system, which requires elected representatives to be responsive to the public, failing which their electoral prospects are likely to be jeopardised. The BJP and its allies discovered this hard truth in the 2004 elections. At the same time, unrestrained

liberalisation risks opening the economy to severe strains. The examples of Argentina, Brazil and Mexico – all of which suffered bouts of hyperinflation and instability – come to mind. On the whole, the Indian government has followed a politically safe course in gradually opening up the Indian economy and reducing state controls at a cautious pace. An area which requires close attention is that of infrastructure. Education is still poor, and the public health system rudimentary.

Overall Policy Response

The policy framework for tackling the challenges outlined above must itself be as integrated as the world it seeks to deal with. On the external front, military and political security must be underscored by a strategy of reassurance, especially with countries – Bangladesh and Pakistan – with whom relations have not been marked by much cooperation.⁵ Reassurance attempts to stabilize a strategic relationship among adversaries by reducing the risk of provocation and encouraging the use of diplomacy for the attainment of political objectives. Its main components include unilateral restraint, establishment of norms of competition, irrevocable commitment, confidence building, and reciprocity. Since India is in so many ways the hub of the South Asian Association for Regional Cooperation (SAARC), regional stability requires it to take the initiative through this approach. Without cooperative bilateral relations between India and its neighbours, SAARC cannot have a positive future. At the global level, India's openness to the world economy and its constituent nations have already been established, a course which should be sustained.

In the domestic realm of policy making, current commitments to political stabilization and economic growth must also be strengthened. The carrot and stick approach toward secessionist movements has had some success. The carrot obviously has to be made more attractive, and where necessary, the stick more efficient. The first can be achieved by means of closer cooperation with state governments, the second by improved intelligence and strategic planning, which have long been problematic. The most important area requiring policy attention is communal conflict. As noted earlier, both major parties have been responsible for some of the worst episodes of mass communal violence. Neither has benefited from it politically. Hence it is imperative that a concerted effort be made by the

political leadership to take strong preventive and responsive action to curb the menace of religious and other forms of group violence, which seriously undermines the security of the ordinary citizen.

Given the enormity and complexity of the security challenges facing the country, it is above all, vital that an appropriate policy apparatus be utilised for the task. What is required is a balanced and integrated system of policy formulation combining expert advice (from inside as well as outside the government) and political leadership. By now, it is well known that the National Security Council has not been performing the kind of role that was envisaged for it, i.e., making a comprehensive and seamless assessment of India's security requirements, and providing appropriate policy options to the Cabinet. Rather than leaving policy decisions to dominant individuals, the government must draw upon a wide reservoir of expertise, whose output is distilled through an integrated structure that serves policy making.

Prospects for Regional Cooperation

The history of regional cooperation in South Asia has not been a very encouraging one.⁶ Progress toward enhanced regional trade has been slow, and political quarrels – notably the India-Pakistan dispute – continue to hinder the organisation's development. But the reason may be that the range of possibilities has not been fully explored. The biggest problem hindering cooperation, it appears, has been structural, i.e., the hegemonic position of India among SAARC nations. This has created typical patterns of realist politics among them. The strong state, India, has sought to focus more on bilateral resolution of disputes, attempted to draw the rest into closer economic linkages, and intervened from time to time in their affairs. For their part, the others have tended to do the opposite: preferred multilateral approaches to dispute resolution, avoided close economic links if possible (Bhutan and Nepal have been exceptions owing to their geographical dependence on India), and resisted Indian involvement. However, there are important changes in these patterns in the last couple of decades.

First, while its preference for bilateral dispute resolution remains, India has no longer show an inclination for intervention in SAARC countries. Thus, it has stayed out of the civil conflict in Sri Lanka and played a relatively low-key role in countering the insurgencies in Bhutan and Nepal. Second, Indian hegemony does not necessarily impel small states to keep their distance. The example of India's southern neighbour is instructive. Sri Lanka has shown considerable self-confidence in developing close relations with India. A bilateral Free Trade Agreement was signed in 1998 and took effect in March 2000. Though the accord established only partial free trade, trade shot up. Within a year, Sri Lankan exports to India rose by 138 per cent, and Indian exports to Sri Lanka by 39 per cent.⁷ In October 2003, the two nations agreed to begin talks on a Comprehensive Economic Partnership Agreement (CEPA). The two nations also agreed in principle on a defence cooperation agreement. G. L. Peiris, spokesperson for the Sri Lankan cabinet, declared in 2003 that the CEPA would "diminish the borders between the two countries and put in place a borderless economy."⁸ Where did the fear of Indian hegemony go? Why did this reversal occur? The answer lies in the third major change that has impacted regional dynamics.

Globalisation has altered the context of inter-state relationships. States can no longer afford to prioritise politics over economics. The costs of doing so are high. Not maximizing the opportunities available in the dynamic global economy could leave a state behind, which would in the longer run jeopardise its security in every sense of the term. Sri Lankan leaders were the first in South Asia to realise this and to open their doors to all, including India. This change in perception and priorities enabled them to seek advantage from a closer relationship with the regional hegemonic power instead of fearing it. Instead of playing the old realist game of balancing and distancing, Sri Lanka shifted to a bandwagoning approach which seeks to draw advantage from a closer relationship with a strong neighbour.⁹ Such is the case with Canada and Mexico vis-à-vis the United States. Indeed, similar is the case with respect to India and the United States. India, on its part, has cautiously drawn closer to Sri Lanka, preferring also to prioritise economics over politics, expanding its economic role while avoiding a larger political role by staying out of the nitty gritty of the domestic peace process. Sri Lanka has gained in a number of ways: Indian investment, the impetus to local competition and efficiency,

tourism (Indians comprise the biggest spenders), corporate management practices, and so on. India has gained a market. But more than that, it has gained in obtaining the assurance that Sri Lanka today acknowledges India's interests in the region and chooses to maintain close relations with it. Interestingly, closer economic relations have improved military-strategic cooperation: both countries have moved toward increased defence cooperation.

There are limits to the benefits of regional economic cooperation. As developing countries, all the members of SAARC must necessarily pay greater attention to the developed countries, on which they depend for exports as well as for investment and technology. Nevertheless, regional cooperation can be of benefit to all. What Sri Lanka gains from India the others can as well. For India, new markets do count. But the real gain is regional stability and diminution of the prospect of having to cope with problems spilling over from the neighbours into its territory. The political "costs" of such cooperation can be reduced by the reordering of priorities. In most cases, this amounts to no more than better mutual understanding arising from a less fearful and confident approach on the part of India's neighbours and a less overbearing and interventionist attitude on the part of India. Admittedly, the India-Pakistan case is more difficult, but here too the India-China example shows how much can be done.

¹ Michael Krepon and Chris Gagné, eds., *The Stability-Instability Paradox: Nuclear Weapons and Brinkmanship in South Asia*, Henry L. Stimson Center, Washington, DC, June 2001. For the original formulation of the concept, see Glen Snyder, "The Balance of Power and the Balance of Terror," in *The Balance of Power*, ed. Paul Seabury (San Francisco: Chandler, 1965), pp. 194-201.

² On the two-steps-short rule, see Rajesh M. Basrur, "Nuclear Confidence-Building in the Post-Kargil Scenario," in Moonis Ahmar, ed., *The Challenge of Confidence-Building in South Asia* (New Delhi: Har-Anand, 2001).

³ "Bangladesh Militants Linked to Myanmar Terrorists," *Times of India*, September 25, 2003. The original report came from a local daily.

⁴ For detailed study of the threat in South Asia, see Rajesh M. Basrur and Hasan-Askari Rizvi, "Nuclear Terrorism and South Asia," Occasional Paper, 25, Cooperative Monitoring Center, Sandia National Laboratories, Albuquerque, NM, February 2003.

⁵ Andrew Kydd, "Trust, Reassurance and Cooperation," *International Organization*, 54, 2 (Spring 2000), pp. 325-357; Janice Gross Stein, "Deterrence and Reassurance," in Philip E. Tetlock, Jo L. Husbands, Robert Jervis, Paul C. Stern and Charles Tilly, eds., *Behavior, Society and Nuclear War*, vol. 2 (New York & Oxford: Oxford University Press).

⁶ Zagnul Haider, "Crises of Regional Cooperation in South Asia," *Security Dialogue*, 32, 4 (2001), pp. 423-437.

⁷ Joint Study Group on India-Sri Lanka, *Comprehensive Economic Partnership Agreement*, October 2003, p. 13.

⁸ V. S. Sambandan, "Pacts with India Not Pre-emptive: Peiris," *Hindu*, October 24, 2003.

⁹ On bandwagoning, see Randall L. Schweller, "Bandwagoning for Profit: Bringing the Revisionist State Back In," *International Security*, 19, 1 (Summer 1994), pp. 72-107.