

Is Peace in Kashmir Possible, To Allow Economic Progress?

by Ramtanu Maitra

On Nov. 28, the day the Holy Muslim month of fasting, the Ramadan, began, Indian Prime Minister Atal Behari Vajpayee announced a unilateral cease-fire in Kashmir. He asked the Indian Army to refrain from all violent actions during the month-long Ramadan period, and in return, urged both the Kashmiri militants and Pakistan to leash the hostile forces, to create an environment for the resolution of the complex Kashmir dispute. At the end of December, the cease-fire was extended for another month.

Although a section of the Islamic *jihadis* active in the area, such as the Lashkar-e-Toiba and the Jaesh-e-Muhamamad, have rejected the cease-fire and are continuing their violent campaigns inside Kashmir, the other two major groups, Hizbul Mujahideen and the All-Party Hurriyat Conference (APHC), found the offer difficult to reject without giving it due consideration. Hizbul Mujahideen, whose head is in Pakistan and the more visible torso in the Indian part of Kashmir, toyed with the idea of rejecting the offer forthwith. But it did not do so. On the other hand, the APHC, a conglomeration of militant-political groups in the Indian part of Kashmir with definite links to Pakistan, played a stellar role to keep the cease-fire going. Within the APHC, however, the debate on whether to accept the cease-fire was intense. Finally, on Dec. 17, the APHC executive board formally announced its intent to begin talks with New Delhi for preserving peace in Kashmir. New Delhi has warmly welcomed the APHC declaration.

As a gesture of sincerity, Islamabad has silenced its guns across the borders and has called for tripartite talks involving Islamabad, New Delhi, and the Kashmiris. Though all three parties are jockeying for maximum leverage at this point, cautious optimism has prevailed and fresh contacts were made to work out the modalities for a serious round of talks among the three.

A New Dimension

Last August, Hizbul Mujahideen had called for a voluntary cease-fire, but withdrew it post-haste under pressure from Islamabad and from other militant groups. That exercise, though aborted, was the beginning of a process which has developed a momentum of its own. The August cease-fire was called off by the Hizbul because, it said, "India was not willing to allow Pakistan to participate in talks to resolve the Kashmir dispute." There was no question that Delhi was not willing then, and is not willing now, to hold tripartite talks. But that may change, because it was New Delhi that called for a month-long cease-fire and is following it rigorously. Why did Delhi change course?

One obvious reason is, that after denying the reality on the ground for years, India and Pakistan have come to realize that the Kashmiris want peace. Kashmiris have made it clear to both nations that, long caught in their violent unresolved conflict, they have suffered enough, and violence cannot continue any longer. If it continues, the movement for making Kashmir an independent nation will grow by leaps and bounds. That would be a major strategic setback for both India and Pakistan.

Since the failure of the August cease-fire, which was announced unilaterally by the Hizbul Mujahideen without thrashing out the details with other militants and Pakistan, back channels have been re-opened between New Delhi and Islamabad. The APHC, among others, played a very important role in explaining to both New Delhi and Islamabad its objective, and also the danger that both these nations face if violence is allowed to continue indefinitely. The November-December stay in Pakistan of APHC leader Khwaja Abdul Ghani Lone, did help both Islamabad and New Delhi to get a fresh reading of where the Kashmiris actually stand.

It is evident that all three parties have to get involved in

working out the basic framework within which future talks will be held, and also what the objectives of these talks must be. This is a slippery path, and all three parties are aware of that. The danger lies in formulating this framework based on past bitterness.

On the other hand, if the Kashmiri leaders commit themselves to restoring peace in Kashmir, they can help both New Delhi and Islamabad by preparing the ground for political discussions on the Kashmir dispute within each country. On that score, it seems Delhi is ahead of Islamabad at this point in time.

Visible Dangers

The Line of Control (LOC) that separates Kashmir is acceptable to India's majority as the international boundary. The Hindu chauvinist elements within the Bharatiya Janata Party (BJP), the leading party in the 14-party coalition that is now in power in Delhi, are expected to oppose resolution of the Kashmir dispute along those lines. But, neither the BJP leadership, nor the other parties in the coalition, have any genuine reason to feel threatened by that. For the BJP and Prime Minister Vajpayee, the biggest political triumph lies in the resolution of the Kashmir dispute, bringing peace to Kashmir and developing friendly relations with Pakistan. This is understood well by a section of the Indian elite. However, to achieve that goal, they also will demand full cooperation from Pakistan and the Kashmiris.

With the advent of the Musharraf government in Pakistan, a new situation has emerged. Over decades, Pakistan had become financially weaker, and is now teetering on the brink of bankruptcy. Increasing defense expenditure at this juncture will further jeopardize the economy, and the military's rule. In addition, Pakistan is under pressure from Washington, once its staunchest backer during the Cold War days, to settle the Kashmir affair and tackle the rising Islamic fundamentalism within its borders.

The Factor of China

China remains a very good friend of Pakistan, but it has also indicated that it would like to see the South Asian situation normalize. Both Washington and Beijing have expressed concerns that India and Pakistan are developing weapons of mass destruction. Common sense says that in case of an all-out war, which could erupt around the Kashmir conflict, there could be nuclear exchanges between the two countries. Although both India and Pakistan have rejected such a doomsday scenario, both have experienced pressure—economic, political, and social—from all Western countries on that account.

In recent days, the Pakistani Chief Executive, Gen. Pervez Musharraf, has expressed deep concerns about Pakistan's economy. It is apparent that he has come to realize that Pakistan cannot live on hand-outs, because hand-outs are not forthcoming any longer. Pakistan has deferred its foreign debt

FIGURE 1
The Afghanistan and Jammu and Kashmir Areas of Conflict



payments the last two years, and if it does not pay this year, all bilateral and institutional loans will dry up.

It is for this reason that Islamabad agreed to open its account books to the International Monetary Fund (IMF) inspectors this year, and it assured the Fund of faithfully carrying out all structural adjustment measures that the IMF bureaucrats would recommend. Paris Club creditor-nations made it known to Islamabad that they would give Pakistan as much as \$4 billion in soft loans, if Pakistan could obtain a certificate of faith from the IMF.

Humiliated by the IMF, what General Musharraf might have succeeded in getting across to the Pakistani elite, is that the country's economic weakness is a greater security threat than Kashmir (the poor, on the other hand, have always been demanding this). This, however, should not be interpreted as Islamabad's intent to strip itself of its conventional military power or its nuclear capabilities. What it could mean, on the other hand, is to build a consensus within Pakistan for the resolution of Kashmir, and to develop beneficial economic relations with India.

In the case of Pakistan, the threat to the resolution of the Kashmir tangle lies with the militants and fundamentalists. These militants were blooded in the Afghan war against the erstwhile Soviet Union in the 1980s. With the end of the Soviet invasion, and the Soviet Union as an entity, these *ji-hadis* have become mercenaries carrying out terrorism for

cash, while wearing Islamic garb. These fundamentalists now form the backbone of the *jihadis* involved in violent actions in Kashmir, and are defying the cease-fire.

In addition, a section of the Pakistani Army, which has in its rank-and-file a large number of personnel who are blatantly anti-India, considers any agreement with India that does not allow Pakistan full control of the entirety of Kashmir, as a betrayal of their lifelong cause. The most difficult elements are those Army men who support what the *jihadis* preach, and consider India as their sworn enemy. Over the years, whenever any Pakistani government made any friendly gesture toward India, it invariably ran into this brick wall and got smashed.

Hopeful Signs

It is only to be expected that a conflict as complex as that in Kashmir, which is 53 years old and was the genesis of three border wars between India and Pakistan, cannot be resolved by waving a magic wand. In order even to sit down and talk, it would require new incentives and help from within and without.

To begin with, the most important incentive, whether the Indian or Pakistani leaders admit it publicly or not, is the realization that the Kashmir dispute cannot be resolved militarily. If the Kashmir issue is allowed to fester any longer, it will not only be a minefield of death, but also a massive drain on the exchequers of both India and Pakistan. This line of argument can be heard often in India, but not in Pakistan yet. Nonetheless, the realization is there, and major powers, of late, are reminding both New Delhi and Islamabad of this danger.

The second important incentive is the realization that while Southeast Asia and China have made remarkable economic gains in recent decades, India and Pakistan, and South Asia as a whole, have continued to harbor hundreds of millions of poor. In fact, Pakistan's economy is much worse at the beginning of this millennium than it was in the 1960s. It is evident that Pakistan can no longer afford to continue treading in the economic rut it is now. In other words, both India and Pakistan have begun to realize that the time for change is now.

Recently, the Vajpayee government has made certain decisions which indicate that Delhi has taken a serious note of integrating the country with the region. In November, Delhi made two such important moves. First, India spearheaded a six-nation Mekong-Ganga cooperation proposal, formulated in the Vientiane Declaration of Nov. 10. The objective of this cooperation is to develop closer cultural and economic relations with Mekong River basin countries and to build the necessary infrastructure to facilitate such integration.

The second important move by Delhi came also in November, when it hosted Myanmar's Gen. Maung Aye in Delhi and set about to mend its broken relations with its eastern neighbor. India inaugurated the Tamu-Kalemyo road, which

would allow a road connection between India's northeast and Myanmar. Since 1988, India had taken an antagonistic position against Myanmar's military rulers. Some in New Delhi complained that the military rulers were out to demolish the democratic forces in Myanmar, and they put in place a policy which was detrimental to India. It is only recently that the policy has been reversed and put back on the right track, exhibiting a clearer national perspective. Indian Foreign Minister Jaswant Singh will be in Yangon, Myanmar in January to make a new beginning.

The third important integration of the subcontinent will be to the west, with Iran. This is hanging fire primarily due to the non-resolution of the Kashmir issue. Iran and India have negotiated a natural gas pipeline project which will pipe in vast amounts of Iran's gas to India through Pakistan. Pakistan, by allowing this pipeline to run through its land, will accrue annually a royalty close to \$800 million—an amount that would keep the IMF inspectors from nosing around every account book in Islamabad. But, the pipeline cannot be built until Delhi is convinced that Islamabad can secure the pipeline in difficult times. Building of the pipeline will benefit all three nations—Iran, Pakistan, and India. The incentive is there for both India and Pakistan to resolve the Kashmir dispute and usher in a long-term economic opportunity in poverty-stricken South Asia.

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