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NATIONAL DEFENSE UNIVERSITY

NATIONAL WAR COLLEGE

**A STRATEGIC ASSESSMENT OF SOUTH ASIA
PRESCRIPTION FOR US FOREIGN POLICY**

COURSE 5604 ESSAY

Brigadier General Henryk Tacik
Mr Thomas Murphy
Lieutenant Colonel Stephen S Lisi
Class of 1997
Seminar B
Dr John S Blackton, Faculty Committee Leader
Dr Ilana Kass, Faculty Advisor
Colonel Bennie D Orrell, Faculty Advisor

Report Documentation Page

Form Approved
OMB No. 0704-0188

Public reporting burden for the collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to a penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.

1. REPORT DATE 1997		2. REPORT TYPE		3. DATES COVERED 00-00-1997 to 00-00-1997	
4. TITLE AND SUBTITLE A Strategic Assessment of South Asia Prescription for US Foreign Policy				5a. CONTRACT NUMBER	
				5b. GRANT NUMBER	
				5c. PROGRAM ELEMENT NUMBER	
6. AUTHOR(S)				5d. PROJECT NUMBER	
				5e. TASK NUMBER	
				5f. WORK UNIT NUMBER	
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) National War College, 300 5th Avenue, Fort Lesley J. McNair, Washington, DC, 20319-6000				8. PERFORMING ORGANIZATION REPORT NUMBER	
9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES)				10. SPONSOR/MONITOR'S ACRONYM(S)	
				11. SPONSOR/MONITOR'S REPORT NUMBER(S)	
12. DISTRIBUTION/AVAILABILITY STATEMENT Approved for public release; distribution unlimited					
13. SUPPLEMENTARY NOTES					
14. ABSTRACT see report					
15. SUBJECT TERMS					
16. SECURITY CLASSIFICATION OF:			17. LIMITATION OF ABSTRACT	18. NUMBER OF PAGES 12	19a. NAME OF RESPONSIBLE PERSON
a. REPORT unclassified	b. ABSTRACT unclassified	c. THIS PAGE unclassified			

INTRODUCTION

The United States views South Asia as an important emerging region containing one fifth of the world's population and the world's largest democracy. South Asia has the potential to become a major economic market in the next twenty five years if regional disputes and transnational problems can be effectively managed. This paper will address key issues affecting the region from the perspectives of the major state actors and prescribe potential US foreign policy choices. Territorial disputes between India and Pakistan have persisted since their independence from British colonialism in 1947. The tensions between these two countries have occupied the majority of US foreign policy in South Asia. Until the collapse of the Soviet Union, US foreign policy toward the region was framed by a cold-war strategy of communist containment. As a result, US foreign policy had been focused more on thwarting Soviet communist expansion than a grand strategy of pursuing long term US interests in the region. Today, twenty-six years after the last of three major conflicts, the territorial and ethnic-religious tensions associated with nuclear proliferation remain. However, the post cold war climate provides an opportunity for politically constructive dialogues to reduce tensions. Although the US does not have any vital interests challenged by the region, proliferation of weapons of mass destruction (WMD) and missile technology are threats to regional stability. Although less likely at present, territorial disputes over Kashmir and the Siachen Glacier could potentially result in a nuclear disaster. The US may be a mediator if called on, but must recognize India as the regional leader and encourage both India and Pakistan to assume responsibility for

resolving the tensions. The US Congress has constrained the ability of the President to conduct foreign policy as he might otherwise prefer. Therefore, innovative interactions to build confidences, Track II diplomacy, and mediation by other actors, e.g., the UN or China, will be key in future diplomatic efforts to encourage stability in the region. This paper follows a building block approach beginning with the context of national interests and arriving at a broad policy prescription for US foreign policy in South Asia.

THE CONTEXT OF NATIONAL INTERESTS

The US has no vital interest threatened in South Asia today. However, the US has an important interest in regional stability. Regional stability would be enhanced by peaceful resolutions of territorial disputes in Kashmir and Assam. Proliferation of WMDs and missile technology is a significant threat to stability. During the cold war, the US has favored the Pakistani government, thus leaving the indelible impression of a biased broker from India's perspective. India will view US attempts to be an impartial interlocutor with skepticism and distrust. The President's executive power to conduct foreign policy has been further constrained by the Congressional legislation which limits his ability to pursue a broad diplomatic approach. The President must look to a variety of alternatives which may include non-traditional approaches. Combined diplomatic efforts with China and Russia, the United Nations, and non-governmental organizations will be key to successful diplomacy in the next century. Finally, stemming nuclear proliferation and missile technology is the US's most important concern in maintaining regional stability.

India takes great national pride in its status as a nuclear power and seeks global recognition of its leadership role in South Asia. With a burgeoning population of 900 million people, democratic India has the distant potential to become a huge economic

power rivaling China and the ASEAN nations. Achieving economic prosperity is India's primary interest. India has an agrarian based economy which is expanding into many areas to support its population. India, as a nuclear power, has security concerns within as well as external to South Asia. Its relationship with China will affect regional stability. While looking for global respect, India is struggling to cope with the impacts of its population including land ownership, job creation, religious conflict, social discontent of the caste system, and terrorism. India's large military and nuclear capability form the foundation for its current political impact in the region.

Pakistan's 110 million people are predominately Islamic and have violently clashed with its much larger Hindu neighbor over territorial disputes in Kashmir. Pakistan has been one of the US's staunchest cold war allies, from Korea to Desert Storm and Bosnia, and Pakistan has an effective political lobby in Washington. Pakistan has pursued democracy vigorously which has led to many elections and a lack of consistent government leadership with which to engage its neighbors. With a regional focus, Pakistan's primary security concern has been India. After a history of territorial disputes with India, Pakistan pursues nuclear capability and missile technology, most notably from China, to offset India's nuclear capability. The US has imposed foreign military sales restrictions on conventional weapons, like the F-16, because of Pakistan's pursuit of nuclear technology and the Pressler Amendment. Pakistan is paying a high price for this technology to the detriment of domestic needs. Pakistan's primary interest is its growing economy. Pakistan continues a trend toward privatizing its public utilities and banking industry. Its cotton-based textile exports account for much of its export-dominated

economy Pakistan's regional trade is hampered by poor relations with India and the unstable Afghanistan Government Its population is growing even faster creating problems similar to India The Afghanistan civil war has driven Muslim refugees and some terrorist elements into Pakistan adding to Pakistan's internal concerns Illegal opium trade flourishes in the country These transnational problems can complicate diplomatic efforts

REGIONAL AND TRANSNATIONAL INTERESTS

The US's number one concern affecting stability in South Asia is limiting the spread of nuclear and missile delivery technology In a perfect world, the US would desire to cap, reduce, and eliminate nuclear weapons in region as well as adding India and Pakistan as signatories to the nuclear non-proliferation treaty (NPT) and the fissile material control treaty (FMCT) Based on the post cold war context and national interests of the other nations involved, this may be an unattainable goal Pakistan's pursuit of nuclear weapons technology and India's developing intermediate range missile technology are of immediate concern The US has secondary regional interests in preventing a major conflict over territorial disputes, especially in Kashmir and Siachen, which could lead to a regional nuclear war US tertiary concerns include assisting with economic development, stemming terrorism and illegal narcotics trade, ensuring human rights, and mitigating the environmental impacts of over one billion people

India has assumed the role of regional leader in South Asia India's immense population is focused on building a solid economy The US is India's largest trading partner accounting for approximately 30 percent of its gross domestic product A favorable resolution to territorial disputes with Pakistan is very important to sustaining its prestige and leadership in South Asia India is threatened by a larger, more prosperous

China India's economy has developed much slower than China's despite their almost simultaneous beginnings as nation-states India's population poses significant societal, economic, and environmental challenges

Pakistan's primary regional interests are centered on security concerns over the historic territorial disputes with India over Kashmir and Assam Military conflicts have been limited in the last twenty-five years as the UN partitioned Kashmir into Pakistani and Indian sectors The dispute has fueled proliferation of nuclear and missile technology in Pakistan which continues to maintain tensions These historic territorial problems with India have hampered Pakistan's regional trade Ambivalent concern for terrorism and illicit opium trade, human rights issues in Kashmir have complicated US diplomatic efforts with its historic ally

THREATS AND CHALLENGES

America's number one concern in South Asia is proliferation of nuclear and missile technology The US will be significantly challenged to effectively influence India and Pakistan through purely bilateral diplomatic and economic tools of statecraft Internationally, multilateral engagement with China will become very important, since China is India's biggest security concern on one hand and has supplied Pakistan with missile technology on the other hand Discovering new linkages and areas of mutual agreement will be important for establishing confidence building measures and future dialogues leading to better bilateral relationships Eventually, the capping and reduction of nuclear weapons and coaxing India and Pakistan to accept international norms represented by the NPT and FMCT The US will continue to encourage democratic and

free market reforms in S Asia, encouraging economic agreements as a basis for further discussions on the tougher issues of regional security. Transnational issues of population impacts, ethnic and religious tensions, terrorist activities, and illicit opium trade may challenge domestic support for US diplomacy. The US Congress has constrained Presidential over the conduct of foreign policy in South Asia. These tensions have constrained executive diplomatic power through legislation restricting US economic aid with nations who fail to conform to emerging values important to the American electorate.

The challenges to India's prosperity are security concerns with China and to a lesser extent with Pakistan. India is threatened by China's nuclear, military and economic power. Additionally, India is concerned over Pakistan's pursuit of nuclear technology and China's willingness to sell missile technology to Pakistan. The situation is exacerbated by India's desire for regional dominance and the importance of any future solution to Kashmir reflecting India's dominance in the region. Internally, India is challenged to feed and provide economic means for its one billion member population. Sectarian strife caused by societal pressures of the caste system and ethnic/religious disputes between Muslims and Hindus create conditions ripe for human rights abuses and terrorism. Frequently changing leadership in Pakistan's fledgling democracy has tempered bilateral relations.

Pakistan is threatened by India's nuclear capability and resolution of Kashmir as well as maintaining an identity of Islamic democracy. Pakistan's biggest challenge may be its own internal stability which has been plagued with revolving door leadership as the country further defines its relatively recent democratic roots. This, in turn, has made it difficult to establish politically acceptable mechanisms to resolve its territorial disputes. In Pakistan's quest to offset India's military and nuclear superiority, it diverts an large

portion of its gross domestic product toward military parity with India. This puts additional strains on its export driven economy. International and regional concerns over terrorism sponsorship, human rights violations, and illegal drug trade complicate diplomatic and economic relationships.

TRENDS AND SCENARIOS

(First - 60% probable)

For the foreseeable future, India and Pakistan will continue to dominate politics and economics in South Asia. Despite tremendous strain on their international relationships, both nations will continue to view nuclear weapons as essential to their global identity and national security posture. In face of strong Indian and Pakistani domestic support, US efforts to convince both countries to abandon their nuclear capabilities will fail. Ethnic and sectarian violence in India's provinces of Kashmir and Assam will continue, albeit at reduced levels, and spark continued tensions. After considerable reluctance and US prodding, India and Pakistan will agree to UN intervention on Kashmir, an action designed to lay the groundwork for a peaceful resolution to the conflict. While the UN will succeed in bringing key parties to the mediation table, and achieve some modest successes, the initiative will founder on the shoals of renewed violence and political resistance. In terms of economic prospects for India and Pakistan, continuing high birthrates (low infant mortality), systemic corruption, inconsistent privatization efforts, and ethnic and sectarian violence, will hinder efforts to achieve sustained economic growth and stability. India will fall considerably short of its optimum eight percent growth rate, and Pakistan's economy will remain agrarian based, and moderately productive. Both states will continue to be threatened by the other's

nuclear “option,” and toil inwardly due to daunting domestic challenges India’s hegemonic designs will be stalled through the next decade

(Second - 35% probable)

As India and Pakistan make it clear that they do not intend to relinquish their nuclear weapons capability, the US adopts a more realistic nuclear non-proliferation policy toward the two states. The US succeeds in getting India and Pakistan to “cap” their respective nuclear programs and to participate in a wide range of measures designed to strengthen broad non-proliferation goals and regional security. As a result of this, Pakistan and India cooperate more closely on a wide range of security issues, and overall tensions lessen. As the security climate improves in both countries, economic reforms take hold, inflation diminishes, exports rise, and increased foreign investment spurs growth. India, in particular, benefits from this trend as it becomes more active in the global economy with economic hardship lessened, domestic unrest calms. While Kashmir continues to fan tensions and periodic violence, the conflict is less central to Indian and Pakistani leaders.

(Third - 5 % probability)

As Pakistan continues to buckle under the wheel of grinding poverty, ethnic and sectarian conflict, and a dismal economic growth rate, political unrest gives rise to an unexpected wave of violent Islamic extremism that prompts the collapse of the Pakistan Government. Trumpeting the failings of the former leadership, especially rampant corruption, poverty, and elitism, anew radical Islamic state emerges. Iran, Sudan, and Libya hail the development and pledge full political and military support. A host of

Islamic terrorist organizations including Hamas and Hezbollah echo the cry. As a first order of business, the regime demands the complete withdrawal of all Indian troops from Kashmir while it builds conventional forces on India's border. As tensions rise, neither country rules out use of nuclear weapons. While international peace overtures are being parried by Pakistan, terrorist bombings erupt in Calcutta, New Delhi, and Bombay. India warns Pakistan that another terrorist attack will be justification for a dramatic Indian counter-attack. One day later, a truck bomb shatters the night in Calcutta. India responds with a nuclear-tipped Prithvi missile and mutual nuclear exchanges ensue. Multilateral efforts by the UN, US, China, Europe, and Russia promote ideas to address the disaster.

POLICY OBJECTIVES AND STRATEGY

The US must seek more effective policy options within the constraints of domestic and international contexts. The fact that both India and Pakistan maintain a nuclear capability adds urgency to the situation. In light of broader nuclear non-proliferation concerns, the US may wish to adopt a more realistic approach. As neither India nor Pakistan will want to relinquish its nuclear "option", the US may wish to follow a confidence building approach. The US may wish to pursue weapons "caps" as a first step, followed by reductions in weapons to non-threatening levels. Because the US has limited resources and vital interests are not present in South Asia, prioritization of effort and resources will make progress slow unless an unexpected conflagration occurs. The US must optimize low cost options and accurately judge the risk of its policy priorities.

Before India can devote full attention to its pressing domestic challenges, particularly political, ethnic, sectarian, and economic vulnerabilities, it must seek a way to reduce its tensions with neighboring Pakistan. The Hindu-Muslim conflict over Kashmir is

especially troublesome. Until real progress can be achieved with Pakistan, India will always be diminished in its ability to right itself, e.g. achieve economic growth and political stability. If real progress is to be made, India can reduce the time, energy, and money devoted to its security, and divert it to badly needed social and economic programs. A key social concern is population. The Indian Government, largely through strengthened education efforts, needs to reduce population level as it imposes an enormous burden on the nation. Other areas that require government action include revision of the caste system, endemic corruption, vested interests, excessive bureaucracy, e.g. bloated staffs, licenses, tariffs. Although India is aware of the foregoing problems, it must adopt policies that deal with them effectively. On the foreign policy side, beyond Pakistan, India needs to continue to work more closely with the US and China. More specifically, India may find China willing to mediate tensions with Pakistan.

Similarly, before Pakistan can respond effectively to its many domestic challenges, it needs to reduce tensions with India. Excessive time, money, and resources are directed at this issue -- riches that could be better used elsewhere. Until real progress can be made with India, Pakistan will be hard pressed to deal successfully with its domestic concerns. Although Pakistan is aware of the following, it needs to focus its policy more clearly on: reducing ethnic and sectarian violence, cutting population growth, improving education, continuing economic reforms, strengthening parliament, civil service and political parties, attack rampant corruption, deal more effectively with religious extremism, terrorism, illegal narcotics, and Kashmir.

MATCHING MEANS AND ENDS - FOREIGN POLICY TOOLS

As India and Pakistan enjoy comparable means of policy making tools and influence, they can be discussed simultaneously. In terms of existing tensions, especially in Kashmir, the two states arguably would be best served by an effective diplomatic dialog. This would be the most immediate and transparent channel for resolving differences, or mollifying tensions. Should the situation deteriorate, both states will rely on their military instrument as a last resort. In exploring possibilities to resolve Kashmir or other conflicts, both could look to a third country, such as the US or China, to play a mediating role. UN or regional peacekeepers are also an option. On the domestic side, the World Bank, the International Monetary Fund, the UN, and bilateral donors are possible instruments to promote economic and social development. By reducing the extreme income disparities, religious, ethnic, and sectarian violence may be eased.

US policy toward South Asia should be broad and reflect the totality of our interests. That said, our primary interest is to maintain the state of relative peace between India and Pakistan. Since both states maintain a nuclear capability, continued engagement with both countries remains important. Our regional bilateral-lateral relationships need to be based on a realistic assessment of each other's interests, as it is fair to assume that some policy differences will always exist among sovereign states. In reviewing US policy in South Asia, we may consider an increased US role to bring lasting peace to Kashmir. While we understand that India and Pakistan bear ultimate responsibility for this area, the US may be willing to undertake a mediating role if called upon. A UN role is another possibility. We may wish to invite Pakistan and India to engage in a wide range of diplomatic and economic measures to advance broad non-proliferation goals and stability.