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德国阿登纳基金会系列丛书



China and South Asia

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Preface

Wolfgang Meyer

Unless major surprises will turn the tide of world history China and India will emerge as the dominant economic and political powers within the foreseeable future. To wish to prevent this from happening or to view it with apprehension does not seem a realistic attitude. We shall have to accept this development and position ourselves adequately in this new environment. In fact, this secular trend shall reinstate the status quo of the early 19th century when China and India together produced some 40 % of the global GDP.

Great Britain was the dominant world power in the 19th century. The rise of the USA, the Soviet Union, Japan and Germany in the 20th century was accompanied by disastrous wars over predominance. After the tragic Second World War, global institutions with their conflict solving mechanisms were established. This and the deterrence of nuclear arms prevented the Cold War to escalate in military conflict between the antagonistic blocks.

After the end of the Cold War, we have seen an accelerating shift of global dominance in favour of Asia, and of China and India in particular. New potential sources of conflict have appeared

on the horizon. There are potential conflicts between the newly emerging super powers and the forces that are losing out in relative strength - Europe, Japan and the USA. And there are abundant potential sources of conflict between the two giant Asian nations that have risen at the world stage with self confidence. There do not appear to exist reliable institutions and mechanisms for the resolution of conflicts in the complicated environment that these newly emerging global powers coexist in. Therefore it seems of high relevance to study the potential lines of conflict that exist between India and China and the South Asian context that India is embedded in. This publication is meant to make a contribution in this endeavour.

The Konrad-Adenauer-Stiftung has addressed this topic for a number of years already. We have instituted a dialogue between China, India and Germany and European institutions. Leading political scientists from the three sides have analysed the historical background and current affairs in China-Indian relations and their wider environment. Yearly meetings have been held in China, India or Germany. The 2010 meeting will be held in Berlin and Brussels and put par-

ticular emphasis on the impact of the Afghanistan crisis on bilateral Sino-Indian relations and the global context. From the beginning, the programme has included politicians in order to make an impact on decision making on all three participating sides. General Major Pan Zhenqiang has been the leader and coordinator of the Chinese delegation from the beginning of the dialogue.

His long essay on China-Indian relations extends to the relations between China and South Asia. Or you might read it as an account of China's relations to India with reference to the indirect influence India's direct neighbours have on the two giant's bilateral affairs. This is highly relevant because India's political options cannot be understood without their South Asian implications taken into account. India does not enjoy harmonious relations with many of its direct neighbours. In particular, the conflict with Pakistan over Kashmir appears to be one of the hardest to solve in world politics. Inner South Asian conflicts do not have established institutional solving mechanisms. The South Asian Assistance and Cooperation Council (SAARC) will still have to prove its worth.

China keeps excellent bilateral relations with all of India's direct neighbours. Recently the delivery of nuclear reactor technology to Pakistan and the construction of deep water ports in Myanmar and Bangladesh have been noted. Strategic implications in the South Asian environment seem obvious. Some observers argue that China might be interested to keep India implicated in its conflicts with its neighbours. This would keep its attention away from larger Asian concerns or global ambitions. And China might consider this

an advantage in the rivalry with its large contender on the global stage.

Just as it might be argued that China encircles India by strengthening its South Asian neighbours, some observers speculate about China being encircled by the USA and its allies. The improvement of bilateral Indian-American relations under the Bush administration has been commented on under this aspect. China might as well apprehend the strong American military presence in Afghanistan and the military basis it keeps for its operations in the Afghan war in Central Asia. The American nuclear agreement with India of 2005 and the largest ever held marine military exercise in the Gulf of Bengal in 2007 were also considered a show of strength in the direction of China. This military exercise involved India, the USA, Japan, Singapore, Australia and others. Obviously this was an „alliance of democracies“ which ostentatiously excluded the authoritarian communist China.

Sino-Indian relations have been seriously affected by border conflicts. The common border is some 4.000 km long. Large tracks of land along this border are claimed by both countries, including parts of Kashmir and Arunachal Pradesh. The latter province shares 890 km of border with Tibet. This borderline, which is till today been disputed, has been drawn in 1914 between the then independent Tibet and British India. India supports the Dalai Lama and his „government in exile“. Tawang on the Indian side of the McMahon line is considered Buddhist heartland. When the Dalai Lama visited this territory in late 2009 an imminent conflict was diplomatically avoided by the Indian government by disallowing Western journalist access to the territory.

China won the 1962 Sino-Indian border war. It cost 3,000 Indian lives and diplomatic relations were only re-established in 1976. The humiliation is still felt in India. Only in 2003 the Indian government indicated its willingness to compromise over border issues. China and India installed special representatives and entered into bilateral talks. Thirteen meetings have been held until 2010. A major step forward was the 2005 deal containing some „guiding principles and political parameters“ for a final settlement. Those included an agreement that no exchange of settled population was to be envisaged. Some observers considered this to be a Chinese agreement to drop its demand for Tawang. Anyway, China may find it easier to accept the current borders than India. India is faced with the complicated Kashmir issue that involves its arch enemy Pakistan. Still, the bilateral border issues seem far from being resolved. Both countries have moved large military contingents to the border areas. China has improved the infrastructure in the marginal and sparsely populated highlands on its side of the disputed border lines.

38 % of Chinese have a negative impression of India. In China's political elite the often indecisive Indian democracy and its inability to provide appropriate infrastructure and other services at the expense of sophisticated political and legal systems is looked down upon. Vice versa, according to a survey conducted by the BBC, 47 % of the Indians dislike China. Definitely, soft power relations require improvement. Nonetheless bilateral trade has exploded in recent years. In 2010 it is expected to be worth US\$60 billion, 230 times more than 20 years earlier. Agreements have been reached regarding access to African raw materials and energy resources.

Cooperation in the framework of the BRIC states (Brazil, Russia, India, and China) have introduced a new platform outside of the G20 mechanism and the cooperation of developing countries.

Still, rivalry between the two giants for dominance in Asia and beyond seems unavoidable. Competition for resources which both nations need to import seems obvious. Water from the Himalayas runs in both directions. China controls most of the sources and might threaten India's supply. China enjoys permanent membership of the UN Security Council. India does not. China is known to veto India's accession to this privileged group of states. Both are nuclear states. Their joint military personnel reaches 4 million men and women. All of this makes Sino-Indian relations an affair of global concern. It deserves to be a major topic of applied political science and foreign policy study. Under this aspect, General Major Pan Zhenqiang's paper is of high relevance.

The Konrad-Adenauer-Stiftung wishes to thank the author for having written and offered to us for publication this report on China's relations to South Asia. I express our foundation's gratitude for the General's contributions he has made during many years of cooperation. Several joint publications have preceded this one. Last but not least, our appreciation is expressed for the wise and constructive leadership role General Pan has assumed from the beginning of the China-India-Germany/Europe dialogue and the support for Konrad-Adenauer-Stiftung in China.

Wolfgang Meyer

Country Representative for China
August 2010

China and South Asia

MG. Pan Zhenqiang

1. Introduction

South Asia¹ is home to well over one fifth of the world's population, making it the most densely populated geographical region in the world. Almost all South Asian countries were under direct or indirect European - and British in particular - colonial subjugation in modern history. All of them achieved independence in the aftermath of World War II, and the rise of national liberation movements thereafter. However, the impact of the British rule on the region has been both prominent and lasting.

South Asia is one of the most underdeveloped regions in the world. From the very start of the post-colonial period, South Asian countries have been plagued by internal religious and ethnic strife - the conflict between Hindus and Muslims, which led to the partition of Pakistan from India and the outbreak of hostilities over Kashmir at

the germinal moment of independence in the region (1947). These two major regional powers fought further full-scale wars in 1965 and 1971; the last conflict led to the independence of Bangladesh (formerly East Pakistan) and a major strategic victory for India. The contention between India and Pakistan remains as deep-seated today, and the evolving relationship between the two major players on the sub-continent constitutes one of the defining factors in the shaping of the regional situation in the future.

Like other parts of the world, during the Cold War, South Asia was subject to pressures arising from the race for world domination by the two superpowers. India formed a virtual alliance with the Soviet Union vis-à-vis a de facto coalition of Pakistan, China and the United States. In addition, India and China have witnessed ups and downs in their often emotional and com-

1 South Asia is the southern region of the Asian continent, which, in the definition of the present paper, comprises of the sub-Himalayan countries, including Bangladesh, Bhutan, India, Nepal, Pakistan, Sri Lanka, and Afghanistan plus the Maldives-an island country in the Indian Ocean. It should be noted that South Asia, as a geo-political term, is different from the term of Southern Asia, which, generally used in a geographical sense, refers to a much larger area in the Southern part of Asia, covering Burma or Tibet of China in the east, and Iran in the West.

plex bilateral relationship. The dispute along their long border caused a China-India military conflict in 1962, the aftermath of which continues to breed profound mistrust in bilateral relations. Interestingly, however, this turmoil and instability in South Asia does not seem to impact on the wider global geo-strategic situation, and China's security calculations, as significantly as one might have feared during the Cold War.

South Asia's lack of influence in the shaping of the global landscape was primarily due to the fact that the region is relatively isolated from the center of gravity in the power struggle of the global superpowers. Most of their focus then was on Europe, and perhaps also on East Asia—the major battlegrounds in their war planning. Lack of strategic resources in South Asia could be another reason for lack of interest from external powers. The region thus became largely a place of neglect, punctuated only by the occasional, ad hoc interest and intervention by either of the superpowers for short-term, pragmatic purposes.

Such a description does not hold true for the post Cold War era, however. The strategic importance of South Asia has been rapidly upgraded despite the fact that the region continues to be a place of political instability and turbulence. What has been transpiring in the region today seems so significant that it may well decide the peace, stability and security of the world at large. The reasons are many-fold. Firstly, the rise of India together with China as an emerging global economy has not only increased the strategic weight of South Asia, but also forced significant changes to the balance of power both in the region and beyond.

Secondly, with gradual progress in the stabilization in Iraq, the focus of the global fight against international terrorism is now moving towards South Asia, and the region has become the frontline of the new global anti-terror campaign. Thirdly, with the globalization ongoing, South Asia has acquired new geostrategic importance: the region has become a critical land transit corridor between East and Western Asia; and, more importantly, it is also the strategic lynchpin for controlling access to the Indian Ocean, an increasingly significant sea lane of communication (SLOC), which carries over 90% of oil and mineral resources from the Middle East and Africa to East Asia. Lastly, both India and Pakistan have now become open nuclear armed states, changing the complexion of the arms competition in South Asia and beyond. The region has become one of the few places in the world to hold the key to the future of a sound and effective international nonproliferation regime.

All these new developments have profound security implications for China. China needs to develop an overview of its relations with South Asia, and map out a strategy to adapt to the new situation. Against the backdrop, the present paper attempts to pursue this task from an academic point of view. It first offers an analysis of the current strategic situation in South Asia. Then, it tries to highlight those issues that could have most significant impact on the evolution of China's relations with South Asia in the future. In conclusion, the paper develops a series of suggestions as to how China should contribute in a more constructive way to the peace, stability and prosperity in South Asia.

2. The current strategic situation in South Asia

In a more general sense, South Asia today is in a process of profound transformation. Complexity, turbulence, and unpredictability are the three most suitable words to characterize the situation in the region. The following are some of the most noticeable regional trends:

2.1 The rise of India and its far-reaching impacts on security in South Asia and beyond

The evolution of the situation in South Asia is, in a sense, largely shaped by the evolution of the situation in India, as the country is the dominant power in all dimensions in the region. It is by far the largest country covering around three-quarters of the land area of the subcontinent. It also has the largest population - around three times the combined population of the other 7 countries in the region. Against this backdrop, it can be argued that one of the most far-reaching changes that South Asia has ever seen is the rapid and sustained economic development of India over the past two decades - an event that promises to dramatically alter the regional economic, socio-political and environmental landscape. Together with China's development, India's rise also indicates the rise of Asia, which will clearly play an important role in shaping global economic and security architectures as well.

2.1.1. India's economic miracle

India's economic development started later than China's - it was not until the early 1990s that New Delhi began to undertake serious economic reforms - however since then, economic growth has been rapid. From 1980-2002, India's annual

growth rate reached 6%, and the figure climbed to a record 7.5% during 2002-2006. In the face of a global recession starting in 2008, India was one of the least affected countries in the world, thanks to its robust policy of generically expanding domestic demand and relaxing financial regulations. While many other major countries are struggling with the economic downturn, India achieved economic recovery in the latter part of 2009, expecting a 6% annual growth rate that year, and possibly over 7.5% in 2010. Today, India's GDP has reached \$1.5 trillion, ranking as the 12th largest economic power. Judged according to the PPP standard, India has become the fourth largest economy in the world (behind the US, Japan, and China), with its GDP being as high as \$3.39 trillion. This economic miracle has helped India achieve a rapid reduction in poverty, and the country's middle class has expanded to over 300 million.

It is important to note that these developments in India are occurring at a time when almost all its neighboring countries in South Asia are confronted with growing difficulties. In sharp contrast, these countries seem yet to have found a way to escape the financial consequences of the intensification of factional power struggles in a domestic context. This predicament has left governments in these countries much constrained in terms of governance at home, as well as reducing their influence in the region. The most significant other regional power, Pakistan, has witnessed the ongoing deterioration of relations between the ruling party and both the opposition and its powerful military. Economically, the country suffered a severe crisis of meeting international payments at the beginning of 2009, owing to the global financial

crisis and domestic instability. Although this crisis has been resolved thanks to international assistance, the country has to work hard to put its economy in better shape. This deteriorating status of Pakistan seems to have made the country increasingly inward looking, losing much of its strength as a balancing power to India on the subcontinent as it formerly was.

In terms of other nations in the region, Nepal has been continuously embroiled in power struggles among various domestic factions since the country dethroned the king and became a republic in 2008. The country has experienced a more turbulent political situation, not least because various external powers are actively seeking involvement in Nepal's internal affairs in an attempt to fill the power vacuum, and promote their national interests. Bangladesh, like its other neighbors, has been seeing a widening rift between the government and the military, putting the long-sought after democratization process in new difficulty. In addition, economic difficulties have also rendered the government unable to deliver on its promise to improve the living standard of average people, and reduce poverty, giving rise to frequent social instability in the country. Sri Lanka has finally succeeded in eliminating the threat posed by the Tamil Tiger movement due to the government's determined use of force. The success was a milestone event for the government as it has now removed the threat of a terrorist/separatist group which existed for over 30 years, laying the foundations for the country to embark on economic development in a normal and peaceful domestic environment.

Still, the road ahead for Sri Lanka is far from smooth as the government is confronted with the daunting task of preventing the reappearance of the terrorist group; and, more importantly, realizing ethnic reconciliation and national development in the future.

Many suggest that India has embarked on a road of development distinct from that of China. As one senior analyst noted:

"China's strength has been its ability to mobilize capital and labor to develop its manufacturing sector, fueled by massive injections of foreign direct investment (FDI) and enormous government infrastructure spending, India on the other hand...has had to rely more on its large pool of highly educated knowledge workers and the sheer savvy of its private sector managers. As a result, China dwarfs India as a manufacturing powerhouse, while India shines in its software and business outsourcing services. It is a case of brawn versus brains."²

Building on this technologically innovative workforce, India has produced a number of national business giants like Infosys or Wipro, which have demonstrated huge technological capabilities in the international market. This technological advantage leads many pundits in the research community, those in India in particular, to be particularly confident that, although less visible, India may have greater potential than China for development in the future. One of these optimistic predictions, for example, suggested that in the coming 50 years, India would achieve an

² David Plott, "The Language of Awe: the Rise of China and India", *Global Asia*, Volume 2, Number 2, Fall, 2007. P. 104.

annual economic growth rate of 5.8 %, China 4.9%, the US 1.8%, and Japan 1.4%. India would surpass Italy in terms of GDP in 2015, France in 2020, Germany in 2025, leaving it behind only the US, Japan and China. The prediction went on to claim that while three of the four BRIC nations (Brazil, Russia, India, and China) may start to see decline in their economic performance by 2050, India alone would continue to progress with an annual growth rate of 5%, suggesting that India could become the largest economy in the world by that time.³

Whether these predictions come true is a subject for further debate, particularly considering that India, like other major developing countries, may also experience many constraints, both domestically and internationally, in its future economic development. However, India's booming economy today, with its huge future potential, has already set the stage for a sea change in its domestic political environment as well as the reorientation of its foreign and security policy based on shifts in the balance of power on the subcontinent.

2.1.2 India's policy reorientation

At home, this rapid economic development has helped the ruling Congress Party to greatly consolidate its power base. The election of the People's Congress (the lower house of India's parliament) from April 16th to May 13th, 2009, saw an overwhelming victory for the coalition led by the Congress Party, and the defeat of the opposition on both the extreme right and the

extreme left. In particular, it has dramatically reduced the power and status of the main opposition - the Hindu nationalist Bharatiya Janata Party (BJP), leading to the erosion of the traditional pattern in India's domestic politics, characterized by the rivalry of two major parties. The Congress Party now has a more or less free hand to pursue its policy objectives, and to ensure domestic political stability.

The economic rise of India has also had a range of impacts on India's foreign and security policy. India has long cherished an ambition to become a world power, and believes it should play a leading role in shaping a stable Asia free from manipulation by Western or other major powers. In line with this vision, India tried to create a third block in the form of a non-aligned movement outside of the NATO and Warsaw Treaty Pacts during the Cold War. However, chiefly owing to the limitations of its strength, India was not able to play that role. Instead, New Delhi soon nearly found itself marginalized in international affairs, and was even forced to rely on a semi-alliance with the Soviet Union to augment its position in disagreements with Pakistan and China. India's influence continued to be largely confined to the subcontinent, but a change emerged when New Delhi's economy began to take off. With the steady progress of its economic performance, India's dream of being a world power seems revived, and its foreign and security policy increasingly proactive.

3 "The Dream of BRICs: Road Towards 2050", Research Report by Goldman Sachs, October 2003, quoted from Chen Jiagui and others, "Does India Has Greater Potential than China in Its Economic Development?", Bulletin of China Academy of Social Sciences, July 30, 2008. <http://www.myy.cass.cn/file/2009021032880.html>.

The first indication of such a change in India's policy is its clear interest in participating in managing economic, political, and security affairs in the Asia-Pacific. In 1992, India launched the Look-East Policy, which was primarily aimed at improving relations with ASEAN, as well as bilaterally with nations in the region such as China, Japan and Korea, in order to facilitate greater participation in the political and economic affairs in the Asia-Pacific. Since the beginning of this century, India has succeeded in becoming a summit level partner of ASEAN (2002) and has cooperated with regional initiatives such as the BIMSTEC and the Ganga Mekong Cooperation Group, and became member of the East Asia Summit (EAS) in December, 2005. In economic terms, for the first time India's trade volume with Asia-Pacific countries (excluding the US) surpassed the total of its trade volume with Europe and the US combined in 2004. That year also saw the total value of India's import and exports within the Asia-Pacific reach US \$56 billion, (with its exports being US \$29.4 billion, and imports US \$26.6 billion, accounting for 46% and 35% of India's total foreign trade respectively).⁴

Secondly, building on its growing status as an international player, India has been in a better position to reorient its traditional policy of balancing various major powers to promote its own interests. Although the collapse of the Soviet Union has fundamentally changed the nature of India's alliance with Russia, New Delhi nevertheless continued to attach importance to maintaining close cooperation with Moscow. But the

new focus evidently has been on rebuilding partnerships with Western powers, the US in particular. The readjustment couldn't have happened at a better time as all the major powers outside the region now seem to be vying with each other for closer cooperation with India. Their growing interests have apparently been fuelled by India's potentially huge economic strength, but are clearly also motivated by strategic calculations.

Following the 9/11 terrorist attacks in the United States, the Bush administration made gigantic efforts to bring about a transformation of the US-India relationship, which in the words of then US Ambassador to New Delhi Robert Blackwill, marked "a recent extraordinary development of encompassing strategic importance in this part of the world, and beyond". In his view, "close and cooperative relations between America and India will endure over the long run most importantly because of the convergence of their democratic values and vital national interests. He described the "powerful and positive bilateral interaction" between the two countries in this way:

"Twenty months ago, under the 1998 US Pokhran II sanctions regime, the United States and India seemed constantly at odds. Today, President Bush has this to say about India, 'The Administration sees India's potential to become one of the great democratic powers of the twenty-first century and has worked hard to transform our relationship accordingly.' The President waived the 1998 sanctions, and drastically trimmed the long 'Entity List' which

4 Anand G Iridharadasl, "Rising India Remains Torn Between East and West", International Herald Tribune, August 15, 2005.

barred Americans from doing business with certain Indian companies from over 150 Entities to less than 20. Twenty months ago, the American and Indian militaries conducted no joint operations. Today, they have completed six major training exercises. Twenty months ago, American and Indian policymakers did not address together the important issues of cooperative high technology trade, civil space activity, and civilian nuclear power. Today, all three of these subjects are under concentrated bilateral discussion, and the top of both governments is determined to make substantial progress.”⁵

Washington thus demonstrated unusual enthusiasm “to help make India a major world power in the twenty-first century by intensifying collaboration with India across the range of issues on the global agenda”. On India's part, for the first time New Delhi no longer refused a role for the United States in South Asia. Instead, it has now expressed interest in proactive US involvement in the security affairs of the subcontinent. Of particular significance, however, was the US nuclear agreement signed with New Delhi in July 2005. According to the agreement, India agreed to separate its civil and military nuclear facilities and place all its civil nuclear facilities under International Atomic Energy Agency (IAEA) safeguards. In exchange, the United States agreed to work towards full civil nuclear cooperation with India. This accord's importance lies in the fact that it represents America's open acceptance and acknowledgement of India as a

nuclear-armed state, and, more importantly its rising capabilities and ambitions to be a great power in Asia, and the consequences thereof.

India also succeeded in the rapid improvement of its relations with other major players in the world. New Delhi, for example, has been significantly upgrading energy and security cooperation with Japan, clearly to ensure its own energy security and due to shared apprehensions about China. Today, India has become the biggest recipient of Japan's Overseas Development Assistance (ODA) program. India-Japan trade has seen an annual increase of over 20%. In 2007, the then Japanese Prime Minister Abe visited India, expressing Tokyo's wish that the two countries would work together “to transform the notion of a broader Asia into reality at an earlier date.” From Japan's perspective, the idea of a broader Asia covers the whole Pacific Ocean, the United States, and Australia.

Interestingly, although India's new focus on strengthening relations with the Western powers has the clear motivation of better competing with China for influence in South Asia as well as in the world, New Delhi has also demonstrated a strong interest in building up more cooperative relations with Beijing. In fact, when Indian Prime Minister Rajiv Gandhi visited Beijing in 1988, breaking a 25 year impasse in bilateral relations as a consequence of the border clash, the two countries began cautiously to adopt measures to shelve their differences and cooperate where possible. They first started talks to

5 Robert D. Blackwill, “The Quality and Durability of the US-India Relationship,” Remarks at the Indian Chamber of Commerce, Kolkata, India, November 27, 2002. <http://www.mtholyoke.edu/acad/intrel/bush/blackwill.html>.

explore a way to settle the border dispute - a persistent sticking point in the relations between the two countries. Although efforts in that respect have not seen major breakthroughs, the two countries succeeded in concluding agreements on the measures to strengthen peace and stabilization along their borderlines in 1996 and 1998 respectively. These military confidence measures have been contributing significantly to the maintenance of relative peace along the border ever since.

Since the turn of the century, China-India relations have enjoyed an even greater momentum of all-round growth. Chinese Premier Wen Jiabao visited India in 2005; the two sides announced the establishment of a strategic and cooperative partnership for peace and prosperity. In 2006, Chinese President Hu Jintao paid a successful visit to India, during which the two sides issued a Joint Declaration and adopted a ten-pronged strategy to deepen this partnership. When Prime Minister Manmohan Singh visited China in May 2009, the two sides signed a 'Shared Vision for the 21st Century', taking the relationship to a new high.

As a result, friendly exchanges and cooperation between the two countries have been expanding in important fields such as the economy, trade, culture, tourism, defense and people-to-people contact. In 2008, bilateral trade between the two countries reached US\$ 38.6 billion. In the first seven months of 2009, it amounted to US\$ 33.5 billion, up by 63.8% on the corresponding period in 2008. Interactions between the two countries via both official and unofficial channels have becoming increasingly frequent and diverse. In 2006 and 2007, Beijing and New Delhi

successfully organized the "China-India Friendship Year" and the "China-India Year of Friendship through Tourism" respectively. Youth delegations composed of about 100 people each have exchanged visits several times. There are now over 40 direct flights between the two countries each week. What is more, the two militaries conducted their first defense dialogue and first joint counter-terrorism exercise in 2008.

This omni-directional major power diplomacy on the part of India evinces one important characteristic of its strategic orthodoxy in the new international context, that is, ensuring its maximum strategic leverage by balancing major powers against each other while carefully forging its own independent orientation, stressing that it will be nobody's ally or subordinate, although that orientation today gravitates more strongly toward the West, the United States in particular, than ever before.

2.1.3 India's military build-up

Last but not the least, India's rising ambition for world power status finds special expression in its unusual enthusiasm for strengthening and upgrading its military capability. As one specialist on India affairs describes it:

"Economic growth underpins India's ability to provide adequately for the nation's growing defense needs. India has emerged as one of the largest arms buyers in the global market in the last few years, and it is expected to make more than US \$435 billion of arms purchases from 2009 to 2013. India, the world's fourth-largest military power, has embarked on an ambitious plan to modernize its largely Soviet-era arms since the late 1990s as it started as-

serting its political and military profile in South Asia and the Indian Ocean region. India's armed forces have become increasingly ambitious, talking of their own revolution in military affairs. In line with India's broadening strategic horizons, its military acquisitions are shifting from conventional land-based systems to means of power projection such as airborne refueling systems and long-range missiles. India is setting up bases abroad, patrolling the Indian Ocean to counter piracy, protecting the crucial sea-lanes of communication, and demonstrating a military assertiveness hitherto unasserted. A continuation of this trend is premised on India's ability to sustain its present economic growth trajectory."⁶

India's military ambition of being a global military power finally led to its decision to become a nuclear armed state by openly conducting a series of nuclear tests in 1998.

In the meantime, India has been most proactive in seeking defense and military cooperation with Western powers in an attempt to further consolidate its position of strength. Again, the United States has become the main target of India's overtures. The lifting in 2001 by the US of all its sanctions against New Delhi, which had been in response to the call by the UN Security Council because of India's nuclear testing, removed all the obstacles to military and defense collaboration between the two countries. In 2005, the US and India signed a bilateral Defense Framework, which was regarded as an event of great significance in boosting defense cooperation. The

Framework envisaged a series of cooperative measures, unimaginable in previous times, including expansion of joint military exercises and exchanges, defense trade, and the establishment of a bilateral defense procurement and production group from both countries. More prosaically, it also identified issues for promoting bilateral defense collaboration and achieving greater inter-operability of their forces across the spectrum of security and defense. Specifically this agreement seeks cooperation in multinational operations; counter-terrorism; promotion of regional peace and security; the fight against proliferation of weapons of mass destruction; expanded cooperation on missile defense, disaster response, combined operations, and peace-keeping operations; and, increased exchange of intelligence. Both countries were allegedly agreed in their discussion to include a review of all outstanding security issues in South, Central Asia, Southeast Asia, China, and the Gulf, etc. Similarly, in response to Washington's sale of up to 36 F-16C/Ds to Pakistan, the Indian Air Force is calling for an acceleration of its own upgrades, especially as the legislative "wheels are in motion" for the US to approve formally the initial delivery of 18 Block 52 Pratt & Whitney PW 100-229 powered F-16C/Ds with an option for 18 more.

India's interest extended even farther in seeking to secure control of the SLOC in the South China Sea and the Indian Ocean by building a strong military presence. To that end, New Delhi has put huge investment in upgrading its naval forces. One examples of this is India's greater

6 Harsh V. Pant, "Indian Foreign and Security Policy: Beyond Nuclear Weapons", Spring/Summer 2009, volume XV, Issue ii, The Brown Journal of World Affairs. p. 225.

efforts to build its first made-in-India aircraft carrier, which will reportedly have over 40,000 ton of displacement, a cruising speed of 28 miles per hour, and a maximum range of 8,000 miles. The carrier is expected to be launched by the end of 2010, and commissioned in 2014, enabling India to greatly expand the scope of its naval activities.⁷ India also attached importance to shoring up both bilateral and multilateral maritime cooperation with Australia, Japan, and members of the ASEAN countries in addition to the United States, all of which India has succeeded in concluding agreements with on maritime defense cooperation. Of particular notice were India's efforts to enhance defense cooperation with those ASEAN countries of geographical significance from a naval perspective. These countries include Vietnam, for example, who can offer India the use of its port of Cam Ranh Bay; and Singapore, who holds the Malacca Strait, the strategic route between South China Sea and Indian Ocean. Although deliberately keeping in low profile in order not to anger China, India has also shown interest in the idea of a "coalition of the willing" for maritime cooperation based on the shared values of democracy with US, Japan and Australia in the Asia-Pacific as well as in the Indian Ocean. New Delhi participated in the first ministerial meeting among these four powers in Manila in May 2007 as well as a large scale joint military exercise in the Bay of Bengal among these countries plus Singapore in September the same year.

Is India's goal of becoming a world power achievable? The question is not entirely certain. As

described above, the country cannot have enjoyed a more favorable situation both at home and internationally since it gained its independence. It is enjoying rapid development, the assurance of its national interests, and upgrading its role in maintaining peace and stability in South Asia and beyond. Much, however, depends on its ability to make the best use of all the advantages it currently holds. As a developing country with a huge population, uneven development, poor infrastructure, and extremely complicated ethnic and religious grievances and conflicts within its society, India has a whole series of domestic constraints, which may well consume an overwhelming portion of the government's energy, resources, and time to attend to its top priority of ensuring sustained economic development and the corresponding social progress necessary to mould the country into a truly modernized, prosperous and democratic world power.

Thus, there seems always a question of whether India's strength will be able to support its exceedingly high ambitions for the future. In the meantime, there is also much uncertainty in the effect of India's foreign and security policy. Its diplomacy of balancing major powers may give New Delhi short-term diplomatic leverage and maximum flexibility in promoting its national interests. But to be a perfect mixer in any company - to have one's bread buttered on both sides, so to speak - could run the risk of appearing devoid of a firm policy orientation, eventually becoming nobody's true friend. Furthermore, India's eagerness to become a world power has

7 Nie Yun, "India's First Carrier Is to Be Launched by the End of This Year", Xinhua New Report, Mumbai, January 10, 2010. Quoted from Jiefang Ribao, Shanghai, January 11, 2010.

often led to heavy-handed treatment of its small neighboring states in South Asia, smacking of arrogance, hegemony and national chauvinism. For all India's efforts to improve bilateral relations with all its neighbors, the latter are often wary, if not suspicious, of India's intentions. India's immediate international environment in South Asia is by no means friendly and conducive to its security.⁸ Thus, given additional ethnic, religious and territorial disputes with its many neighboring states, Pakistan in particular, if New Delhi is unable to define a more efficient approach towards establishing constructive relations with its neighbors, India's focus could perhaps continue to be largely confined to South Asia in terms of its security management at the expense of its broader role as a world power.

2.2 The intensification of terrorist and anti-terror activities in the Region

Increasingly heightened violence and ideological extremism have made South Asia the epicenter of international terrorism today. The region has been noticeably plagued by the rising terrorist attacks particularly since the Obama administration declared a shift from Iraq toward Afghanistan as the new frontline in its war against terror. The shift of US efforts has further intensified the already strained ethnic, religious, and national conflicts in and among the South Asian countries, providing various

terrorist groups an opportunity to realign themselves, and mount large scale terrorist attacks as a way of retaliation and counter-measure in the region.

There are a few specific characteristics worth mentioning with regards to the rising terrorist activities in South Asia.

2.2.1 Characteristics of the rising terror threat in South Asia

First of all, the region has seen a rise in terrorist activities in terms of both number and scale. In 2009, the terrorist attacks in South Asia accounted for over half of the global total. From January to November 2009, the region saw over 400 terrorist attacks, killing 2500 people and wounding over 4000. Moreover, almost all the world's large scale attacks took place in South Asia - in 2009 alone there were 14 attacks, each with a death toll of over 100.

What is more, these terrorist activities have spread quickly and become localized in key South Asian countries, including Afghanistan, Pakistan, and India.

In Afghanistan, in the nine years since the US ousted Mullah Omar's regime, the Taliban seems to have recovered and regrouped. By the end of 2009, as many as 163 of Afghanistan's 375 districts were under Taliban control. The Taliban's

8 As an Indian scholar wrote in one of his papers: "At the regional level, India was long viewed as a 'hegemony,' and not particularly benign one either, since it incorporated one small neighbor into its territory (Sikkim), signed unequal treaties with two others (Bhutan, Nepal) and intervened militarily in three (Pakistan in 1971, Sri Lanka in 1987, and the Maldives in 1988)." See Rajesh M. Basrur, "Indian Perspectives on the Global Elimination of Nuclear weapons", from the "Unblocking the Road to Zero", Stimson Nuclear Series, edited by Barry Blechman, Washington, March 2009. p. 7. Although the author argued in the same paper that this situation "has been reversed", and "relations with all its immediate neighbors are on the upswing", deep-seated mistrust and suspicion of these small neighbors toward the big brother seem still lingering.

activities now cover 70% of the Afghan territory, and evidence suggests they have become more and more lethal. In 2008 alone, some 1300 Afghan policemen were killed by extremist fighters. The Taliban's influence has been extending from the Eastern and Southern parts toward the Western part, seeming to represent a policy of enveloping the capital of Kabul in three directions. At the same time, thousands of foreign fighters have poured into Afghanistan to bolster the Taliban insurgency. About 4,000 fighters, most allegedly from Chechnya, northern Africa and Pakistan, have joined them, and are involved in the fighting in Afghanistan.

But a more worrying trend is what is being witnessed in Pakistan. The intensification of the US campaign against the insurgents in Afghanistan has driven numerous extremist insurgents into Pakistan, and turned much of the country into something of a haven for terrorist groups. The border area between Afghanistan and Pakistan in particular has been what one security specialist called "Talibanized", meaning the convergence of the terrorist group with local religious extremists. Despite the fact that the Pakistani Army has been strengthening the mopping-up campaign against them in the border area with some significant progress, these military actions have not broken the back of the Taliban. It continues to demonstrate the ability to attack its allies at their most securitized locations almost at will.

In India, for all its meticulous efforts to prevent the contagion of terrorist activities into its territory, a trend of collaboration between external Islamic extremist forces and local anti-government insurgents has been emerging. The United Liberation Front of Asom, a terrorist group

in the Northern part of India, which has sought independence through armed activities for decades, has increased its activities with the support of external terrorist forces. But in a more astonishing manner, November 26, 2008 saw an unprecedented terrorist attack on Taji Hotel in Mumbai of such an audacious and ambitious scope that it lasted for 60 hours and claimed the lives of 173 people. It has been referred to as "India's 9/11". All the evidence suggests that Lashkar-e-Taiba (LeT), a terrorist group based in Kashmir, was responsible for the attack. LeT used to carry out its violent extremist activities with the aim of "liberating Kashmir from the rule of India". But the Mumbai attack evidently had objectives beyond that, including exacerbating antagonisms between India's Hindu and Muslim communities, provoking Hindu reprisals and thereby facilitating recruitment of Islamist extremists. Moreover, the attack appeared also to be designed to derail the possible rapprochement of India with Pakistan, and it was doubtless intended that India would accuse Pakistan of having a hand in the attack, and resort to some retaliatory military action against Islamabad. The situation would thus have escalated into a greater mess, from which only the terrorist group could benefit. The subsequent development of the situation proved the correctness of this calculation to a certain extent. India and Pakistan immediately entered into a verbal war, debating over the role of Pakistan in the attack, which pushed the two countries to the brink of a military conflict. It was thanks only to the exercise of restraint from both sides that the intended consequence of the attack did not become a reality.

Thirdly, collaboration between terrorist groups and local extremist forces in the region has found

expression in the integration of their activities into an efficient network, linking terrorist units worldwide together. They have established new bases for terrorist attacks in South Asian countries, receiving funds from the Middle East, and recruiting personnel from Central Asia. Supported by this internationalization, local terrorist groups in South Asia have been expanding their influence across the region and even beyond. The LeT has been transformed from a Jihad organization in Kashmir to a terrorist group active in the whole region of South Asia, with branch units in India, Afghanistan and Bangladesh. At the same time, Al Qaeda and Al Qaeda-trained operatives are expanding their activities into regions outside South Asia. These include, for example, Xinjiang in Western China, Uzbekistan and Kyrgyzstan in Central Asia, Iraq in the Middle East, and Somalia and Yemen in Africa, among the others.

Lastly, the complexity and uncertainty of the situation in South Asia has been augmented by the US' controversial efforts to combat terrorism in general, its war in Afghanistan and Pakistan in particular.

2.2.2 Mixed progress in Afghanistan, and uncertain prospects for US military strategy

Since the Bush administration launched the invasion of Afghanistan with its NATO allies in 2001 in what was termed the main strategy of the War on Terror, it has made some geographical progress, particularly with regard to the defeat of the Al Qaeda terror network.

The ousting of the Taliban regime in 2001 also succeeded in paving the way for the new Af-

ghan Government and its people to embark on the road of nation building. Thanks to the government's efforts and the strong support of the international community, it is hoped that the country may eventually manage to achieve progress in its peace process and economic reconstruction, and move steadily toward the goal of stability and development, particularly following the reelection of President Karzai in 2009 (although the election was believed to be full of flaws and irregularities).

The international community has been generally proactive in rendering assistance to nation building efforts by the Afghan government. On January 28, 2010 an international conference was held in London aimed at providing greater dynamism to this international effort in a more coordinated manner. Representatives from about 70 nations and institutions attended the meeting, working together to try to hammer out a more feasible road map for the Afghan people to secure and govern their own country. The assistance included, among other things, grants of over \$500 million to help the Karzai's government's job creation program, farm projects, and housing in the country. A target was also set for Afghanistan to increase its military personnel to 171,600 and police numbers to 134,000 by October 2011 so as to transfer the bulk of responsibility for national security to the local forces by then. Afghanistan is "slowly but surely moving towards goal of stability", declared President Karzai.

But stability will only remain a dream so long as the US continues to fail in its military campaign to crack down on Taliban insurgents. Given the resurgence of the Taliban and its expansion into

Pakistan as mentioned above, a heated debate has been raging among strategists in Washington as to where to focus the military strike: Taliban or the Al Qaeda? Two dissenting views emerged within the Obama administration in the latter part of 2009. Vice-President Joe Biden seemed to call for the war to be narrowly focused on defeating Al-Qaeda, which has largely abandoned Afghanistan to seek shelter in neighboring Pakistan. His argument: the Taliban poses no direct threat to the US; it is a quasi-political movement virtually indistinguishable from the local population and cannot be subdued even with a massive troop surge. According to this view, Pakistan instead of Afghanistan should be the main theater if the focus is on Al Qaeda as America's No. 1 enemy. However, Secretary of State Hillary Clinton and Defense Secretary Robert Gates seemed to strongly support the view that the war cannot exclude the Taliban, which continues to be closely allied to Al-Qaeda. Congress was divided along the similar lines. For this reason, General McChrystal, the chief commander in Afghanistan, who shared the latter view with his civilian boss at the Pentagon, demanded an increase of 40,000 US troops in order to achieve military success over the Taliban in both Afghanistan and the Pakistani border area.

President Obama seemed to decide finally to stand behind the latter view after an initial hesitance of a few months. In December that year, he decided to make a major readjustment to his strategy for the military campaigns in both countries. As his Secretary of Defense emphasized:

"[T]he goal of the United States in Afghanistan and Pakistan is to disrupt, dismantle, and defeat Al Qaeda and its extremist allies and to prevent its return to both countries. The international military effort to stabilize Afghanistan is necessary to achieve this overarching goal. Defeating Al Qaeda and enhancing Afghan security are mutually reinforcing missions. They cannot be un-tethered from one another, as much as we might wish that to be the case."⁹

Evidently the focus now is on reasserting a determination to take on Taliban as an equally dangerous threat to the US security as Al Qaeda, as the two "have become symbiotic, each benefiting from the success and mythology of the other", and therefore Obama's new strategic concept is "to reverse the Taliban's momentum and reduce its strength while providing the time and space necessary for the Afghans to develop enough security and governance capacity to stabilize their own country."¹⁰ On the other hand, to pacify opponents who fear the war will drag on indefinitely, Obama decided to send 30,000 instead of 40,000 more US troops to Afghanistan by mid-2010, and commit the Pentagon to start withdrawing troops from Afghanistan by the summer of 2011, assuming the Afghan government could take on most of security tasks itself by then.

Guided by the new decision, about 6000 more US troops poured into Afghanistan in the first quarter of 2010. A major military campaign aimed at forcing the Taliban out of their sanctu-

9 See "Statement on Afghanistan to the Senate Foreign Relations Committee" by US Secretary of Defense Robert Gates, December 3, 2009. <http://www.defense.gov/Speech.aspx?SpeechID=1404>.

10 Ibid.

ary in Helmand Province in Southern Afghanistan - its most significant power base - was launched on February 13 and involved more than 6,000 US and Afghan forces. The effort is in fact part of the largest coalition operation since the start of the Afghanistan war to combat insurgency and assert government control over Taliban-held areas of the country. The coalition soon scored a major victory by taking the city of Marja in the province on February 25 after sporadic resistance by the scattered Taliban insurgents. According to the coalition plan, the next target will be the city of Kandahar, the Taliban's birthplace and spiritual home in Southern Afghanistan. If everything goes smoothly, it is hoped that Kandahar will be taken by June 2010. Many believe that this series of offensives will be a major test of President Obama's new strategy in Afghanistan and a bellwether for the war in general. But the challenge is that President Obama will most probably find it very difficult, if not impossible, to manage the war in accordance with his own timetable.

While the US military may win the fight against the Taliban by using sophisticated weapons and equipment, it has struggled to win the hearts and minds of the local people in Afghanistan, who have traditionally been governed by a loose confederation of tribes, and by instinct have an aversion to foreign occupation. The Marja campaign is a case in point. During the fighting, the coalition took pains to try to reduce civilian casualties in the hope of winning popular support. Reconstruction work started immediately after the victory, including setting up administrative organizations, and promising to create jobs for local people. But for all these efforts, residents openly despised the corrupt, violent government

officials who had preyed on Marja for much of the decade before the Taliban arrived. In return for their loyalty, they want the central government to deliver true services, build clinics, roads and schools as well as bring security and justice - a task as yet beyond its capability, particularly in remote areas such as the Southern part of the country. What makes the situation more complicated is that Helmand Province is a major production base for opium poppies, growing about 60 percent of Afghanistan's poppy crop. Since the Marja campaign has damaged a large amount of this local product, farmers now demand recompense for their losses during the fighting and a guarantee that they will be able to harvest the remaining crop this year at least. This will be the hardest condition of all to meet as, although the Americans and NATO forces have largely stopped poppy eradication efforts, the Afghan government has made no such promises. In short, as long as the coalition and the Afghan government continue to receive limited local support, there is no guarantee that the Taliban could not simply return once the military mopping-up is complete.

2.2.3 The US and Afghanistan

Under the circumstances, tension between Washington and Karzai's government has been building, threatening the efficacy of cooperative military action and reconstruction work in Afghanistan. On the part of the US, it has long been fed up with the corruption and inefficiency of the Afghan government, and particularly impatient with the slow progress of military and police development, and their assuming greater responsibility for security - a prerequisite for the scaling down of the US and other NATO forces in the country. Washington has given repeated warnings:

"We have to send an equally strong message to the Afghan government that, when all is said and done, the United States military is not going to be there to protect them forever. That the Afghans must step up to the plate and do the things necessary that will allow them to take primary responsibility for defending their own country - and do so with a sense of purpose and urgency."¹¹

This is a task Karzai can hardly accomplish in a way which meets with American satisfaction as he has already said that he needs foreign troops in his country at least for up to a decade, a target well behind the US schedule.

The Obama administration has also been wary of President Karzai's growing tendency to seek independence in domestic and foreign policy. His continuous complaints and protests about the killing innocent Afghan people during the US-led NATO military strikes have often made the Western occupation forces embarrassed and indignant. His open criticism of US behavior "interfering in the Afghan internal affairs" has also enraged Washington. But even more damaging is the apparent dissonance with the US in the strategy for fighting the Taliban insurgents. Karzai seems enthusiastic to win over Taliban fighters by first of all seeking reconciliation with its top leaders. News emerged, for example, that he has been in contact with leaders of major factions such as Gulbuddin Hekmatyar and Sirajuddin Haqqani, who he believed could be induced to switch sides thus paving way for dismantling the Taliban. The move, however, ap-

parently alarmed some of a more nervous disposition in Washington. Although the Obama administration does not oppose efforts to persuade low- and mid-level Taliban militants to give up the fight or striking deals with tribal leaders, it has never believed that Karzai could succeed in winning over the Taliban top leaders. As one Washington Post editorial warned:

"At best the offer may create confusion or suspicion among the various Taliban factions, without leading to any result. Yet it could also raise false hopes, among Afghans and among those Western governments eager to find an Afghan exit strategy. For them the Obama administration should offer a clear message: Handing power or legitimacy to the Haqqani and Hekmatyar factions, or to Mullah Omar, is not an acceptable outcome."¹²

Another sign of the independence that President Karzai seems to seek in his foreign and security policy has been his efforts to instigate a more balanced diplomacy among major players in the region, which has become a new source of friction between Kabul and Washington. His development of closer ties with Iran has been particularly indicative of his independent stance. At a time when the Obama administration has been desperate to isolate and exert greater pressure on Iran in the nuclear dispute, the recent exchange of warm visits between Karzai and President Mahmoud Ahmadinejad of Iran will surely have irritated many Americans. Iran was "playing a double game in Afghanistan - they want to maintain a good relationship with the Afghan

¹¹ Ibid.

¹² "An Afghan Deal?"; Washington Post Editorial, February 14, 2010. http://www.washingtonpost.com/wp-dyn/content/article/2010/02/13/AR2010021303175_pf.html.

government, they also want to do everything they possibly can to hurt us, or for us not to be successful," declared the US Secretary of Defense Robert Gates when talking about the role of Iran in Afghanistan. He went on to stress that he believed Iran was providing money and "some low level of support" to the Taliban in Afghanistan. He even issued a warning in unusually stern terms: "our reaction, should they get too aggressive in this, is not one they would want to think about."¹³ But whether Tehran would take serious heed of the US warning is an open question. And it is highly unlikely that Iran would not attempt to use the Afghan situation to its own advantage, thus turning Afghanistan another battleground for the competition of greater influence between Washington and Tehran.

In addition, Karzai's visit to Beijing with an evident intent to strengthen cooperative relations with China could also be read by Washington as evidence of Kabul's effort to avoid being under complete US control.

2.2.4 The US and Pakistan

Managing relations with Pakistan, a significant US ally in its war in Afghanistan, is proving equally - if not more - troublesome for Washington. In refocusing on the Taliban in Afghanistan, Pakistan has become an indispensable link in the US war on terror. As Robert Gates put it:

"[O]ne cannot separate the security situation in Afghanistan from the stability of Pakistan -

a nuclear-armed nation of 175 million people now also explicitly targeted by Islamic extremists. Giving extremists breathing room in Pakistan led to the resurgence of the Taliban and more coordinated, sophisticated attacks in Afghanistan. By the same token, providing a sanctuary for extremists in southern and eastern Afghanistan would put yet more pressure on a Pakistani government already under attack from groups operating in the border region."¹⁴

Under significant pressure from the US, not least in the form of offers of new civilian and military aid programs and reassurances over Washington's commitment to Islamabad's security, Pakistan made a dramatic readjustment of its policy, joining the US in fighting against the Taliban in Afghanistan, a long term de-facto ally since late 1980s when Islamic fundamentalists in that country began fighting the Russians. Many of those fundamentalists regrouped as the Taliban, who gave sanctuary to Al Qaeda before the 9/11 attacks. Pakistan's move has provided a great help in the US war in Afghanistan, but at a heavy price. Islamabad's military action against the Taliban in the Swat Valley and South Waziristan in 2009 claimed the lives of over 2,000 Pakistani military personnel. Since 2007, Pakistan has suffered over 5,000 casualties in the struggle against violent extremism. The whole country has become a target for retaliatory suicide bombings by the militants. The war against terrorism has also cost Pakistan in economic terms, freezing international investment and diverting funds from social and other sectors.

13 See Elisabeth Bumiller, "Gates Visits Afghanistan to Meet With Karzai", New York Times, March 9, 2010. <http://www.nytimes.com/2010/03/09/world/asia/09military.html>.

14 See "Statement on Afghanistan to the Senate Foreign Relations Committee" by US Secretary of Defense Robert Gates, December 3, 2009. <http://www.defense.gov./Speech.aspx?SpeechID=1404>.

As a consequence, a growing "trust deficit" between Washington and Islamabad has emerged. On the part of the US, Washington has never believed the good faith of Pakistan in the war on terror. The feeling that "Pakistan is not willing to do more" seems a constant frustration to US strategists. The Americans suspect that many influential people within the Pakistani government and the military still have sympathy for and even covert connections with the Taliban, potentially a major reason for Islamabad's reluctance to deepen cooperation with the Americans. In particular, they are annoyed that the Pakistani Army refused to take on all Taliban factions in all parts of the country's tribal areas despite repeated requests from Washington. American officials complained privately that the Pakistanis were reluctant to go after the Afghan Taliban because they see them as a future proxy against Indian interests in Afghanistan when the Americans leave.

But on the part of Pakistan, suspicion, complaints and indignation over US behavior are even stronger. In a strategic sense, many in Pakistan believe the US planned the Afghan occupation as part of a grand strategy to encircle Iran, access Central Asia's gas and oil reserves and limit China's influence in the region. They wonder why Pakistan should join in the US' strategic game only to end up strengthening India - its arch rival in the region - at the expense of its own security interests. Furthermore, the two countries have also a serious rift in defining the nature of the threat of the Taliban. Con-

trary to the US equation of the Taliban with Al Qaeda, Islamabad argued that "it was wrong for the Pentagon chief to lump all groups affiliated with the Taliban under the same banner. Some are fighting for different causes...and pose different threats. 'The answer can't be in black and white'".¹⁵ The difference between the two countries has been further exacerbated by US military activities spilling over the Afghan border into Pakistani territory in the form of air strikes. These attacks often result in civilian casualties, generating great resentment among the local people, and forcing Islamabad to vehemently protest against the US' blatant trampling on its sovereignty as its ant-terror activities spread across the country.

2.2.5 The US and its allies

Washington also has a serious problem with its Western allies. Apart from about US 98,000 troops, there are also roughly 40,000 personnel from 43 other countries who are aiding the US in Afghanistan, most of those from NATO. To Washington, these international troops are most significant not only in their role of undertaking substantial operational tasks in the fighting against the militants, but also of giving the US war on terror the aura of legitimacy. This solidarity within the Western military coalition now seems increasingly at risk. The nine-year-long war in Afghanistan has exhausted much of the public goodwill in the West. NATO's involvement in Afghanistan has increasingly been losing domestic support in its member countries. Politicians in many of these countries have to walk

15 Craig Whitlock, "Analysis: To Gates, Taliban a 'Cancer but Part of Afghan 'Political Fabric'", Washington Post, January 23, 2010, A06. http://www.washingtonpost.com/wp-dyn/content/article/2010/01/22/AR2010012204395_pf.html

the tightrope of pleasing both Washington (letting their troops stay the course) and their own people (avoiding casualties, and getting troops back home from theatres in which they don't see any of their fundamental interest). According to media reports, some allies with troops in Afghanistan insisted that their men would not be involved in operations once darkness falls in order to avoid casualties. Others simply announced a timetable to withdraw their troops completely from Afghanistan under domestic pressure. In February 2010, a debate as whether its 2,000 troops should continue to stay in Afghanistan brought down the Dutch government, thus indicating the Dutch troops would almost certainly return home by the end of this year. The departure of the Dutch is bound to deal Washington a heavy blow as the Obama administration has been struggling to get its European allies to commit more troops to Afghanistan and bolster its attempts to win back the country from a resurgent Taliban.

2.2.6 The Obama Administration's future challenges

In short, despite the current military victories, The US still faces a long uphill struggle in the war in both Afghanistan and Pakistan. According to a recently released Pentagon report to Congress on the war in Afghanistan, as of the end of April 2010, although there is some improvement, including an increased optimism among Afghans about their government, and the slowing of the insurgency in places where NATO troops are concentrated, "the situation is little

better over all than it was six months ago despite enormous expenditures of efforts, money and lives by the American and international forces." The Pentagon seems particularly dismayed by the tenacity of insurgents with "robust means of sustaining its operations" in terms of arms, financing and recruits. The report includes the following concluding assessment: the insurgents have proved adept at returning after a military operation to clear them out and at regaining a foothold; their activity has even spread to several areas where it had not previously been a major factor; in many parts of the country, the number of districts sympathetic to the insurgency or supportive of it has increased; and the Afghan government is still unable to form efficient military and police forces in the predicted timeframe and will continue to rely enormously on American troops to train, outfit and finance the country's security for the foreseeable future.¹⁶

Facing this bleak picture for the war on terror in both Afghanistan and Pakistan, the challenges to the Obama administration are essentially two-fold: to what extent can Washington strike a balance between its military mopping-up campaigns and its efforts to win the heartfelt political support of the local people so as to build sustained peace and stability in both countries; and also, can it find the balance between promoting the US national interests and respecting the interests of other major players in the region so as to ensure continuing support to its war efforts from the international community.

16 Alissa J Rubin, "US Report on Afghan War Finds Few Gains in 6 Months", New York Times News Report, New York, April 30, 2010.

2.3 The risk of nuclear weapons proliferation in South Asia

Apart from conventional conflicts, the presence of nuclear weapons is also a hugely significant aspect of the security situation in South Asia, and no discussion would be complete without addressing the issue. This chapter will look at both India and Pakistan's nuclear development and consider their implications for region's security landscape.

2.3.1 India's acquisition of nuclear weapons

The spread of nuclear arms constitutes another major dimension of the disturbing trend in South Asia. India is the major driver of nuclear weapon proliferation and the resultant arms race with Pakistan in the region. At this point, it is fair to state that India's acquisition of nuclear weapons has been almost solely politically motivated. Although India has fought four major wars with either Pakistan or China since independence in 1947, none of them was highly destructive in terms of human or economic losses. In sharp contrast with China, India has never been faced with an immediate major military or nuclear threat that would require New Delhi to have a nuclear option in order to ensure its national survival. In 1974, however, claiming peaceful intentions, Prime Minister Indira Gandhi ordered a successful test, indicating India had become a nuclear-capable power. According to one Indian view, the bomb was motivated chiefly "by an all-consuming fear of loss of India's political autonomy vis-à-vis the external world." It was argued:

"India's colonial past lay heavy in the minds of post-independence leaders, who fashioned a foreign and security policy characterized by resistance to external domination. Its chief tenets were nonalignment, autarky, and opposition to the presence of foreign domination. The test was a political response to the growing perception that India's autonomy was threatened by the ingress of external forces in the region and by the evolving balance of power that was transforming the wide regional strategic landscape at the time. In particular, there was much apprehension among India decision makers about what was viewed as an emergent US-Pakistan-China axis, which hemmed India in geopolitically. It's a response not so much to a direct military threat as to its perception of a serious deterioration in its overall security environment."¹⁷

This explanation is quite accurate in understanding the mindset of New Delhi during the Cold War. And it is also a valuable clue to appreciating why India continued to pursue a nuclear option with even greater enthusiasm in the post Cold War era, when New Delhi should have found that the international security environment had developed vastly in its favor. The logical answer will be found in New Delhi's politically-oriented decision making. The fact is, in developing its nuclear program, India has a far larger strategic goal, a goal that India must be accepted as a world power. Evidently, it must be a deep-rooted belief of decision makers in New Delhi that nuclear weapons are the effective physical signature of world power status.

17 Rajesh M. Basrur, "Indian Perspective on the Global Elimination of Nuclear Weapons", article from "Unblocking the Road to Zero", edited by Barry Blechman, Stimson Nuclear Security Series, Washington, DC, March 2009. p. 3.

In retrospect, India had started its nuclear program under the name of peaceful use of nuclear energy long before 1974. A lack of the necessary nuclear material, know-how, and the infrastructure forced New Delhi to pursue a two-fronted campaign: while holding high the banner for world nuclear disarmament as camouflage, it carried out a vigorous nuclear program in order to leave the door open to the future development of nuclear weapons in case the need arose. In 1989, a bomb was actually produced, building on the progress of continuous efforts since the 1974 test, albeit covertly. But developments in the field of arms control and disarmament in the 1990s provided a new context for New Delhi to change its course. India ordered a series of nuclear tests to make it world known that it had become a full nuclear power in 1998. The reasons as explained by the same India scholar:

"Post Cold War, the US led drive to tighten nonproliferation made India's position increasingly uncomfortable. While the US retained nuclear weapons as centerpieces of its national security strategy, the odds against India's retention of its open option were lengthened. The indefinite extension of the NPT, which India rejected precisely it would have closed the door to nuclearization, was a blow, but as an outsider, India could tolerate. The negotiations over the Comprehensive Test Ban Treaty (CTBT) took a more unpleasant turn from the India's standpoint. The entry into force (EIF) clause of the treaty envisaged putting pressure on all nuclear-capable states to join. In

effect, India was pushed into a corner, its open door on the verge of being slammed shut. It was either sign up or break out, and India chose the latter. The tests, therefore, were a response to the broad, but still substantial, threat to India's security choices."¹⁸

Thus, again, India's nuclear ambition was chiefly politically motivated in the new world context. The US invasion of Iraq in 1991 must have also had some impact on the Indian decision to speed up its efforts to join the nuclear club. The Indian Army Chief of Staff General K. Sundarji was said to have made a comment at the time which vividly gave expression to India's true belief in the role of nuclear weapons. He said: "[Coalition members] could go in because the United States had nuclear weapons and Iraq didn't...The Gulf War emphasized once again that nuclear weapons are the ultimate coin of power."¹⁹

India has, however, had to pay a heavy price in achieving this "ultimate coin of power". Politically, the bombs came too late, at a time when the international community had already reached a consensus that all nations must work together for nuclear disarmament and nonproliferation. Thus due to the nuclear explosions, India found itself depicted as a global pariah, defying the international tide. New Delhi, together with Pakistan, soon found itself isolated, and had to endure UN sponsored sanctions. The tests were almost unanimously branded as irresponsible, selfish and harmful to global nuclear disarmament and nonproliferation efforts. In addition, immediately afterwards, it was revealed that to

18 Ibid.

19 Keith B. Payne, "Deterrence in the Second Nuclear Age", Leington: University Press of Kentucky, 1996. p. 28

enlist the US support, New Delhi had written a secret letter to President Clinton directly justifying its nuclear tests as necessary to control the "China threat". To the embarrassment of New Delhi, the missive was soon leaked, showing a dishonest aspect of India's China policy, and greatly damaging the mutual trust that was badly needed to repair the China-India relations. To be fair to New Delhi, India's nuclear decision did have a factor of "China threat"; but even that threat perception is more political than military as India seems to feel that it will always live under the shadow of a nuclear China unless it also goes nuclear, and neutralizes China's political influence.

From a purely military point of view, India's acquisition of nuclear weapons capability has contributed little to its security. The Indian nuclear status inevitably triggered Pakistan - its long-term rival on the Subcontinent - to also become an openly nuclear state. The emergence of two nuclear states in South Asia has not only generated the risk of an uncontrolled nuclear arms race, but has also offset somewhat India's conventional superiority over Pakistan, complicating, not improving, the security of India in South Asia.

2.3.2 Pakistan's acquisition of nuclear weapons

As the weaker side in terms of national strength, Pakistan's development of nuclear capabilities has clearly been motivated by its primary security concern of dealing with India's growing military strength. This must have been a particularly sensitive topic in Islamabad since its hu-

milating defeat in the 1971 war. An interesting analogy was made by a Pakistani researcher between his country and Israel with regard to their motivation of the acquisition of nuclear weapons:

"The Pakistani case is analogous to another state-Israel. Driven by identical fears and concerns, both states were founded by a people who felt persecuted or marginalized when living as a minority in other countries, sought basic religious rights, and eventually won statehood. Both faced immediate political and security dilemmas. Living under the shadow of hostility from powerful neighbors, Pakistan and Israel followed identical strategic policies after having fought wars with their neighbors and facing physical threats of annihilation. Both sought external alliances with great powers. But, also in both cases, such external support failed to alleviate security concerns and 'both ultimately concluded that outsiders could not be trusted in a moment of extreme crisis, and this led them to develop nuclear weapons'".²⁰

Thus, Pakistan's nuclear program began in earnest in 1972. India's test in 1974 provided further incentive for Pakistan to pursue a fully fledged nuclear program as Islamabad for the first time perceived a twin conventional and nuclear threat from India. In the meantime, Pakistan's nuclearization has been full of zigzags, not the least because of the intervention from its long-term ally, the United States. Over the years, Washington has tried hard to persuade Pakistan to abandon its nuclear program by in-

20 Brigadier General (Retired) Feroz Hassan Khan, "Pakistan's Perspective on the Global Elimination of Nuclear Weapons", from "Unblocking the Road to Zero", Stimson Nuclear Security Series, Volume III, edited by Barry Blechman, Washington DC., April 2009. p. 4.

ducement as well as pressure. But the US attitude has never been consistent, varying according to Washington's perception of the value of Pakistan in its security strategy. In the Cold War, at more than one time, Washington was extremely harsh towards Islamabad's nuclear program, even going so far as suspending the military assistance that Pakistan had badly needed in order to force Islamabad to give up its nuclear option; on other occasions, however, when Pakistan was particularly needed for perceived US national interests, Washington pretended not to see the existence of Pakistan's nuclear program. US inconsistency has not only served to make the alliance with Pakistan an uneasy partnership, but also forced Islamabad to shroud its nuclear program in the utmost secrecy, and to bypass the US blockade by setting up a clandestine network to import nuclear material and other components for its nuclear program from abroad. This network, headed by the country's chief nuclear scientist, A. Q. Khan, is said to have played a critical role in developing Pakistan's nuclear weapon capabilities; it also subsequently became a major source for illicit exports of nuclear material and know-how to the other parts of the world.

Immediately after India's 1998 nuclear tests, Islamabad also conducted a series of nuclear tests, confirming that Pakistan had become the second nuclear-armed state in South Asia. Looking into the future, much of Pakistan's nuclear capability will continue to be dependent on the pace, size and mission of India's nuclear and conventional forces. The US' discriminatory attitude towards the nuclear force of India and Pakistan could also be an important factor in shaping Islamabad's decision on force develop-

ment and operational doctrine. Unfortunately, when it is apparent that India has been making great efforts to upgrade its nuclear arsenal and the US continues to court New Delhi for strategic cooperation, Pakistan may find no alternative to being compelled to attach greater value to its nuclear assets.

There are other factors that might create uncertainty in Pakistan's efforts to further strengthen its nuclear weapon capability. The current orientation of Islamabad's threat perception in its war against the Taliban and violent extremists has it in something of a dilemma: to stress fighting against these terrorist and extremist forces would mean a nationwide military redeployment, which might reduce its military resources for dealing with the perceived threat from India, particularly in a possible contingency involving conventional force. The advent of a nuclear Iran would be another security concern for Pakistan. So far, Pakistan has maintained normal working relations with Tehran. But given the trend of continuing rapprochement between Iran and both India and Afghanistan, Pakistan's fear of being encircled in a potentially more hostile neighborhood, particularly sandwiched by both a nuclear India and a nuclear Iran, will inevitably rise. In both circumstances, augmenting their nuclear capability to deter India's provocations as well as to constrain the diplomatic maneuverings of these three countries may seem to Pakistan an ideal choice. Finally, like any other nuclear armed state, attaining the nuclear status has also provided some important auxiliary benefits to Pakistan. Nuclear weapons have become a significant tool for enhancing national pride - something Islamabad is desperately in need of to strengthen national cohesion against

the backdrop of domestic turbulence. Internationally, nuclear weapons have upgraded the country's prestige as an influential regional and even global player. Already there has been a suggestion in Pakistan that its nuclear weapons do not belong to Pakistan alone - they also represent the interests of the whole Islamic world. Although not a mainstream view, the so-called Islamic bomb rationale does have some psychological incentives for Islamabad when assessing the value of its nuclear weapons.

2.3.3 Implications of nuclear proliferation in South Asia

Evidently, the introduction of nuclear weapons to South Asia has profoundly complicated the already complex political and security situation in South Asia and beyond. The negative repercussions could be many-fold.

Firstly, it has added a new nuclear dimension to the arms race between India and Pakistan. Again, India is a driving force in this respect. New Delhi has said that its nuclear doctrine is "based on the principle of a minimum credible deterrent and no-first-use as opposed to doctrines or postures of launch-on-warning," stipulating that India's nuclear policy includes a "rejection of an arms race or concepts and postures from the Cold War era." At the same time, Indian Defense Minister Sheri A. K. Antony has stressed that India's minimum deterrence capability would be "commensurate with the size and geo-strategic position of India in the world", indicating that India's eventual goal is to become a global nu-

clear power - an ambition far beyond its security concerns in South Asia. Under these ambiguous guidelines, India has been carrying out a robust program to rapidly expand its nuclear arsenal with the aim at developing and deploying a complete nuclear triad within the next decade. In addition, India also has active programs to add cruise missiles, ballistic missile defense, and space systems to its military capabilities. The nuclear deal with the United States also led to India's Safeguards Agreement with the IAEA for inspection of its civilian nuclear facilities in August 2008. This agreement allowed India to import nuclear technology from abroad, and to free up its domestic uranium reserves for use in military reactors to produce plutonium for weapons in its emerging triad of nuclear weapons delivery platforms. It is estimated that the current India's nuclear stockpile includes approximately 70 assembled nuclear warheads, with only about 50 fully operational. With its IAEA agreement, this number will certainly grow in a steady manner.²¹

India's unusual zeal in pursuing its nuclear weapon program has undoubtedly set the stage for Pakistan to follow suit. In fact, Islamabad has also started its upgrading programs for nuclear weapons. They include:

- 1) Increasing nuclear stockpiles: Pakistan has already produced a nuclear stockpile probably consisting of between 80-125 weapons. It now also has at least 1,500 kilograms (kg) of HEU and about 60 kg of plutonium. With these ef-

21 For further discussion of Indian nuclear force and nuclear strategy, see Rajesh M. Basrur, "Indian Perspective on the Global Elimination of Nuclear Weapons", article from "Unblocking the Road to Zero", edited by Barry Blechman, Stimson Nuclear Security Series, Washington, DC, March 2009. Robert S. Norris and Hense Kristensen, "Indian Nuclear Force, 2008", Bulletin of Atomic Scientists, Vol. 64, No. 5. pp. 38-40

forts to increase annual production capacity, it is estimated that Pakistan's plutonium capacity will double over the next 5-10 years, and so will the number of warheads,

- 2) Developing more diverse delivery systems. Pakistan currently employs a combination of aircraft and ballistic missiles for nuclear delivery missions. The focus, however, is on advancing ballistic missiles as the mainstay of its nuclear strike force in the future. Like India's, the aim is also to develop an eventual triad of three-stage land-based ballistic missiles, nuclear-powered submarines, and potentially nuclear-capable cruise missiles. But it is believed that "Pakistan's eventual force posture will be determined by Indian air force modernization, India's potential deployment of missile defenses, and the modernization of Indian naval platforms."²² Lastly, Pakistan also plans to improve its multilayer command and control system.

Secondly, the intensifying nuclear race has heightened the risk of the actual use of nuclear weapons. Since the nuclear tests by both countries in 1998, there have been five major military crises between India and Pakistan that had the potential to escalate. Each crisis was eventually terminated without military conflict. This has led many people to argue that the emergence of the two nuclear powers has at least one advantage of preventing the escalation of the military conflicts to an uncontrolled level, as it is now capped by a balance of nuclear fear between the two countries. Neither side can af-

ford to fight a nuclear war. However, this complacency is far-fetched. The truth is that as long as there are nuclear weapons in place, particularly given the adversarial nature of India-Pakistan relations, there is always a risk of their actual use, be it deliberate, out of miscalculation, or by accident.

In South Asia, although the two countries have seen some progress toward normalization of relations, tensions remain high. Future conflicts over territorial disputes or other regional crises, which may lead to the use of nuclear weapons, cannot be ruled out, especially considering the discrepancy of the nuclear capabilities and nuclear doctrines of both sides. Over-confident about their conventional strength, the Indians may calculate that if they launch a preemptive conventional strike that may quickly defeat Pakistan's conventional forces, Islamabad may find it difficult to escalate the war to the nuclear level in the face of a massive Indian retaliatory nuclear counter-attack. Such a war theory, if truly believed and executed by India, will only strengthen the paranoid-mindset of Pakistan, the weaker side, who may be compelled to resort to the first use of nuclear weapons for fear that it may respond too late. Furthermore, as both India and Pakistan are still in the initial stages of nuclear arms development, they have poor mechanisms to manage crisis situations should a confrontation escalate to a military conflict. Most of the nuclear delivery systems of both India and Pakistan are dual-capable, that is, they can carry either nuclear or conventional

22 Brigadier General (Retired) Feroz Hassan Khan, "Pakistan's Perspective on the Global Elimination of Nuclear Weapons", from "Unlocking the Road to Zero", Stimson Nuclear Security Series, Volume III, edited by Barry Blechman, Washington DC., April 2009. p. 17.

warheads. That has not only made the operational status of their nuclear arsenals ambiguous, but has also greatly fuelled anxiety about the decision-makers in the extremely volatile war situations, lest the other side seize the initiative by launching the first nuclear attack. Under such circumstances, it would not be an exaggeration to imagine, for example, that in a war between India and Pakistan, a launch of conventionally armed ballistic missiles from either side could easily be misidentified as incoming nuclear warheads, thus triggering a retaliatory nuclear attack from the other.

Thirdly, the existence of nuclear weapons plus the growing expansion of the nuclear industry exacerbates the danger of nuclear terrorism in South Asia. As discussed above, the rise of the international terrorism and violent extremism in the region has greatly exposed the chaotic domestic situation as well as the vulnerability to terrorist attacks of both India and Pakistan while they are engaged in a fighting against the Taliban and the armed insurgents. Despite repeated reassurances by both the Indian and Pakistani governments of the safety and security of their nuclear arsenals, there is no guarantee that both countries are able to withstand an organized terrorist or criminal attack on their nuclear assets including the sites of nuclear reactors. International concerns, in particular, are over the stability and safety of the Pakistani nuclear stockpile if factional instability were further intensified, resulting in the possible break down of national government in the country, including the loss of control of its nuclear stockpile. There are already rumors that were such a situation to occur, the US would send troops to take control of Pakistani nuclear assets to make sure that they could

not fall into the hands of terrorists or criminals. But the US intervention policy, if true, could only further complicate the situation, not the least arousing the indignation of Pakistan over disrespect for its national sovereignty. Another issue that may also draw the world's attention is the role of A. Q. Khan's illicit network in the global nuclear black market. Although the Pakistani government has made clear that the network operated without its knowledge, and took action to tighten the control of its command and control systems and improve nuclear safety and security, it is still unclear if the channels of illicit export for nuclear material and know-how have truly been closed.

Lastly, the emergence of the two nuclear armed states in South Asia has also dealt a heavy blow to the health of the international as well as regional nonproliferation regime. So far India and Pakistan plus Israel, form the small group of countries which stand outside the International nonproliferation regime, having rejected acceding to the Nonproliferation Treaty (NPT). Their de-facto nuclear status thus has posed the world a dilemma: how they should be defined in terms of their identity. If they are accepted as nuclear states, it makes a mockery of the validity of the NPT regime (since the NPT only acknowledges the five powers which had acquired nuclear weapons capability before it went into force in 1970), meaning that the world is powerless in the face of those who dare to go nuclear. If they are not to be accepted as new members of the nuclear club, the challenge is equally daunting as it is almost inconceivable to see substantial progress in both nuclear disarmament and nonproliferation without the participation of these countries one way or the other.

After the nuclear tests in 1998, the international community maintained a measure of consensus by adopting a UN Security Council Resolution, condemning the nuclear explosions by both India and Pakistan, and imposing sanctions and demanding the two countries to roll back their nuclear programs. That proved to be impractical of course. Worse, international solidarity soon collapsed as many nuclear powers changed their mind about their attitude toward India, tending to accept the actual nuclear status of India. The United States in particular even went as far as to cut a nuclear deal with India, thus not only reversing its long-term nonproliferation policy, but also creating a bad precedent for the norms of international relations. The discriminatory nature of the US-India nuclear deal has made Islamabad particularly indignant about being deliberately neglected, and it feels in further isolation. This humiliating solitary position has also made Pakistan more determined to cling to its nuclear arsenal and to resist any steps for nuclear disarmament and nonproliferation that might put its nuclear capability at risk. One recent example is that, despite the agreement by an overwhelming majority at the Conference of Disarmament (CD) in Geneva to the immediate start of negotiations on a treaty aimed at the cut-off of fissile material (CFMT), Islamabad has almost single-handedly stood in the way, and understandably so, as a way to protest about the US' uneven-handed policy toward the two nuclear powers in South Asia, and to express a concern that the treaty may perpetuate India's favorable position over Pakistan in terms of nuclear material production capability.

Evidently the preoccupation of both India and Pakistan with expanding their nuclear programs

has made the global as well as regional nuclear disarmament more complicated. Surprisingly, for all their differences on various nuclear issues, India and Pakistan now have a paradoxical common interest in resisting any international pressure to prevent them from further developing their nuclear arsenals. Neither has demonstrated a willingness to join in the NPT, or the Comprehensive Test Ban Treaty (CTBT). Citing universality and non-discrimination as the fundamental criteria for India to sign up to global nuclear disarmament, New Delhi has in fact used China as an excuse, claiming to be unable to undertake any obligation to nuclear disarmament unless Beijing does likewise. For the same reasoning, India also rejected any proposals from Pakistan for reaching agreement on regional measures to halt the arms race and ensure strategic stability between the two countries in South Asia. Islamabad proposed a "Strategic Restraint Regime for South Asia" during the bilateral talk with India immediately after their nuclear tests in 1998. The proposal was aimed at reaching agreement on containing the nuclear capabilities of both sides at an acceptable level, as well as preventing vertical proliferation. Pakistan has also suggested the creation of a nuclear weapon free zone in South Asia. India rejected both. To India, these proposals "would have limited it to a regional context, which would have undermined India's goal to emerge as a global power".²³

3. Opportunities and challenges to China arising from the situation in South Asia

The current strategic situation in South Asia has vividly indicated that the region has entered a period of critical strategic transformation in its

security architecture. This will be a long, turbulent, and complex process, the results of which are far from certain. But, whatever form the new security landscape in South Asia takes, it will inevitably have significant impacts on the security of China, for better or worse, as peace and stability in this region has an almost organic linkage with peace and stability in China, its Western part in particular. In a more profound sense, with Asia poised to become the new strategic center of gravity in international politics, China and India are emerging for the first time in modern history as the most significant economic and political powers in the international system. It is against this backdrop that China's relations with South Asia may well determine the pace and extent of the rise of Asia as a whole. The fundamental challenge that China is going to face in its relations with South Asia, therefore, is to what extent Beijing is able to develop a more mature and constructive partnership with the major players so that a propitious framework for a developing a security architecture to ensure sustained peace and stability in the region can be created. Of all these countries, India naturally occupies a central place in China's strategic calculations, for a strategic partnership with India will help expedite the resolution of almost all the major complex security issues in South Asia from a Chinese perspective.

3.1 Opportunities and Challenges to China-India relations

There are good reasons to be optimistic about the development of the bilateral relationship between China and India. From its point of view, China welcomes the rise of India, and does not

view the rise of India as a threat. As China sees it, the two countries share the same bitter, humiliating experience of being subjected to Western colonialism in modern history, and face a similar task in terms of furthering domestic development in a vast, pluralist and complex environment. In order to accomplish this daunting task, both are desperately in need of a peaceful and stable international environment, including a more just and fair international order. The two countries share the same view on many vital international issues, such as encouraging the global trend of multipolarity, opposing the dominance in world affairs of any one major power or power group, calling for a greater role for the United Nations in the maintenance of world peace and security and promotion of development, and safeguarding the interests of developing countries in the face of the at times aggressive actions of developed countries, to name but a few.

China also believes that the two countries have a solid foundation for cooperation. As two great, ancient civilizations, they have enjoyed long-standing good relations and friendly exchanges for more than 2000 years, learning from each other and being inspired by each other. Today, as two emerging world economies, they are in a good position to complement each other to achieve common development and a world better suited to their sustained security. With this conviction, consecutive Chinese leaderships have consistently attached great importance to and striven for better bilateral relations between the two countries.

23 Ibid. p. 26-27.

In the early years of the Cold War, the two countries enjoyed something of a honeymoon period, working together against Western colonialist hegemony. Mao Zedong stressed at that time that "Despite our differences in ideology and social system, we have substantial common ground, that is, we both need to deal with imperialism".²⁴ Leaders from both countries joined hands in producing the famous five principles of peaceful co-existence, which reflected the strong voice of newly independent nations for peace and security in respect of the norms in international relations. Even following military conflict in the border areas of the two countries in 1962, Beijing cherished a wish that grievances over the border dispute from both sides would be transient, and that the two nations would eventually resume normal, friendly relations. Mao Zedong put China's good wishes to an Indian journalist during the poisonous aftermath and deep mistrust of the border clashes: "India is a great nation, and the Indian people are a great people. After all, the peoples of the two countries want to be friends with each other. We cannot keep on quarrelling like this for ever. Please convey my best regards to your president and prime minister." A positive response to Mao's message soon came from the Indian side, assuring that "we are prepared to start a dialogue in the hope of reducing and eliminating the tension and hostility that have enveloped our two neighboring countries".²⁵

When the world entered into the post-Cold War era, leaders of both China and India had come to be more aware that the two countries needed to re-embark on a road of reconciliation and chart a way of greater cooperation. As mentioned above, Indian Prime Minister Rajiv Gandhi first broke the ice with a visit to China in 1988, opening up the way for a thawing of the diplomatic impasse that had lasted over two decades. It was during that visit that Deng Xiaoping, the chief architect of China's Reform and Opening policy, said to Prime Minister Rajiv Gandhi:

"Under the present favorable and peaceful international circumstances, China and India have a common responsibility to mankind - to develop. ... If China and India are developed, we can say we have made our contributions to mankind."²⁶

Based on this belief, China holds that:

"China and India are the two biggest developing countries in the world. We have a combined population of 2.5 billion, 40% of the world's total. A China-India relationship marked by peace, friendship, win-win cooperation and common development not only serves the fundamental interests of our two countries and peoples, but also contributes to global peace and development. It will make a profound impact on Asia and the whole world. That is why

24 Dai Chaowu, "Cold War and India's Foreign Policy and Its Relations with Major Powers" in Chinese. June 26, 2009. <http://history.news.163.com/09/0626/16/5COF89NQ00013FLN.html>

25 See Zhu Hua, "Zhou Enlai and the 30 Years of Sino-Indian Relations" in Chinese, August 13, 2009. The quotes are translated by the author. http://club.china.com/data/thread/5688138/2704/06/49/1_1.html

26 Yan Jiechi, Foreign Minister of China, "For Peace and Friendship, Win-Win Cooperation and Common Development", September 8, 2008. <http://www.fmprc.gov.cn/eng/wjfb/zsjg/yzs/gjlb/2711/2713/t511825.htm>

we say that China-India relations have moved beyond the bilateral context and assumed global and strategic significance.”²⁷

The Chinese view has been echoed by the Indian side with almost the same language on many occasions. When meeting his Chinese counterpart Premier Wen Jiabao in Thailand on October 24, 2009, Indian Prime Minister Manmohan Singh emphasized that:

“India won't deem China a threat and hopes to develop strategic cooperative partnership that is harmonious, stable and strong with China. It is in the fundamental interest of both countries and is also conducive to the region and the world at large.”²⁸

On a most recent occasion, the Indian Prime minister also stressed that “the Indian government devotes itself to advancing India-China comprehensive strategic partnership and is glad to see the progress made in bilateral ties. As long as the two countries speak in one voice, the world will listen.”²⁹ Such are the perspectives of the leaders of both countries, underlining the mainstream views and sentiments of the two great nations. Thanks to the concerted efforts of state leaders from both countries, China-India relations have shown a healthy momentum of all-round, stable development with frequent high-level visits, greater exchange and cooperation in all areas and close communication and coordination on major global issues.

But of course for all these impressive achievements, prospects for China-India relations seem still clouded with much uncertainty. Old and persistent differences and disputes have been augmented by the new challenges generated from the fast changing international environment and the reorientation of India's foreign and security policy.

The basic obstacle is lack of mutual trust and confidence between the two nations. The 1962 border conflicts left a deep and unhealed scar on both sides. Although keenly aware that they have much in common, and need to support each other for long-term development and national security, a self-perpetuating suspicion of the other side's intentions runs deep, and not only in decision making circles - it is also widely shared in the elites of the two countries. This sentiment of mistrust has often been magnified by traditional disputes left over from history as well as a perceived rivalry in the international arena.

In the field of bilateral relations, the unresolved border dispute remains the most serious issue that divides the two countries. From China's perspective, the China-India boundary has never been formally delimited. As the issue involves sovereignty and territorial integrity, it has often touched on the most sensitive national feelings in both countries. Neither side has much room to maneuver. Under the circumstances, the only feasible way out is an agreement that the two countries should follow the spirit of peace,

27 Ibid.

28 “Wen Jiabao Holds Talks with Indian Counterpart Singh”, October 24, 2009. <http://www.fmprc.gov.cn/eng/wjbj/zsjg/yzs/gjlb/2711/2713/t623101.htm>

29 “Hu Jintao Meets with Indian Prime Minister Singh”, News Report at the website of China's Ministry of Foreign Affairs, Beijing April 15, 2010. <http://www.fmprc.gov.cn/eng/zxxx/t682899.html>

friendship, consultation on an equal footing, mutual respect and mutual accommodation, and the resolution of the boundary question through negotiations in a patient manner. Pending an ultimate solution, they should work together to maintain peace and tranquility in the border areas. Fortunately, the past few decades have seen a peaceful border and impressive progress in negotiations between the two special representatives assigned by each government on the boundary question in keeping with this spirit. The two sides have agreed on the political parameters and guiding principles and started the discussion of a framework for an eventual settlement. The challenge is how to translate them into further concrete results, a task that requires not only political wisdom and courage from state leaders in their decision-making, but also persistent work to gain the understanding and support of domestic public opinion in both countries.

Tibet is another issue that the two countries need to further address in order to strengthen mutual confidence in future cooperation. That Tibet is an inalienable part of China has been universally accepted by the international community. India's claim that it has a special interest in Tibet has been a source of mistrust and tension between the two nations, often leading many Chinese to question New Delhi's motives, including its role in instigating the fleeing of the Dalai Lama and allowing his "government in exile" to operate from territory. Although India's recent reaffirmation on its position of recognizing Tibet as part of China's territory was a great help to strengthening mutual confidence and trust, continuing to allow activities by separatist elements against China on India's soil will con-

tinue to undercut the credibility of New Delhi's pledge.

3.2 Importance in developing three key tripartite relationships in South Asia

In the international field, China's relations with other major players in South Asia will not only have profound impact on its relations with India, but they themselves are essential building blocks for reshaping the power structures of the region in the future. Looking ahead, three of these other major players in South Asia could be highly important factors in this regard, although each may play a different role. They are: the United States, Pakistan, and Russia. Different configurations of these three sets of trilateral relations, all involving China and India, will have enormous implications for future security and stability in the region.

3.2.1 China-India-US Tripartite relations

The first set of tripartite relations is between China, India, and the United States. This is going to be the most important but also the most complex tripartite relationship in the future security landscape of South Asia. As noted above, each of the three countries has been seeking to strengthen cooperation with the other two, but evidently with different motivations. The good news is that within the triangle framework, each bilateral relationship has been playing out positively. This paper has devoted considerable attention to China-India and India-US relations in this paper. In the same positive manner, China-US relations have also seen encouraging progress. When President Obama paid a state visit to Beijing in November 2009, the two coun-

tries seemed determined to push the bilateral relations to a new high. Drawing on the strength of three previous communiqués, and in line with development of the global and regional situation, a new Joint Statement was issued, aimed at further defining the code of conduct between the two nations, based on the recognition of greater common interests and interdependence between the two nations. Among other things, the two countries are of the view that:

"[I]n the 21st century, global challenges are growing, countries are more interdependent, and the need for peace, development and cooperation is increasing. China and the United States have an increasingly broad base of cooperation and share increasingly important common responsibilities on many major issues concerning global stability and prosperity. The two countries should further strengthen coordination and cooperation, work together to tackle challenges and promote world peace, security and prosperity."³⁰

In line with this reaffirmation of understanding, the two sides also "reiterated that they are committed to building a positive, cooperative and comprehensive China-US relationship for the 21st century, and will take concrete actions to steadily build a partnership to address common challenges."³¹

The two countries have also pledged cooperation on South Asia as they ensured:

"The two sides welcomed all efforts conducive to peace, stability and development in South Asia. They support the efforts of Afghanistan and Pakistan to fight terrorism, maintain domestic stability and achieve sustainable economic and social development, and support the improvement and growth of relations between India and Pakistan. The two sides are ready to strengthen communication, dialogue and cooperation on issues related to South Asia and work together to promote peace, stability and development in that region."³²

But then again, the China-US relationship has also a less positive side. Despite profuse demonstration of good intentions by both state leaders, the two powers seem to have never truly trusted each other. Cooperation has often been on an ad hoc basis rather than putting the state-to-state relationship on a sustained track, not the least because the two capitals often have different views on many vital security issues such as Iran, North Korea, and financial disputes, etc. From China's perspective, it is most difficult, if not impossible, to be America's friend. On many occasions, cooperation with Washington invariably means to behave as the US dictates, without respect for China's core interests. Furthermore, the rise of China economically has seemed to leave Washington at a loss as how to define the nature of China-US relations. In the US' threat perception, China has clearly been cited as the greatest potential threat to its security interests in the future. Much of the US military deployment and diplomatic orientation has in fact been either aimed

30 See "China-US Joint Statement", Website of China's Ministry of Foreign Affairs, Beijing, November 17. <http://www.fmprc.gov.cn/eng/wjzb/zzjg/bmdyys/xwlb/t629497.html>.

31 Ibid.

32 Ibid.

directly at constraining or indirectly hedging against China. China has also been victimized by the poisonous domestic political atmosphere in the US. More often than not, the partisan strife in Congress, the fighting among different interest groups, the competition among different services in the military and the agitation of a grossly biased media and public sphere have all worked to further aggravate inconsistencies in Washington's China policy. As a result of all these complicated factors, US China policy has always been characterized by inconsistency, ambivalence, and uncertainty. As one US commentator describes the situation:

"In the realm of foreign relations, the issue of China is about as murky as they come. Americans tend to be simultaneously curious and cautious, so in their minds, China arouses optimism, curiosity, suspicion, fear, antipathy, and apathy. We have seen glimpses of this spectrum of opinions mirrored in the people who comprise Obama's cabinet. We have seen the totality of this spectrum in the policies of past American presidents. But it is certain that this administration will control the shape of the path between America and China, be it tame or rugged. And should it be rugged, it is absolutely crucial that it at least be passable so as to successfully lead us to China."³³

Under the circumstances, particularly in the context of the changing South Asian context, each of the three countries seems to strive to strengthen its relations with the other two, while avoiding

being isolated by getting too close. On India's part, New Delhi seems to hope that its power diplomacy might induce both China and the United States to court India, exacting greater concessions from both of them to maximize its own benefit. At the same time, it evidently fears the prospect of the so-called "G2" - meaning a world under China-US condominium at the expense of India's core security interests. On the part of the United States, Washington evidently wants to use India as a strong constraint against China, but not without the fear that the two Asian giants may get too close together at the expense of its core interests. On the part of Beijing, the apparent inclination of India towards closer cooperation with the United States has also magnified its concerns, if not alarm, over being encircled by a hostile coalition against China. Clearly, each side still seems to look at the tripartite relations as a zero sum game. And so long as they do so, it is difficult for them to refrain from manipulating bilateral interactions for their narrowly defined national interests. The most daunting challenge facing China, therefore, is how these three countries can break the vicious cycle of power politics, and work together for win-win results.

China should propose incentives to encourage the two other countries to head towards that direction by its own deeds. In the framework of this tripartite relationship, China could therefore:

- 1) Encourage multi-dimensional bilateral cooperation wherever possible so as to develop more common interests among the three countries.

33 Autumn Carter, "US-China Relations in the Obama Administration", article at "Stanford Review", Volume XLII, Issue 2, Stanford, February 27, 2009. <http://stanfordreview.org/article/us-china-relations-obama-administration>

In this regard, to boost economic cooperation and trade would be of particular significance as greater economic interdependence would develop a firmer foundation for the three countries to seek win-win progress.

- 2) Refrain from manipulating bilateral relations with either of the other two countries for its own narrowly defined national interests. Any set of these bilateral cooperative relations should be non-allied in nature; they should not be aligned against the third party; and they should work toward the overall balanced progress of cooperation among the three countries.
- 3) Emphasize the importance of respect for the core interests and major concerns of the other parties. This is the key to the healthy and stable development of the trilateral ties.
- 4) Encourage transparency of strategic intentions to reduce misjudgment and miscalculation. To that end, it is essential to enhance communication and dialogue at different levels to accumulate better understanding and mutual trust among the three countries. Differences and even disputes will be normal, considering the extremely diverse historical backgrounds, political and social systems, developmental level, and national conditions among the three countries. What matters is the availability of mechanisms to manage and solve disputes in a timely and effective manner when problems emerge. In this regard, setting up a tripartite dialogue mechanism at the highest level among the three countries may be of vital importance. And it is not only official channels of communication that are essential; people to people contacts, including second track dialogues, could be of equal importance in promoting greater cooperation among the three countries.

- 5) Develop a more propitious domestic environment to cement public support for better relations. For that purpose, media and academic discourses should play a more constructive role in helping governments to put cooperation on the right track.

3.2.2 China-India-Pakistan tripartite relations

The second notable set of trilateral relations is that of China, India and Pakistan. Unlike the previously discussed dynamic between China, India and the United States, the fate of this triangular relationship depends almost solely on the evolution of bilateral relations between India and Pakistan, which has long been one of hostility and military confrontation. Despite the fact that the two countries were once part of the same nation, they are far removed in terms of ethnic identity and religious beliefs. The dispute over Kashmir, which is a relic of the typical exit strategy of British colonialism, has further aggravated contention between the two countries since independence in 1947. Many believe that the issue was deliberately created by the British in the hope of sowing discord between the two newly born states to serve their own interests when they were forced to leave South Asia. Whatever the British motives, the consequence is that India and Pakistan have been fighting against each other over Kashmir for more than six decades almost without interruption. The issue looks almost insolvable as neither can afford to yield. To both countries, Kashmir is of vital strategic significance. In particular, the region holds precious water sources for Pakistan, and as such, to Islamabad, controlling Kashmir is literally controlling its fundamental existence. What is more, there is little evidence of common ground in terms of how a solu-

tion should be reached. In the view of Pakistan, the Kashmir issue should be resolved in accordance with the relevant UN Security Resolutions, and that the future of Kashmir should be determined by the will of the Kashmiri people. India, which controls two-thirds of the land and three-fourths of the population in Kashmir, is the major beneficiary from the current situation, has thus far declined to give consent to any formula of resolution which might suggest the erosion of what it has already achieved.

Differences on the war on terror have become another bone of contention between India and Pakistan. Almost any large scale terrorist attack in either country triggers a wave of fingerpointing, and accusations that the other side is the chief culprit. As shown by the Mumbai attack in India in 2008, this kind of event can greatly poison public perception, fuel mutual mistrust, and push the two rivals to the brink of military conflict.

There is also an American factor in the India-Pakistan relations. Each wishes the world's only superpower to support its side above the other, particularly since the end of the Cold War. In this regard, there appears some resemblance between the positions of Beijing and Washington, as the US also faces a difficult choice between India and Pakistan. The difference between China and the US, however, lies in the fact that pragmatism always dictates American policy.

Washington has never been firm in its position towards the two countries. In the post Cold War era, although Pakistan is at least nominally a US ally, Washington has increasingly tilted in favor of India, which has the potential to be of far greater value to the US in terms of strength and influence. As a result, while Washington and New Delhi have become unprecedentedly close, Islamabad has been feeling increasingly displeased and betrayed. On the other hand, with the war on terror being ever more focused on South Asia, Pakistan seems in a far more important place than India to offer Washington badly needed help. This particular practical necessity has recently forced the Obama administration to take pains to pacify Pakistan even at the expense of its cooperation with India. High-ranking officials and military commanders flocked to Islamabad with profuse reassurances and offers of military and civilian assistance on an unprecedented scale.³⁴ Again, it is now the turn of New Delhi, who feels extremely unhappy just as it did so when the US seemed to embark on a closer cooperation with China. Anyway, US vacillation between the two countries motivated by its own national interests is far from a help to the stability of South Asia; rather, it has only made the regional situation more complicated and volatile.

China has been trying to avoid such a tightrope walking. Beijing's principle is clear and explicit: China should firmly endeavor to maintain good

34 The visit by US secretary of Defense Robert Gates to Islamabad in January 2010 is an illustrative example. During the visit, Gates reassured Islamabad that "the central message I repeated in all of my meetings is that the United States is fully committed to a stable, long-term, enduring friendship with Pakistan - based on common interests and mutual respect that will continue to expand and deepen in future years." See Robert Gates speech at the Pakistan National Defense University, on January 22, 2010, released by the Office of the Assistant Secretary of Defense (Public Affairs).

and cooperative relations with Pakistan but not at the expense of India's interests, nor will its efforts to improve relations with India be at the expense of Pakistan's core interests. The dilemma, of course, arises when the two major rivals on the subcontinent continue to look at the tripartite relations as a zero-sum game, rendering it difficult to translate this principle into effective policy. Any enhanced cooperative measures by China with either of the other two would invariably be regarded by one side as a provocation and even a threat by the other. The only way to break out of this vicious circle seems to lie in a substantial improvement of relations between India and Pakistan themselves. If the two countries succeed in ameliorating their suspicion and hostility towards each other, China will be in a better position to push for a healthier development of tripartite relations.

Fortunately, in the past few years, there has been positive progress in the bilateral relations between India and Pakistan, each becoming increasingly aware that their differences and disputes can only be solved through peaceful and diplomatic channels, and that cooperation rather than confrontation is in their best interests. This sober-minded understanding seems further reinforced by their shared awareness that both countries need a more peaceful and stable external security environment so as to concentrate on their domestic development. They also expect that by improving their relations, both countries could greatly benefit from enhanced economic cooperation, with levels of bilateral trade exhibiting huge scope for growth. Finally, as the stronger side in the rivalry with Pakistan, India seems also to have come to understand that, as long as it continues to be engaged with Paki-

stan in a heated confrontation, New Delhi will always be tied down in the South Asian region, allocating much of its resources, time and energy to a single, regional issue, thus harming its dream of becoming a world power.

So, both India and Pakistan today seem poised for a shift from confrontation to dialogue. Both capitals have reached a number of agreements on joining hands to address issues such as Kashmir and drugs trafficking. Even on the war on terror, both seem to be pursuing a more business-like, restrained and flexible attitude, avoiding intensifying the conflict where there is difference. All this does not suggest that the two countries will solve deep-rooted problems easily; some consensus, however, seems to be emerging that by accumulating common interests and promoting mutually beneficial collaborations, the process of expanding communications and cooperation will inevitably follow, and perhaps even set in train some kind of political reconciliation. All this is good news for China.

3.2.3 China-India-Russia tripartite relations

The third set of trilateral relations among China, India and Russia could also have significant impact on the situation in South Asia, as well as China's relationship with the region in a long run. Although all still emerging economies, the three countries have huge potential in their role in world affairs. Cooperation among the three will clearly go a long way towards shaping the economic dynamics of the region, a key factor in the geo-political landscape. All the three countries share the same basic global outlook, with a common desire to see progress on the democratization of international relations, the de-

velopment of a multipolar world order, and the strengthening of diversity in global cultures and civilizations. These trilateral relations are obviously of more constructive nature to the previous two. Based on this understanding, the three countries have been proactive in taking measures to strengthen cooperation in their best interests. On June 2, 2005, the foreign ministers of the three countries held an "informal meeting" in Vladivostok for the first time, signifying that the trilateral relations were being lifted to an official level, attracting global attention. Since then, nine such rounds of meetings have been held, adding greater dynamism to cooperation between the three nations, particularly in the field of non-traditional security. These ministerial meetings have also served as a platform for the exchange of views and exploring ways of enhancing cooperation on many vital security issues. Undoubtedly, politically, this set of tripartite relations could work towards a more balanced power structure on the subcontinent, conducive to China's interests.

Tripartite relations between China, India and Russia could also be viewed in an even broader context as they are the major components of the BRIC nations. Together, these four countries demonstrate an even more potent aggregated economic force, accounting for 42 percent of the global population, holding \$2.8 trillion or 42% of global foreign reserves, and representing one-third of global economic growth in the past 10 years. According to Chinese President Hu Jintao, the four countries have increased cooperation with fruitful results in recent years. He stressed:

"Our four countries differ in political system, development model, religious belief and cultural tradition, but we have become good friends and partners. This shows that countries with different social systems can be inclusive toward each other and countries with different development models can engage in cooperation. It also shows that different civilizations can learn from each other and different cultures can have exchanges. Our endeavor is in keeping with the trend towards peace and development and answers the call of our time for cooperation and mutual benefit."³⁵

He further pointed out that:

"BRIC cooperation now faces both valuable opportunities and severe challenges. We should set clear objectives for cooperation among the four countries and advance the BRIC cooperation process from a strategic height. We should base our cooperation on political mutual trust, and treat each other with sincerity, mutual respect, mutual understanding and mutual support. We should focus on practical cooperation and make our cooperation more dynamic through concrete actions. We should strengthen institutional building to support increased cooperation in broader areas. We should aim for mutual benefit by combining our respective strengths and sharing the fruits of cooperation to the fullest extent. We should view openness and transparency as the prerequisite of our cooperation and strengthen communication and exchanges to make our cooperation an open process."³⁶

35 Hu Jintao, "Cooperation and Openness for Mutual Benefit and Win-Win Progress", BRIC Summit, Brasilia, Brasil, April 16, 2010. <http://www.fmprc.gov.cn/eng/zxxx/t683414.htm>

Hu Jintao's remarks accurately reflect China's view on the BRICs (of course also the tri-angle's) nature and mission in their cooperation. Undoubtedly, as long as the three countries act as Hu describes, they are bound to contribute to a more balanced power structure on the subcontinent. It will be enormously conducive to peace, prosperity and stability in South Asia, all of which is in China's core interests.

3.3 China's role in the fight against international terrorism in South Asia

Another equally important international factor that will affect China's interests is the ongoing global effort to fight international terrorism. The consequences of President Obama's shifted focus on terror from Iraq to Afghanistan and the North-west area of Pakistan have profoundly affected China's security considerations. China shares the US objective of removing the threat of terrorism as well as realizing sustained peace and stability in South Asia as this will also contribute to peace and stability in China's Western regions, where a number of China's largest minority ethnic groups are located. China also believes that to achieve this, the war on terror in Afghanistan is of the central importance. However, Beijing often finds it difficult to agree with a US strategy that relies so heavily on the large scale use of military force. From China's perspective, the current complex situation in Afghanistan is the result of a combination of many destabilizing factors in the country, including resurging terrorism, rampant drug trafficking and transnational organized crimes, and the slow progress of reconstruction, among others. Thus, to use military force might be una-

voidable on some occasions, but it will backfire if military force is abused. What is badly needed is a comprehensive approach, which can treat both symptoms and root causes, fight more vigorously against terrorism, drug trafficking and organized crimes in the region, and help Afghanistan achieve stability and economic development.

To achieve that end, particularly in the case of Afghanistan, China hopes that the role of the Afghan government in managing its own affairs is respected. Efforts should be made to help the Afghan government enhance all aspects of its capacity to govern and step up training for and assistance to its military and police forces, so that they can independently take up security and defense responsibilities in Afghanistan at an early date. In this respect, greater importance must be attached to the economic development of the country. More needs to be done to improve the well-being of the Afghan people by improving agriculture, education, public health and infrastructure on a priority basis so as to ensure that Afghanistan has its own "blood-making" capability and achieve benign social and economic development in the country. Only by achieving success in all these fields, will the root causes of terrorism, drug trafficking and transnational organized crimes be eliminated in Afghanistan.

This task cannot be undertaken by the newly elected Afghan government alone, given the current situation. China believes the international community could play its vital role by working in synergy, and cooperating with the Afghan government in this regard. China, in particular, supports a leading role for the United Nations in co-

36 Ibid.

ordinating the international efforts in expediting the reconstruction process in Afghanistan, a view which has already met with the appreciation of the Afghan government and people. China also encourages the role of various regional cooperation mechanisms. Neighboring countries should actively engage in Afghanistan's reconstruction and involve Kabul in regional cooperation mechanisms. In this field, China hopes that the Shanghai Cooperation Organization (SCO) can play a most constructive role in assisting the stabilization and development of Afghanistan as well as the security and stability of the South Asian region. Among the six neighboring countries of Afghanistan, five are member states or observer states of the SCO. As an emerging regional cooperation organization, the SCO has been consistently committed to peace and stability, development and prosperity in the region, including in Afghanistan. The SCO's role is becoming more important and its efforts have been fully recognized and positively assessed by the international community. To better coordinate their efforts, a special conference on Afghanistan was convened under the auspices of the SCO in Moscow in March 2009, to reach consensus among the member states and Afghanistan. A statement and a plan of action were adopted on combating terrorism, illicit drug trafficking and organized crime at the Conference and China welcomes this new consensus among participating states. Through the channel of the SCO-Afghanistan Contact Group, the SCO member states have formulated concrete measures and plans for stronger cooperation and achieved positive results. They include, for example, tightening border control and increasing joint law enforcement between member states and the relevant Afghan departments; involving Afghanistan in SCO cooperation in fighting the

"three evil forces of international terrorism, national separatism and religious extremism" in a step-by-step manner; and strengthening cooperation and information sharing among the SCO member states.

China has played its own role in helping rebuilding Afghanistan. Since the new Afghan government was formed, China has been committed to developing relations with Afghanistan and has taken an active part in the Afghan reconstruction. On the political front, the two sides signed the Treaty of Good Neighborly Friendship and Cooperation and established the China-Afghanistan comprehensive and cooperative partnership. On the economic front, China has focused its assistance on improving the Afghan people's livelihood and putting Afghanistan on a more solid footing for independent development. China has built a hospital, a water conservation project and other facilities aimed at improving people's well-being in Afghanistan. In total, China has provided nearly US\$180 million in economic assistance to Afghanistan and cancelled all the matured debts owed it by the country. In addition, China has trained over one thousand Afghan technical personnel from various fields. On the security front, China and Afghanistan have signed agreements on combating illicit drug trafficking and transnational crimes and conducted effective cooperation in fighting terrorism and illicit drug trafficking. China has also assisted in developing the Afghan national army by providing military assistance and personnel training. At the SCO special conference on Afghanistan, China announced that it would commute its previous commitment of US\$75 million in concessional loans into grant assistance, which would be delivered over five years starting from 2009.

It is hoped that all these independent efforts by the United Nations, the SCO as well as China could work in parallel with the US-led NATO efforts for their common objective to bring peace, stability, harmony and development in Afghanistan, thereby proving a solid basis for the comprehensive defeat of international terrorism in South Asia.

3.4 China's position on nuclear non-proliferation in South Asia

Finally, China is also confronted with the new challenge of nuclear proliferation in South Asia. As detailed above, the emergence of the two nuclear armed states has given rise to a series of negative consequences such as fueling a nuclear arms race, the possible use of nuclear weapons, the rise of nuclear terrorism, and damage to international nonproliferation mechanisms. All these constitute destabilizing factors to security in the region, and complicate China's threat calculations. The challenge therefore is how to set the course of nonproliferation in South Asia back on a right track. Efforts must be made to persuade the two countries in question to halt their nuclear arms race, put all their nuclear material under safeguards, and to uphold nonproliferation and disarmament norms and practices at least as rigorous as those accepted by nuclear-weapon states under the NPT. This is to be done preferably within the NPT framework. But even if that is not feasible, many steps could still be conceived of involving the two countries embarking on disarmament and nonproliferation efforts on the condition that they do not formally receive the legitimacy of the recognized nuclear-weapon states. First of all, for example, New Delhi and Islamabad should be encouraged to continue their bilateral talks on nuclear confi-

dence measures to strengthen nuclear stability so as to minimize the danger of misjudgment and overreaction. Both countries should also make efforts to secure their nuclear facilities and material and maintain controls on nuclear related exports in the hope of preventing terrorists from operating on their territory. More importantly, the two countries should ratify the Comprehensive Test Ban Treaty (CTBT), and decide on a moratorium on unsafeguarded production of fissile materials at an early date pending negotiation of a fissile material production cut off treaty (FMCT). These measures, if they materialized, could help define an effective approach to nuclear cooperation with countries that have not signed the NPT.

4. Conclusions

1. China's relations with South Asia could be essentially shaped by its ability to address three major issues that have arisen as the most important factors in the security landscape of the region. They are: how China can develop its relations with India; how China can engage itself more constructively in the fight against international terrorism; and how China can work together with the international community to encourage India and Pakistan to join the process of global and regional nuclear disarmament and nonproliferation.
2. Of these three tasks, China's relations with India occupy a central place in the prospects of the future strategic situation in South Asia. Almost all the major obstacles to peace, stability and prosperity in South Asia are related to, one way or the other, the role of India and its relations with China in the region. Putting it

another way, a comprehensive and strategic partnership between China and India, if based on respect for the core interests of other players, would have a lasting impact on the peace, stability and prosperity of the region.

3. To better develop a comprehensive China-India strategic partnership, the two countries need a new vision based on the understanding that both will remain developing countries for a long time to come, constrained by their huge domestic problems and affected by the international environment. In this regard, both countries should guard against excessive eagerness to play a role in the world arena than they can afford. For excessive eagerness could run the risk of giving rise to unrealistic expectations, and acting beyond affordability or achievability. In the meantime, the new vision should truly avoid the Cold War mentality, embracing an approach towards security that stresses mutual respect, equality, and win-win progress. Both capitals need to be aware that as the two largest developing countries, their commonalities are far greater than their differences, and that closer cooperation will not only decide the future of their own peaceful development, but also the fate of Asia. Both sides should guard against the manipulation of political power in the name of narrowly defined national interests.

4. Both China and India also need to foster more benign domestic public opinion for a friendlier relationship. With growing comprehensive strength, both countries seem to have seen the rise of nationalism at home, with higher expectations and demands for greater respect from the rest of the world. These sentiments

often spillover into emotional and irrational public outbursts which perpetuate disputes and misinformation. In the case of China-India relations, China's rise, the border dispute, Tibet, nuclear weapons, or even a random incident could suddenly become big issues in India, invariably leading to China being labeled as a threat to India. In this respect, the media and non-governmental organizations (NGOs) could play a particularly crucial role as they are the dominant forces in influencing the views of the public, and even government agencies. If history is any guide, this bilateral relationship has often been the victim of distorted national emotions since the border clashes in 1962, and the problem persists to this day. The media and NGOs in both countries, therefore, have a special responsibility to take the lead in creating a more propitious domestic atmosphere for sustained strategic and cooperative partnership between these two great nations.

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