External factors and domestic imperatives have brought about a sudden but welcome shift in India's policy towards Pakistan from confrontation to talking peace. After the terrorist attack on the parliament India applied intense political and military pressure for nearly 16 months to achieve its political and strategic objectives of trying to isolate and compel Pakistan to stop support to the Kashmiri freedom struggle. The mantra of 'cross border terrorism' had partial success as it drew international support and sympathy from US and all major powers and forced Pakistan on the defensive and compelled it to exercise more effective control on movement of militants. India taking advantage of 9/11 was also able to shift the centrality of the freedom struggle in Kashmir to the issue of terrorism. For a while it worked and even allowed New Delhi to proceed with the state elections in Kashmir, creating, albeit, some real and part illusionary affect of progress on the domestic front. But the confrontational policy had run its course and reached a stage where it was becoming counter productive for India to pursue it any further. The world powers realizing that the problem of cross border infiltration was as much of a symptom as the cause and that Kashmir could be a flash point for a future conventional or even a nuclear war, were insisting on India to shift to diplomatic and political instruments of state craft. Foremost, of course, was the U.S. role in nudging India and Pakistan to create conditions for reducing tension so that dialogue could commence.

Secondly, New Delhi had expected that significant increases in its defense spending coupled with prolonged mobilization and heightened tension will prompt Islamabad to incur corresponding additional expenditures in its military budget leading to the collapse of its fragile economy. Fortunately, Pakistan's economy due to better macro management displayed great resilience during this period. Rescheduling of debt by G-8 countries and multilateral agencies accompanied by other favorable factors such as increase in remittances and exports gave Pakistani government the capacity to face the financial burden of operational deployment successfully.

Furthermore, Indian policy makers initially misread the US national security strategy as a document from which India could draw parallels to pursue its hegemonic designs against Pakistan. The US government lost little time in correcting this false impression. It was becoming clearer to New Delhi that despite its close relationship with America the unraveling of the US' hegemonic position globally was in fact squeezing its political space in the region.

Anti-Pakistan and anti-Muslim policy of BJP diehards may have paid dividends in
Gujarat elections but failed to gain nation wide acceptance as results in Himachal and Uttar Pradesh subsequently indicated. Belligerence and prospects of war were having an adverse impact on Indian trade and investment. Equally disconcerting has been the ill affects of extremism on the Indian polity causing concern among its moderate leadership and intelligentsia that the secular character of India was changing and a reappraisal was necessary.

Besides, saner elements in both countries seem to be realizing that there is no military solution to Kashmir and the existing pattern of relationship based on a volatile balance of power is fraught with extreme danger. Despite the occasional irresponsible saber rattling, nuclear capabilities in both states helped in tempering military aggression on both sides.

Above all it goes to the credit of Prime Minister Vajpayee that he has repeatedly shown a strong proclivity for a statesmanship approach on Indo-Pakistan issues despite the fact that he is surrounded by hardliners for whom talking of peace is anathema.

Recent diplomatic overtures of Indian and Pakistani leadership are conciliatory and encouraging yet deep down there exists extreme mistrust for each other and the gulf on the core issue of Kashmir remains wide and not so easily bridgeable. Pakistan naturally wants to move fast on the question of Kashmir and maintain pressure on India to engage in substantive negotiations on its future status because this is where the problem lies. As the situation stands now India in all probability will drag its feet on Kashmir and would like to maintain the status quo. This is where political acumen and goodwill not only of Indian and Pakistani leadership, but also of the international community and particularly US should come into play. There is a lack of sensitivity by the world at large towards the plight of the oppressed people in Indian held Kashmir, who are held in a state of siege, particularly since 1989. Now that Pakistan is making every effort to put a stop on the Jihadi forces to cross over, the world cannot remain a silent spectator on the brutal and gross human rights violations of India. Just as India demands a permanent and verifiable end to Pakistan's support to the militancy in Kashmir so should the world demand a permanent stop to India's atrocities through a verifiable transparent mechanism of monitoring Kashmir by human rights organizations. In fact reciprocity demands that India starts reducing its security forces and end oppression of the Kashmiris. Both countries could agree to a cease-fire on the Line of Control. At the same time India should enter into substantive negotiations with both Pakistan and the political forces in Kashmir particularly the APHC. Whereas judging from the statements coming out of New Delhi it seems India remains inflexible on Kashmir and merely shows willingness for peaceful coexistence with Pakistan provided it stops "cross border infiltration". Ironically, each country's top leadership thinks that what the other wants in the context of Kashmir would destabilize its society. No wonder then that both countries perceive each other as de-stabilizers.

Restoration of full diplomatic relations between India and Pakistan has already been agreed to and revival of air, road and rail links is likely to follow soon. Greater interaction on the economic front including collaboration in energy pipelines from
Central Asia, trade and promotion of cultural activities are feasible endeavors as a part of the structured integrated peace process provided political will exists on both sides. India may be ready for normalization of relations in which trade, commerce and cultural activities get a boost as the composite dialogue moves forward. There are two views in Pakistan on the question of moving fast on economic and cultural matters without corresponding progress on Kashmir. Studies conducted by many eminent economists and business houses have come to the conclusion that it is in Pakistan interests more than India's to engage in normal commercial activity with each other. Regrettably, there is another group in both India and Pakistan for whom economic considerations when dealing with each other have remained relegated to the lowest priority. But if experience from the past is a guide greater commercial and cultural activity should help in creating an enabling environment for resolution of the complex issue of Kashmir. In any case the inability to resolve the big issue in the near future should not hamper us from making progress on smaller issues. Cooperation in any area if it results in reduction of tension is good for the people of both the countries.

The proposal for a nuclear free zone in the present circumstances is too ambitious and a non-starter. To expect that India and Pakistan will give up their nuclear capability or stop its evolution and agree to a South Asian nuclear free zone is far fetched. India is already working on its declared ambitious nuclear doctrine based on the triad. And then there is the China factor in the Indian nuclear calculus. For Pakistan's military planners reliance on the nuclear deterrence to offset India's conventional superiority and growing military power is a central component of its military strategy. There is, nonetheless, an urgent need for nuclear stability and both countries should agree to a nuclear dialogue that could move towards developing a Nuclear Risk Reduction regime. The nuclear issue could either be tackled as a part of the integrated peace process or lifted out of it and dealt with separately. The Americans can play a useful role in facilitating this process initially.

Fortunately, there already exist the outlines of the peace process spelled out in the summit declaration at Lahore and in an informal sense at the Agra talks. Additionally, the joint statements of the Indian and Pakistani Foreign Secretaries of 1997 and 1998 can serve as a framework to build on.

Both countries are facing the common scourge of grinding poverty, social divisions and religious extremism. Besides, the relentless pace of globalization and the dangers emanating from the rupture in the world order makes it imperative for India and Pakistan to move towards economic cooperation and seek political interaction for addressing Kashmir and other issues. Both countries need to be frequently reminded that Military Confidence Building Measures can be effective only if these are complemented by tangible political, social and economic measures to promote durable trust and mutual confidence.

The easier path to gain short-term political gains by both countries is to continue on the path of confrontation and feed on age old rivalries and misplaced nationalism but if we have to learn from the past then the road has to be different. Establishments with rigid ideas on both sides are led by hawkish elements that have become very
powerful. Will Vajpayee and Musharraf develop a genuine shared vision to lead the region towards peace and prosperity and blend and balance the interests of the elite with the long-term economic and political interests of the broad masses?

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