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The case for a coherent South Asia strategy

No zero-sum choice between India and Pakistan

by *Karl-Heinz Kamp*

German foreign policy is beginning to realise the geopolitical importance of South Asia. The focus is mainly on India, which is understandable in view of that country's growth and development prospects and democratic constitution. But Germany should not overlook Pakistan despite the latter's undeniable weaknesses and problems. On the one hand, further destabilisation of Pakistan would be dangerous; on the other hand, Pakistan shows at least some promise of economic development. In view of these facts, Germany needs to adopt a coherent strategic approach to South Asia which does not involve choosing one partner in the region to the exclusion of the other.¹

Development prospects of the South Asian subcontinent

South Asia is undergoing a rapid process of economic and political restructuring. Apart from traditional lines of conflict, new alliances are forming, driven largely by strategic competition between China and the United States (with the latter becoming less relevant in the region). Other actors, such as Saudi-Arabia and Iran, also exert their influence and contribute to the formation of rival camps. In economic terms, the shift away from agriculture towards industry and services is creating great development opportunities. About one billion people in South Asia are below the age of 30 and live in cities. Despite the many problems it brings, urbanisation is turning India into the growth engine of the region, increasing South Asia's share of the world economy as well as its global importance.

At the same time, climate change and rapid population growth are likely to arrest development and lead to conflict. Global warming is causing extreme weather events such as heat waves and floods. Entire regions in northern India, southern Pakistan and Bangladesh may become uninhabitable in the foreseeable future. Food production and water supplies are shrinking while the population is growing. Further destruction of fishing grounds will be the result, along with the spread of malaria and dengue fever. Distribution battles and climate-related migration will intensify as a consequence.

So far, the West has focused on Afghanistan, Pakistan's northern neighbour. The international fight against the Taliban and the attempt to stabilise the country have been estimated to cost between USD 1,300 and 1,500 billion to date. Given the limited success of the peace process and the resurgence of radical forces in the country, Western countries will be scaling down their commitment in the medium and long term. As a result, Afghanistan will continue to lose political relevance, which will in turn affect the stability of Pakistan. At a global strategic level, the region is divided into the US/India camp on the one hand and the China/Pakistan camp on the other. America is attempting to contain China's growing influence by means of an "India First" policy, which is driving Pakistan even closer towards China. Beijing's offer of a Chinese-Pakistani Economic Corridor (CPEC)

¹ The following paper is based on information obtained from talks during the Federal Academy for Security Policy's "Course for Senior Officials" held in Pakistan and India in February 2018.

has been gratefully accepted, although it is likely to increase dependence on China, which provides much of its investment in the form of loans. Other countries in the region have already felt the force of China's hand as it takes control of the installations it has financed if those countries are unable to honour their debts.

India now feels increasingly hemmed in by China and Pakistan and has moved even closer towards Washington – but without giving up on the idea of strategic autonomy. Pakistan, for its part, suspects that India (and China) are causing it harm by increasingly destabilising Afghanistan. What is apparent in this complex situation is that the Indo-Pakistani relationship – a feud between two nuclear powers – is like a powder keg, and still has a profound influence on the development of the region. The most important factor for stable development in South Asia, then, is not so much the resolution of the Afghan problem, but rather the question of how relations between New Delhi and Islamabad will develop over the long term.

The position of India

India, a country of 1.3 billion people with an average age of 26, is on its way to becoming the world's fifth largest economy and increasingly views itself as the equal of China and the US. Although its domestic challenges are vast – for instance, one million jobs must be created each month to keep up with population growth – there is a good chance that India will succeed in making this economic leap. This makes India a huge market, especially in the infrastructure and transport sectors – and it is thus crucially important in terms of German foreign and economic policy. Germany is the largest trading partner of India within the European Union, but it faces fierce competition from France, Japan and America. India considers China to be the main source of destabilisation in South Asia. The vast Chinese infrastructure project “One Belt One Road” (OBOR), which involves China expanding transport routes into Europe and creating regional dominance, is seen by India as an aggressive instrument of Chinese power projection.

India's relationship with Pakistan is in some ways contradictory. On the one hand, Indians show clear disdain for Pakistan and think of it as “hardly worth mentioning”. Viewed in this light, even the Kashmir conflict appears to be more of a nuisance than a matter of vital importance – especially since the territories both sides lay claim to are probably of little real importance. On the other hand, the Kashmir conflict is waged with great intensity, and in certain border regions shots are fired almost every day with victims on both sides. In 2017 alone there were 2,300 incidents, including terrorist attacks in India launched from Pakistani territory. There is a high risk that these constant skirmishes could escalate. Pakistan alleges that India is developing a “cold start doctrine” to be able to conduct conventional military operations against Pakistan at short notice in the event of a greater conflict. And Pakistan, which is prepared to use nuclear weapons in a first strike, reacts by threatening to procure more tactical nuclear weapons to deter India from military action.

The role of Pakistan

Contrary to some claims, Pakistan is neither a terrorist regime nor a failed state. However, this young and “unfinished” state has yet to overcome the historic trauma of the partition of 1947 and the loss of Bangladesh. It lacks constitutional confidence and an idea holding the country together. In the past, the construction of the world's “only Islamic nuclear bomb” was meant to boost Pakistan's national pride but led to the country's inglorious role in the illegal export of nuclear technology. The fact that the infamous A. Q. Kahn (who created an entire network of buying and selling activities in the field of nuclear weapons technology) lives as a Pakistani national hero to this day does nothing to improve the country's reputation. And this has a negative impact on Pakistan's sense of self-worth.

Maintaining hostility to India is a key part of Pakistan's national identity. It also justifies the dominant role of its military and its huge defence budget of USD 7.8 billion per year. Corruption in Pakistan is ubiquitous, and its strict Islamism (exemplified by the blasphemy law) further damages its international reputation. The economic development of the country, which does show some promise, suffers as a result of the aforementioned factors and because the wrong priorities are set by the political and military leadership. Education is not given enough attention, and neither is the issue of birth control. The political and military elites show little capacity for self-reflection. Instead Pakistan sees itself as a victim of outside disputes – a scapegoat for negative developments in Afghanistan. It feels strongly (often emotionally) that it has been let down by its former partners, especially America.

The country's main problem is that its current population of 208 million people is likely to grow to about 400 million by 2050. Without economic development prospects, Pakistan's political system could implode in the years to come and the country could become the next theatre of jihadism.

German interests in the region

Germany has a strong interest in close relations with India, the leading power of South Asia. Already in the 1990s Germany identified India as an “anchor state” – a preferred state to cooperate with in the region. Back then the relationship did not live up to German expectations because India was slow to address its domestic problems. But today India is the preferred partner in South Asia thanks to its vast development potential, its democratic constitution and (generally prevailing) rule of law, as well as its federal system and comparatively strong civil society. The development of a modern and prosperous India is overwhelmingly in Germany's interest.

However, good relations with India should not automatically mean poor relations with Pakistan. Despite the feud between those two countries, Germany should not be forced to make a zero-sum choice between them. Pakistan, the only “Muslim nuclear power”, a country with weak state structures and drastic population growth should not be marginalised. Apart from anything else, its collapse would present the risk of considerable economic migration to Europe. It is all the more urgent to pay attention to Pakistan given that the country is vital to resolving the problem of Afghanistan (and to finding a long-term exit strategy). Attention should also be paid to Pakistan in the form of visits by senior officials to Islamabad, as Germany still enjoys a good reputation in the country.

Good relations with diametrically opposed parties to a conflict are possible, as evidenced by Germany's policy in the Middle East of maintaining close relations with Israel and a good relationship with Palestine. A zero-sum approach is also out of the question with regard to China despite growing tensions between Beijing and New Delhi. The Chinese OBOR initiative and the CPEC are strategic realities in the region which neither Germany nor Europe can do much to influence. In terms of the split into a US/India camp and a China/Pakistan camp, Germany cannot permanently take sides with one of these camps. Rather, it needs to position itself as its interests dictate, on a case-by-case basis.

To bring Germany's sometimes conflicting requirements into a coherent framework, and to develop criteria for the allocation of resources, there needs to be a German (and ultimately a European) South Asia strategy. Such a concept could serve to define Germany's interests and goals and align them with the necessary political and economic steps or development assistance. At the same time, options for a common European approach could be explored, which is important in view of the current revitalisation of the Franco-German relationship.

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