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The Sri Lanka dilemma

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SRI LANKA POLICY DEBATE

Don't abandon the Tiger

A Sinhala-dominated Sri Lanka is not in India's interests

T S GOPI RETHINARAJ

IN THE April 2008 issue of *Pragati* this writer had argued that the survival of the Tamil Tigers is India's insurance policy against Sri Lanka swinging over to interests of powers that might seek to contain India in the Indian Ocean region. Now that the ethnic conflict has resurfaced as a factor in Tamil Nadu politics, India can ill afford to be seen as actively colluding with the Sinhalese to subjugate the ethnic Tamils. While the recent competitive jostling among political parties over the issue is largely due to fragile electoral alliances in the state, there is also growing public sympathy for Sri Lankan Tamils due to the grave humanitarian crisis generated by the military campaign against the Liberation Tigers of Tamil Eelam (LTTE).

India has reached an impasse because of its stated policy to safeguard the territorial integrity of Sri Lanka and unwillingness to recognise LTTE's standing in the conflict. Unless India overcomes this fixation, the Sinhalese dispensation will continue to exploit New Delhi and pursue its agenda without inhibitions. India should also rec-

ognise that the Sinhalese majority is yet to show any inclination to moderate its racist vision for Sri Lanka's future. Frequent reminders by Colombo's ruling elite that the ethnic minority will have to accept the country as Sinhalese land only confirms that the ongoing war is not really about defeating

Since the LTTE remains the only roadblock to this Sinhalese agenda, its military defeat will result in the political, social, and psychological subjugation of Sri Lankan Tamils.

the LTTE, but part of larger strategy to Sinhalicise the entire island. Sri Lankan government efforts to alter the demographic character of traditional Tamil areas by settling Sinhalese peasants and creating high security zones are mainly to weaken the Tamil resolve.

Since the LTTE remains the only roadblock to this Sinhalese agenda, its military defeat will ultimately result in the political, social, and psychological subjugation of Tamils living in the North, East and other parts of the island. The Sri Lankan state has mostly achieved this objective in areas not under LTTE control. This is the reason why this writer had argued earlier that ethnic Tamils in the island and India will lose leverage with Colombo once the LTTE is militarily defeated. However, the LTTE leadership should also realise that the Sri Lankan Tamils have the best opportunity to secure an honourable settlement when they are still militarily relevant and explore alternative ways to quickly resolve the ethnic conflict.

While the LTTE's violent methods—forced recruitment, employment of child soldiers, and unrelenting militancy—are repugnant, their largely ethical conduct in the civil war has gone almost unnoticed. The LTTE has been mostly fighting a defensive war restricting their combat within what they perceive as traditional Tamil areas, and their guerrilla attacks have mostly targeted military

The LTTE's assassination of Rajiv Gandhi cannot be the sole basis for India's Sri Lanka policy or for condemning Sri Lankan Tamils to eternal suffering.

bases and security forces. This is in contrast to almost all other militant/terrorist organisations in the world which mainly target civilian infrastructure and inflict massive civilian casualties.

Ironically it is the Sri Lankan state that has been deploying its firepower and aerial bombing capabilities over civilian areas in the north, resulting in massive civilian casualties and damages to residences, hospitals, and other civilian infrastructure. Unlike its antagonists, the LTTE has rarely been accused or found guilty of rape and other crimes against women and children during combat. The conduct of the Sri Lankan state reveals that the ongoing military campaign has an almost genocidal streak, with the deliberate targeting of civilian areas mainly aimed to deter civilians from supporting the LTTE.

Within India, especially after Rajiv Gandhi's assassination, there has been a carefully orchestrated portrayal of the LTTE as the source of all troubles on the island. While the LTTE's role in the assassination of Rajiv Gandhi deserves the strongest condemnation, that singular episode alone cannot be the basis for India's Sri Lanka policy or

for condemning Sri Lankan Tamils to eternal suffering. Suggestions that the emergence of an independent Tamil Eelam will hurt Indian security interests are disputable, because its ethnic and political ties to India through Tamil Nadu will be much stronger than that of the Sinhalese dominated state. However, given a chance, most Sri Lankan Tamils will be happy to live under a greater Tamil Nadu—comprising traditional Tamil areas in the North and East of the island—as Indian citizens. But India failed to explore that option to integrate the North and East with Tamil Nadu when several opportunities presented that outcome before 1987.

The historical baggage—some of which dates pre-Christian times—also continues to remain a major impediment to a peaceful resolution of the conflict. The British failure to present a partition plan to accommodate the political aspirations of the Sinhalese and Tamils allowed earlier historical grievances to fester. Since Sinhalese-Tamil social relations never assumed violent proportions like the Hindu-Muslim problem in pre-1947 India, the problem could have been easily sorted if the Sinhalese majority had been reasonable in their approach toward the ethnic minority. Until 1956 all ethnic groups at least shared a common identity and future as Ceylonese. The Sinhala Only Act and failure of Colombo's ruling elite to produce a multiethnic national identity and vision for Sri Lanka deepened the social divide and paved way for separatism.

Competitive pandering to Sinhalese-Buddhist extremism by political parties gradually resulted in the constitutional alienation, linguistic disenfranchisement, and denial of education and economic opportunities of Tamils. Failure of conventional political methods to address these grievances and various state-led anti-Tamil pogroms eventually led the Tamil youth (from which the LTTE would emerge as the pre-eminent force) to wage an armed struggle for political separation.

The racism and blatant government discrimination against Tamils in jobs, education, and economic opportunities that produced the original conflict are still intact. Hence attempts to equate Sri Lanka's ethnic problem with various insurgencies faced by India are not only incorrect but an unfair characterisation of the Indian state. India represents very different social and political values and every conceivable religious, ethnic, and linguistic group in India enjoys constitutional equality and protection.

Thus viewing Sri Lanka's ethnic conflict through the prism of Indian federalism is misleading. India has always been keen in ending the eth-

nic conflict by actively engaging with the Sinhalese, and has consistently advocated a federal solution to Sri Lanka's ethnic conflict. This, according to New Delhi's assessment, would meet the aspirations of all ethnic groups in the island. While the federal political structure has worked remarkably well in the context of India, where coexistence of several ethnic/linguistic states acts as buffer to any chauvinism from the Hindi heartland, it is unlikely to work in Sri Lanka where there are only two main ethnic groups. But Colombo is not even prepared to offer Tamils the Indian-type solution, which would still preserve their political dominance in Sri Lanka. The failure to take into account this deep Sinhalese-Tamil divide explains the stagnation in India's Sri Lanka policy.

Colombo has always keenly followed political undercurrents in India and within Tamil Nadu and benefits from the prevailing chaos. It has not only been successful in driving a wedge between the concerns of Tamil Nadu politics and the central government, but has also carefully cultivated certain Indian bureaucrats and journalists whose views on the ethnic conflict are compatible to the Sinhalese project. Historically too the Sinhalese have cleverly played one Indian kingdom against another to have an edge over the Tamil Hindu Jaffna kingdom. India's succumbing to this contemporary scheming is, in the long run, deeply inimical to its interests and security.

Unless India makes a course correction, some political parties are likely to exploit the situation to revive the long-forgotten separatist propaganda in Tamil Nadu. While the National Democratic Alliance (NDA) government was more sensitive and remained equidistant from the two warring groups, the current United Progressive Alliance (UPA) government has been providing significant military assistance to the Sri Lankan government. This policy is inadvertently contributing to the Tamil subjugation project of the current Sri Lankan government.

India must not allow its long term interests to be corroded due to the machinations of the Sinhalese regime and its Indian supporters. It should intervene as it did in East Pakistan if Colombo does not show any sincerity and returns to its old ways. Indeed, a strong case could be made that an independent Tamil Eelam will not only be in India's interests but permanently avoid exploitation by the Sinhalese. A unified Sri Lanka under Sin-

halese domination will be deeply inimical to Indian security and strategic interests. Presence of two states in India's southern frontiers will act as a powerful deterrent to both successor states from pursuing policies that are prejudicial to the Indian Navy's predominance in the region.

India would do well to remember how it lost all leverage with China by meekly accepting the latter's invasion of Tibet. India's appeasement policies in response to developments in Tibet in the 1950s not only paved way for Tibet's invasion, but emboldened China to lay claim over vast tracts of India's territory. Of course India doesn't have any border to settle with Sri Lanka, but it occupies its soft underbelly and a strategic position in the Indian Ocean. Colombo will permanently continue to exploit India in the absence of a buffer that an independent Tamil Eelam could provide.

Already, India has been shamefully remiss in failing to take the Sri Lankan navy to task over the issue of frequent killings of Indian fishermen. The

A unified Sri Lanka under Sinhalese domination will be deeply inimical to India's interests. Colombo will permanently exploit India in the absence of a buffer that an independent Tamil Eelam could provide.

fact that Sri Lankan navy could kill a few hundred Indian fishermen with impunity is a sign of the future behaviour of the Sinhalese state once it secures a military victory over LTTE and impose a solution on ethnic Tamils on its terms. Once the Sri Lankan state achieves that objective, India will be, according to a popular Sinhalese refrain, "discarded like curry leaves."

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SRI LANKA POLICY DEBATE

The moment of truth on the LTTE*The decimation of the Tamil Tigers is a good thing*

SUBRAMANIAN SWAMY

RECENTLY THERE have been some hectic efforts to get the Government of India to pressure the Sri Lankan government to end the “genocide” of Tamils and to enter into negotiation with the LTTE.

Is there genocide going on in Sri Lanka? Not if one goes by the United Nations definition of genocide. In fact, there are a large number of Sri Lankan Tamils—including leaders such as V Anandsagar, SC Chandrasaran, Douglas Devananda and Karuna—who say that there is no genocide in their country. It may be that the pro-LTTE parties in India have a new definition of genocide, which is that if the Sri Lanka army kills then it is genocide, but if LTTE kills then that is part of a freedom struggle. We in India need not bother about such a laughable contortion of the definition of genocide.

The truth is that the LTTE is losing in the battlefield, and it is only matter of time before its headquarters in the jungles of Jaffna is overrun by the Sri Lankan army. This has activated certain political groups in India who depend on the LTTE for monetary support.

Why is the LTTE on the run? In one word, it is because of their hubris. It killed even Tamils who were not only for Eelam, but also were opposing tooth and nail the Sri Lanka majority hegemonism: leaders like such as Amrithalingam, Yogeswaran, Neelam Tiruchelvam, and militants such as Sri Sabaratnam. Why? Because Velupillai Prab-

hakaran, the LTTE chief, thought he could get Eelam singlehandedly. He welcomes leaders who slavishly serve him, but stifles independent-minded ones. Prime Minister Rajiv Gandhi sent 100,000 Indian troops to the island and *de facto* carved out a Tamil area in North-east Sri Lanka, with a full fledged, elected Tamil chief minister. The Indian Peace Keeping Force (IPKF) did not allow a single Sri Lankan soldier to enter the region.

But that was not good enough for the LTTE because Rajiv Gandhi wanted political plurality and leaders to hold office via elections. As the LTTE believes in a single party Marxist state, Mr Prabhakaran decided that Rajiv Gandhi should be killed.

So should India now intervene to prevent the decimation of the LTTE? That is the question of importance for us. Now is the moment of truth for clarity and transparency.

At present, there is confusion in our approach to Sri Lanka because of a hidden compulsion of the UPA government. The confusion is manifested in the following contradiction: on one hand, the Indian government has banned the LTTE as a terrorist organisation; yet on the other, despite the continuing assassinations of pro-Indian Sri Lankan politicians and its open interference within India by financing pro-LTTE politicians and training



Photo: Richard Masoner

Goodbye

other terrorist organisations, the Indian government pontificates that the “peace dialogue” of the Sri Lanka government with the LTTE must take place. Such talks in the past have ended up legitimising the terrorist outfit, thus making the ban meaningless.

Hence, India has to take stock now and decide what to do to repair our policy towards the LTTE, and secure our geographical neighbourhood.

We have to regard the LTTE a part of the problem in the Sri Lankan crisis and not a part of any solution, for the LTTE has links with terrorists operating in India.

Thus, India has a national security imperative and an unavoidable moral obligation to get involved to free Sri Lanka of the LTTE’s terror, if for nothing else than to secure our own security environment and punish those seek to overawe our people with terror.

There are five specific reasons why India has this obligation to assist in the elimination of the LTTE: First, India had trained the LTTE in 1980s and created this Frankenstein’s monster. Hence, India has to atone for it by actions to disband and unravel the LTTE.

Second, despite enjoying India’s hospitality for years, the LTTE betrayed India by entering into a shocking alliance with President Premadasa’s government and killing more than a thousand Indian peacekeepers. The betrayal and loss of lives must be avenged.

Third, for assassinating Rajiv Gandhi, India is obligated to search for Mr Prabhakaran and to teach the LTTE a lesson in a language it understands, and deter it from carrying out terrorist attacks in India.

Fourth, the LTTE interferes in the internal affairs of India by financing Indian political parties, providing training to Indian militant and extremist organisations and provides money laundering services. India cannot allow such erosion of law and order within it’s own borders.

Fifth, the LTTE is a part of the international terror network and is aided by Pakistan’s to smuggle narcotics into India, circulate fake currency notes to buy medicines and diesel, to smuggle out antiques to Italy, and engage in passport fabrication, and *hawala* operations.

The question thus is: To discharge these obligations what should India do? The Tamils are squeezed between the devil (LTTE) and the deep sea (Sinhala chauvinists).

India must first initiate action to assist the Sri Lankan government to take out the LTTE, and the same time spell out to Colombo that following the end of the LTTE, India reserves the right to intervene militarily failing a proper devolution of powers for the Tamils under the Sri Lankan constitution.

Second, India must assist and nurture the democratic elements in the Sri Lankan Tamil popu-

India must assist the Sri Lankan government to take out the LTTE, and at the same time spell out to Colombo that India reserves the right to intervene militarily if it does not devolve power to the ethnic Tamils.

lation, those that have demonstrated capacity to stand up to the LTTE—such as SC Chandrahasan, Anandsangaree, Douglas Devananda and breakaway LTTE group that had opposed Rajiv Gandhi’s assassination—to form a non-violent and democratic alternative, to work out with the Sinhala majority a federal constitution that would serve the purpose of power sharing.

It is time for India to fight terrorism and promote democracy by targeting the LTTE effectively in the larger national interest. There is today a window of opportunity due to international consensus against the LTTE, and we must seize it now. Let the pro-LTTE parties sing for their supper. We need to pay no attention them.

Subramanian Swamy is president of the Janata Party and a former Union minister. A version of this article appeared in the *Asian Tribune*.

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DEFENCE

Tuning a new balance*China's military transformation and the implications for India*

ARUN SAHGAL

THE EVOLVING pace and context of Chinese military modernisation is being dictated by Beijing's key national security goals—political stability, national unification, comprehensive national power and economic development, and the political and economic context within which these goals have to be pursued. Beijing is focused on developing comprehensive national power through a policy of peaceful development, emphasising continued economic growth, enhancing military capability and ensuring a benign atmosphere. This, however, is part of a long-term Chinese policy to become a major military power by 2020 — a strategic course charted in the Chinese “White Paper on Defence 2006”.

The Chinese leadership has identified the first two decades of twenty-first century as an “important period of strategic opportunity”. Three basic strategic judgements underpin China's overall assessment of the post Cold War security system. Firstly, the world's geopolitical conditions in the early twenty-first century are likely to remain benign and favourable for China's development, despite the many challenges that Beijing faces in Tibet, Xinjiang and Taiwan. Secondly, China has

China's new active defence doctrine calls for integrated, deep strikes—a concentration of superior firepower to destroy the opponent's retaliatory capabilities through pre-emptive strikes.

to concentrate on domestic socio-economic development and enhance its comprehensive national power. Finally, China has to actively participate in regional and global affairs.

Beijing is likely to leverage its strategic configuration of power (*shi*) to shape the strategic environment to its advantage by building military force structures and capabilities, which will



To a new tune

allow it to pursue territorial claims over Taiwan, the South China Sea and other disputed areas, including those with India. It has to gain power to deter the United States as well as any attempts by other countries to curtail Chinese power. This will ensure that China remains a dominant power in the Asia-Pacific strategic calculus wherein its interests are not undermined by any external actors.

China's new military doctrine

The kind of future wars envisaged by the People's Liberation Army (PLA) represent a revolutionary change from the Maoist concept of a people's war. People's war was expected to be an all-out attritional war fought primarily by ground forces, supported by a fully motivated mobilised population, leveraging Chinese strategic depth by luring the enemy in deep, extending the enemy's lines of communications with eventual aim of destroying him through prolonged attrition.

Underpinning the new PLA doctrine is the concept of “active defence” (*jiji fangyu*) that seeks to conduct “people's war under modern conditions” but is better understood as “local wars under hi-tech conditions” (*gaojishu tiaojian xia de jubu zhanzheng*). The active defence doctrine calls for integrated, deep strikes—a concentration of superior firepower that is to be utilised to destroy

the opponent's retaliatory capabilities through pre-emptive strikes employing long-range artillery, short-range ballistic missiles (SRBMs) and precision guided munitions. It calls for forward positioning, frontier defence, engagement of the enemy at or over the border and potential engagement in conflict beyond China's immediate periphery. Compared with China's historically reactive stance of luring the adversary deep inside and destroying him through strategic defence, this doctrine is essentially proactive and seeks to take the battle into enemy territory. The doctrine emphasises the effective use of advanced equipment wielded by elite units, with a focus on joint operations. The overall aim is to disrupt the enemy's combat forces and logistics, but not their annihilation. This is to allow Beijing to bring about a negotiated end to the conflict on acceptable or dictated terms.

The new doctrine, and the associated strategy and tactics, have been influenced by the lessons of the two Gulf Wars. The doctrine requires the creation of a capability to project force across China's borders through rapid deployment, conventional SRBMs and cruise missiles, information warfare, electronic warfare, precision-guided munitions, night-fighting capabilities and other advanced military technologies. The accretion of these capabilities, in turn, drives procurement and defence production policies, command and control structures and military training. This doctrine is a Chinese adaptation of the United States' concept of Revolution in Military Affairs (RMA)—of reorganising the military to exploit modern technology. The PLA has appreciated that a modern hi-tech war, whether defensive or offensive, has limited political goals which have to be achieved within a small timeframe.

Implications for India

While the focus of Chinese force modernisation is primarily to deal the threat from the United States, both as part of cross-straits operations and possible US intervention, it needs to be underscored that this substantially enhances the Chinese threat to India. Beijing factors India while shaping regional policy and a rising India is covered, both in economic and military terms, in Chinese security discourses. Beijing also perceives the growing India-US strategic ties as being aimed to strategically contain China and limit its influence in the region.

China regards India as a hurdle if not a competitor to its big power ambitions in Asian politics. Beijing has encircled India through a combination of soft power—strategic diplomacy, eco-

conomic linkages and "Finlandisation" of India's neighbours; and hard power—build-up of military capabilities, nuclear and conventional arms transfers, military assistance and WMD proliferation to India's adversaries.

China has realised that a future war will be fought in its maritime domain and has given a boost to its naval development—through higher budget allocation and procurements. It desires a blue water navy based on carrier-borne task forces and nuclear submarines. In addition, China seeks a transit corridor from southern China to the Indian Ocean and has intensified activities in the Andaman Sea and Bay of Bengal. This is in addition to its presence in Gwadar, Pakistan and attempts at creating a strategic land bridge to link southern Baluchistan with western China. With its extended diplomacy and burgeoning ties in India's neighbourhood, China has acquired the potential to target Indian shore- and sea-based assets via Myanmar and Pakistan. These aspects are critically important to India as it develops a proactive stand against China's escalating ambitions in the region.

India must to move beyond attrition or manoeuvre-oriented thinking and evolve a conventional dissuasive strategy to counter China's pre-emptive, effect-based operational philosophy.

Any Indian military conflict with China will thus be significantly different in terms of technology and force application models. Network-Centric Warfare (NCW) strategy, based on massed weapon and sensor attacks using information superiority, will form an integral part of Chinese strategy. India will need to consider a range of responses that could limit China's actions by altering the basic strategies for conflict.

Indian doctrinal philosophy needs to move beyond attrition or manoeuvre-oriented thinking to a nuanced, effect-based operational perspective. India has to evolve its own version of a conventional dissuasive strategy to counter China's pre-emptive, effect-based operational philosophy. India will have to invest in technologies that help in achieving operational and strategic manoeuvre in higher altitude areas of the North and North-east. While achieving this, India needs to take the initiative by employing asymmetric means of

fighting hi-tech wars: the ability to fight at both ends of the spectrum. This will allow the Indian armed forces to destroy and degrade technologically symmetrical or superior force by creating operational asymmetry.

During a number of scenario games, it has emerged that China's continued economic and military growth could posit a myriad of potential conflict scenarios with serious security implications for India, and some of these could trigger a Sino-Indian conflict. India and China are growing economies with fast growing demands for energy. A competitive relationship on securing energy supplies has already emerged between the two, not least due to existing market structures and the mercantilist approach to energy security adopted by both the countries. Indeed, the Sino-Indian border dispute is unlikely to be the cause for a future conflict. Such a scenario, if it emerges,

will be a construct of an economic and strategic competition between India and China, wherein boundary dispute would at best be a related factor.

If India has to deal with growing Chinese challenge, it needs to develop leverages and improve relations with countries along its strategic periphery, deal with growing Chinese presence in Indian Ocean rim through economic and security leverages, and strengthen bilateral and multilateral relationships with South East Asia and West Asia. Most importantly, India needs to develop military capabilities, with concomitant changes in doctrines, equipping and strategy, to prepare for and deter the outbreak of conflicts.

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JAMMU & KASHMIR

Looking back at Amarnath

India must seize the opportunity that has come in the wake of the crisis

RAJA KARTHIKEYA GUNDU

AT A time when commentators were talking of the end of the insurgency and life was returning to normal in the Kashmir valley, the Amarnath crisis and the associated violence this summer came as a rude shock to many. The separatist tone of the protests in the valley created a furore in Indian media. If we were to put the facts of the crisis itself aside, the accompanying protests provided a fascinating opportunity to observe the change sweeping the Kashmir valley. Indeed, the Amarnath crisis may have inadvertently acted as a window of opportunity to bring peace back to Kashmir. Policy-makers in Delhi cannot therefore afford to miss the positive outcomes generated by the crisis.

Firstly, it is worth analysing why the protests in the valley against the government's decision about transfer of land to the Amarnath shrine board started with pro-independence overtones, then acquired religious hues and thereafter a pro-Pakistani tint. The ISI hand, if any, was seemingly minimal in these protests. Officials in Islamabad were apparently as surprised as New Delhi to see the pro-Pakistani tenor.

In fact, it is entirely possible that the Pakistani flags placed by some elements at Lal Chowk in

Srinagar on India's Independence Day were only a ploy to keep the nation's attention riveted on Kashmir. To get the attention of the Indian mainstream, nothing works better than a Pakistani flag. One only needs to look at how interest in the Bodo-Muslim clashes in Assam in early October rapidly rose after some Pakistani flags were sighted.

The Pakistan card is a bogey that separatists have used in the past as well to put pressure on New Delhi. While some pro-Pakistani groups such as the Lashkar-e-Taiba tried to piggy-back on the protests and gain propaganda mileage with motorcycle riders shouting anti-India slogans, they were soon drowned out by the pro-independence voices.

Therefore, whatever mix of aspirations drove the Kashmiris, one thing became clear from the protests. There is definitely an indigenous opinion within the valley about the future of Kashmir, one that is not driven by external entities like Pakistan. In that sense, these protests were reminiscent of the protests of 1963-64 after the theft of the Hazratbal relic, which were entirely indigenously spurred (before Pakistan launched Operation Gi-

braltar in 1965, another chapter in its decades-long covert intervention in the valley).

At the same time, the protests in the valley do not signify a boost for the armed separatist movement. In fact, the Amarnath crisis represents a decisive shift in the nature of political protest in the valley—from one of armed violence to one of non-violent protests. It will take some time before the valley rediscovers completely the power of non-violent dissent, but the process has begun. Yasin Malik, the former Jammu Kashmir Liberation Front militant turned separatist leader, was quoted as saying: “[today’s Kashmiri youngsters] are even more angry than my generation, yet committed to non-violence”.

Why this shift has happened amongst the youth is worthy of an entire sociological treatise. In short, the collective failure of insurgency to achieve political goals, the progressive marginalisation of Kashmiris in Pakistan-backed militant outfits such as Lashkar-e-Taiba and the emergence of regional parties other than the National Conference, could have all contributed to it. The latter is particularly noteworthy. Although non-National Conference forces have been active in the valley before, never were they able to influence decision making in New Delhi as they did during the Amarnath crisis. The triangular struggle to win over public opinion between the National Conference, People’s Democratic Party (PDP) and All Party Hurriyat Conference (APHC) during the crisis represents the coming of age of Kashmiri politics and the end of political monopoly.

Another positive outcome of the protest was that they triggered a debate in the Indian hinterland about the future of Kashmir, something that 18 years of insurgency was unable to do. The *Times of India* actually ran a poll during the crisis asking if Indians want Kashmir to be retained at all costs. To most Indians, such a question would not have arisen even a year ago.

Even at the Centre, the protests saw a departure in the way New Delhi has handled the Valley at times in the past. The Central government neither enforced a media blackout nor denied the content of the protests as Pakistani propaganda, seeking instead a negotiated settlement. While this is in part due to the realities of coalition politics at the Centre, it is nonetheless significant.

The protests in Jammu were equally worthy of attention. While a section of the media sought to cast the protests purely in religious terms, the participation of Gujjars and Dogri Muslims indicates

there there was also a regional factor involved. This in turn may have forced Kashmiri separatist leaders to rethink the costs of secession from India.

The Jammu protests hastened the opening of the Srinagar-Muzaffarabad highway for trade. Not only will this move help build better ties between Pakistan-occupied Kashmir and Jammu & Kashmir, the resultant economic prosperity could transform opinions about the future of Kashmir. This has happened before. Peace returned to Northern Ireland essentially after Britain promoted private sector investment and trade in the province, and paved the way for the Good Friday accord. In the case of Jammu & Kashmir, Article 370 and the law and order situation have prohibited private investment in the past. The alternative therefore, clearly lies in promoting trade across the

It is entirely possible that the Pakistani flags placed at Srinagar’s Lal Chowk were only a ploy to keep the nation’s attention riveted on Kashmir. To get the attention of the Indian mainstream, nothing works better than a Pakistani flag.

border. This also creates the possibility of exposing people in Pakistan-occupied Kashmir to the possibilities of democratic, non-violent solutions to the Kashmir dispute.

One cannot say that the Amarnath crisis was the best thing that ever happened for Kashmir. In fact, one of the most worrisome fall-outs of the crisis is the potential of it being exploited by radical groups in other parts of India. (The Indian Mujahideen had cited the blockade of the valley during the Jammu protests as one of their justifications for the Delhi blasts in September.) But the Amarnath crisis has certainly served to put Kashmir as one of the key issues on the 2009 election agenda. Given the importance of the Kashmir dispute to national security concerns, this would not be an unwelcome development.

Raja Karthikeya Gundu is a junior fellow at Georgetown University’s Institute for Study of Diplomacy.



INTERVIEW

The strategic imprint of India's presence

A discussion on strategic affairs with Jaswant Singh

NITIN PAI & PRASHANT KUMAR SINGH

In addition to being a politician—and currently the Leader of the Opposition in the Rajya Sabha—Jaswant Singh is also a visiting professor at Oxford and Warwick universities and a senior fellow at Harvard. In his book-lined study in his official residence in New Delhi's Teen Murti Lane, it was mainly the professor who spoke to *Pragati*, not least when he began by gently upbraiding his interviewers for not having properly read one of his earlier books.

In this interview, Mr Singh gives his perspective on the fundamentals underpinning Indian strategic thought, contemporary geopolitics and the changing nature of warfare.

How would you define India's national interest?

To me the definition, even an attempt to describe the national interest, has to start with absolute clarity on the concept of state, nation and country. Which of these three concepts is the core of India?

Very briefly, the concept of state is alien to India. And the concept of a nation-state is a European construct, post-Industrial Revolution, and in a sense a consequence of the turmoil within what was earlier North Germany. It begins to be effective only from the seventeenth century. India on the other hand, is a non-territorial nation. It is a civilisation. It has never been bound in the sense of territory. I'm astounded to find that there was not a single map of India until the British came on the scene. The conclusion is obvious, we've never had a sense of territory. Therefore we never had a sense of protecting and safeguarding territory.

That lies really at the root of the fact that India is perhaps the only country of its size, that has an undefined land border almost all along its northern frontiers. Sixty years and we don't have that. Post-Kargil in 2001 we set up a commission to review the Kargil operation—the first of its kind. We commissioned a further detailed study after the Kargil Review Committee had given its report, and we set up group of very distinguished Indi-

ans, and a group of ministers of which I was a member. We set up sub-groups. There was a sub group on territorial boundaries. It would horrify you to know that we didn't know how many island territories India has. This is in 2001. We did not know how many islands are Indian, so many years after 1947.

The British method and manner of running the entity called India was different. They did not have unified British India as one state. There was a British India and there were a mix of states: more than 560 which were pejoratively called 'native states'. They were not native in the sense of coming from some Antarctic coastline. They were very much integral to India. And then there was British India. And then they had what they called unadministered North-east and North-west of India. If it was unadministered how was it British?

In 1947 we just straightaway—perhaps there was a need—centralised it. And we are still learning 60 years down the line, we are still learning what the fundamentals of a state are. It was the first time we attempted a centralised Indian state ever...without knowing the fundamentals of the functioning of a state.

There had been periods in India's history when there was no state, and for hundreds of years the Indian nation has gone along. Then there have been different states. Often those states have been at conflict with one another. But the nation was intact and inviolable. Without knowing these fundamentals we jumped into European thought and over-centralised everything. What we suffer today is a consequence of that fundamental error.

What then is at the core of Indian nationhood? The central living molecular core? That is Indian society. Indian society—no matter whether there was a functioning state, or there was anarchy—kept the wheels turning. It is amazing. There is no other country like it. That is why I so often say that India survives and shall survive whether there is a state or not a state. China cannot. When there is a centralised state, China expands. India will continue in the fashion it is, whether there is a centralised state or not.

Today, in 2008, is a classic example. It's a patchwork situation, from Dravidian parties here, to the East—Nagaland is still turbulent, so is Manipur, and there is ULFA and to J&K and there is all the struggle with the Maoists. It's an amazing capacity that this nation has—what strings it together? I won't give you the answer: search for it. Preserving that is the principal national interest. That is the core of India's national interest.

And the other is that the resilience of this land is unmatched. You will have bombs, terrorists, kill-

ings—it's not indifference. After 9/11, the USA became disagreeably and unacceptably militaristic. India has been suffering this for at least three decades, with thousands of lives lost. It's a remarkable capacity that simultaneously we absorb many shocks. Preserving that capacity is the second national interest.

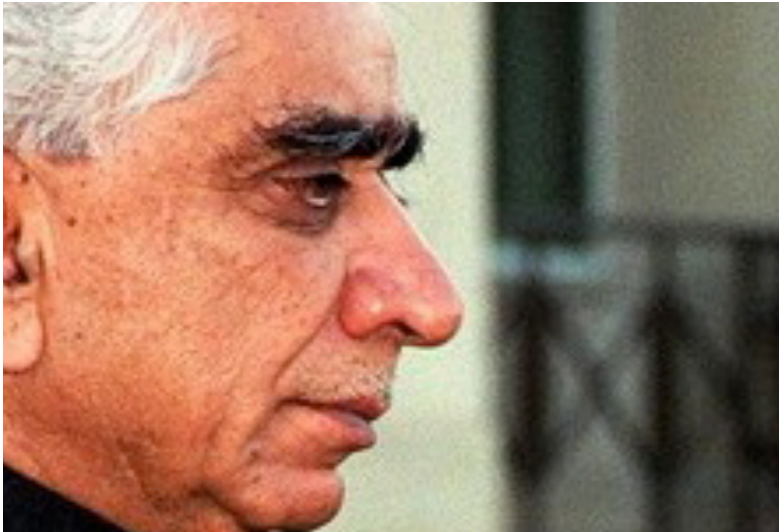
I'm only trying to draw a very rough sketch map. What is that civilisational nation, which is non-territorial which we must preserve? What is that central strength of Indian society which we must preserve, because society has kept India afloat. Today, the state is attacking the society, for the first time ever. Even the British were called *mai-baap* because they were the preservers. Today the citizen is extremely apprehensive of approaching the state. The minute a citizen approaches the state the state stings him, instead of soothing whatever the problem was. Why? Why is this happening? So we are weakening. We will survive I know, provided we understand and grasp some of these fundamentals.

There was not a single map of India until the British came on the scene. The conclusion is obvious, we've never had a sense of territory. Therefore we never had a sense of protecting and safeguarding territory.

How would you describe the geopolitical environment of the 21st century (in terms of the major powers and their inter-relationships?)

The first thing you should recognise is the whole business of nation, state and country that I just described. There we must now conclude that Westphalia is dead. If Westphalian model is dead then the global arrangement of relations between so-called nation-states is gone. We are a unique nation-state in any case. India is sitting on the crossroads of four collapsed empires: Ottoman, British, Soviet and American. We are sitting at the consequences of the collapse of these empires. The consequences are and will have to be borne directly by us. So far as India's national interest is concerned that becomes the starting point.

The defining event of the 20th century for us was the vivisection of the country, not the end of the cold war. Very sadly 1947 almost exactly coin-



cided with the emergence of the cold war. We didn't take that into account. It also coincided with the emergence of the nuclear age. We didn't take that into account. The consequences of these two, the consequence of the vivisection of India got locked into two contending cold war entities. We willy-nilly went into the embrace of the Soviet Union, Pakistan went to the other side. There had to be consequences. Those consequences lasted from 1947 to till about 1989. At this time we were—and still are—trying to maintain a balance on preserving internal order.

Like partition was for us the defining event, the 20th century was marked by the ascent of the Soviet Empire and its collapse within a period of about 70 yrs. It is remarkable. In human history you haven't had something of this nature come up, almost sweep the entire globe, and then collapse without a trace. So that left its consequences for India directly, which is the first point. Even then I found it strange that Francis Fukuyama offered history had ended and that capitalism and globalisation shall dominate. It was too early to say this. We did not understand the collapse of the last empire of the 20th century and we didn't understand the ascent of American imperium. Is it now a demonstration of over-extension or is it just the beginning of the empire?

I started by saying crossroads of four empires, and it is vital that we understand what happens to empires? They are cyclical. If there is a rise, there has to be an end—a profoundly Indian concept. We don't have to be taught this. I tend to agree with what President Putin of Russia said the collapse of the Soviet Union was possibly the greatest strategic disaster of that century. I think we've now entered an era of political anomy. There is an absence of political order in the world. The American imperium, principally on account of its hubris, is on the decline. It will remain for another decade,

What happens in Pakistan does not stop in Pakistan. It travels to the rest of the Indian subcontinent. Any foreign entry destabilises the natural balance of the Indian subcontinent. The destabiliser is inevitably ousted, but we, collectively, have to clear the debris.

how long, I don't know, but increasingly it'll get challenged. The next will challenge. Who will that next be? Will it be the People's Republic of China as it is today? And we need to study this in much greater detail. I don't wish to or can possibly pass instant judgement...like Mao being asked to comment on the French revolution...

Pakistan & Afghanistan—what do you see happening in the short-term and what would we be doing in response or in reaction?

I think we need to recognise that it is a challenge of profound dimensions for India and the entire subcontinent. Not just simply for India.

I have always believed, and I've said it in parliament and I must have written it in one of my books, that this subcontinent, what used to be called the Indian subcontinent, I don't know who changed it to the South Asia. I question this change. I question this even to my friends in the West, who changed it? Indian Ocean did not get renamed as the Ocean between the Atlantic and Pacific or some such thing. Indian Ocean doesn't mean it belongs to India. Why did you change the Indian subcontinent? South Asian? There was in between a region called South-west Asia. And I'd asked the late Mrs Gandhi, the actual original Mrs Gandhi, not the Italian variety, that what is this South-west Asia? Well, it is the term used for Afghanistan.

Afghanistan-Pakistan is one war. That is recognised as a consequence of failed, or short-sighted policies, launched to serve only American national interests. I've said it to my friends in the US, I've said it to my friends in Pakistan. Even Dr Faustus could sell his soul only once. Pakistan cannot keep on selling its soul.

Today the USA is possibly the most reviled and hated country in Pakistan. In Afghanistan, sadly, President Karzai's writ hardly runs beyond Kabul.

And I don't understand what NATO's relevance to Afghanistan is. An organisation by its nomenclature was to serve in North Atlantic...how did geography get so redefined that it now washes the foothills of the Hindu Kush? On what basis? Disorder is imminent, if it has not already arrived. I don't cite just the example of the attack on the Islamabad Marriott. The two most dangerous places and situations today are Bajaur and Swat. For the second time Pakistan is using its air force and American-aided equipment to strike at its own citizens. Three to four thousands have got killed. This is the area where in large numbers Pakistani soldiers of the Frontier Constabulary have laid down their arms and surrendered.

Please accept from me that what happens in Pakistan does not stop in Pakistan. It travels to the rest of the Indian subcontinent. Because fundamentally there is a truth I believe in and which still obtains: the Indian subcontinent has a natural balance. Any foreign or alien entry in it destabilises that balance. Look at history: inevitably, and it might take a little time, that destabiliser is ousted, but leaves a great deal of debris behind. And who clears that debris? It is we, collectively, who live in the subcontinent who have to do it.

On military modernisation: In no year in the recent past has the Defence ministry spent its entire allocation, returning about 10% back to the finance ministry each year. Our capital budget is much lower than those of advanced countries as a proportion of the total expenditure; and a great part of that is allocated for purposes other than "teeth". Would you agree that there is a risk that the Indian armed forces are outpaced by its strategic adversaries and partners alike?

If conceptually we do not grasp that the nature of warfare has changed, then talking about military modernisation has no meaning. Only if you are ready to talk about what is the nature of warfare and how has it changed only then can you start addressing what modernisation in that context can mean.

The way I look at it is that the new threats to security originate in a dispersed manner but impact India in a consolidated manner: terrorism, climate change and pandemics, for instance.

Then you have gotten it wrong. It is not the role of the armed forces. The armed forces, especially the army is not equal to the constabulary. You can't reduce it to a constabulary. It is currently fashionable to cite climate change because the West has made it so, and cite population growth and temporarily put aside HIV/AIDS. I used to think, more than AIDS, Malaria is a bigger problem in India.

And more than that, really, is hunger. The absence of food. Food shortages. The extreme stress for water. But that is a different subject.

When you say everyone is impacted (by these new threats), no, not everyone is impacted equally. The East of India is much more concerned about Bangladesh and China. The north of India, here, Delhi, being Punjab focussed, is much more concerned about J&K and Pakistan. Go to Chennai, even Hyderabad and they are vitally concerned about what is happening in Sri Lanka or Jaffna. It's a disastrous situation there, exactly the same kind of situation that has arisen when we had intervened earlier in 1987 and air-dropped essential supplies.

So how has warfare changed? It no longer recognises sovereignty. It no longer recognises national boundaries. It no longer accepts death as defeat. You can after all deter the deterrable. But if you have an adversary who delights in being killed in committing suicide then all your concepts

Warfare no longer recognises sovereignty and national boundaries. It no longer accepts death as defeat. If you have an adversary who delights in being killed in committing suicide then all your concepts have to be rethought.

of defence and security and warfare have to be rethought. Are we doing it? No, we are greatly enjoying, almost hedonistically, our current exposure to ersatz globalisation. The principal challenge today to national order today is a sense of insecurity—people fearing to go out after dark. Why? It's a kind of terrorism.

How do we accept Nepal as a Maoist country? This government did it. I question—how is it in India's national interest? At least between China and India there was a buffer. You've given up that buffer. And now you have a people's republic sitting on the banks of Kosi and Gandak in Bihar. I don't know what we are doing exactly. I certainly cannot accept this kind of immobilised pusillanimity—it has no deterrence value.

I believe that during the NDA regime of six years, whether we achieved anything else or not—and a great deal was achieved—the strategic imprint of India's presence was much larger. People felt it. Within India people felt reassured and good. That strategic imprint has suddenly shrunk. All of our neighbourhood is in turmoil. Why? And

where is India in it? Do you want me to list the turmoil areas? No. You just have to run around the rim of India and it is in turmoil. And if it is in turmoil, how do you possibly expect, firstly order within India, and secondly, how do you expect that we will reach our goals of being in the front rank of the nations of the world. Our feet are shackled here and thirdly, it will impact on the factor of confidence levels within the country.

Instead of complaining about a troubled neighbourhood, should it be an instrument of state policy for us to pacify the neighbourhood?

What other option do you have? Look, we are not an extension of the vice-regal authority of the British Empire. But we are also not a non-entity. The Indian footprint earlier went up to Champa, middle Viet Nam. Bali is like as if 11th or 12th cen-

tury Sanatan thought suddenly stood still. And you go to Lake Baikal on the eastern edge of it, is a tiny little republic of Buriyad, it's all Buddhist. But where is India today? What thought do we represent? Please reflect on it. And so there is no option but for India to have order in its neighbourhood. For the sake of neighbourhood and for our own sake. How do you bring that order? That again is a different thesis. I've done that job. Was our neighbourhood always in this disorder? Not during the NDA regime...whether they were happy or unhappy. Reflect on it.

Nitin Pai is editor of *Pragati*. Prashant Kumar Singh is an associate.

Listen to this interview. Tune in to our podcasts

From Nov 17th, the audio interview with Mr Jaswant Singh will be available at <http://pragati.nationalinterest.in/podcast/>

DEFENCE

In tandem: military and civil bureaucracy*Differentiating military advisers and military commanders*

SUSHANT K SINGH & ROHIT PRADHAN

IT IS to the great credit of Indian civilian and military leaders and to our enduring democracy that the concept of civilian control of the military has been maintained and strengthened over last six decades of independent India. While Indian democracy has faced and continues to face multiple challenges, the authority of India's elected leaders has never been directly challenged by its military leaders. Even in the two unsavoury episodes of confrontation between military chiefs and their civilian masters, General Thimayya and Admiral Bhagwat chose to bow down to the dictates of the political executive.

While the idea of civilian control of the military in India has become well established, its exact contours remain unclear. The armed forces argue that while they accept political control, what they term as bureaucratic interference is unacceptable. That much of the civilian bureaucracy—particularly the Indian Administrative Service (IAS)—is seen as conniving and scheming, concerned only with furthering its parochial interests, only inflames this passion. As seen in the continuing imbroglio on the recommendations of the Sixth Central Pay Commission (SCPC), it has resulted in a direct confrontation between civil bureaucracy and military brass—each fighting to protect its own turf and privileges—while the much maligned political class is now seen as the neutral arbiter.

Misunderstanding bureaucracy

The military's attitude towards the civil service stems from a fundamental misunderstanding of its nature and role. Max Weber, an nineteenth/early-twentieth century German thinker, was one of the first to study bureaucratic organisations. He had noticed that organisations were moving away from traditional models of authority—charisma and tradition—to a more efficient and rational system where leaders were obeyed on the basis of “legitimately” derived laws and regulations. Weber argued that bureaucratic organisations were an attempt to align the decision making process to “calculable risks” as rationality was inseparable part of the bureaucratic order. Or as he put it, “The deci-

**Too serious a business to be left to either**

Therefore, the argument that civilian control of military is restricted to politicians, with no role for the civil bureaucrats, ignores the basic tenets of public policy, as well as the provisions of the Indian constitution. The constitution provides a basis to bureaucratic services rather than leave it to the vagaries of administrative control and shifting sands of political majorities. India's parliamentary form of government is enmeshed intractably with the support of the civil bureaucracy. In the words of Sardar Vallabhbhai Patel: “India shall have this model wherein the ring of Service will be such that will keep the country under control.”

These civil officials form the “permanent executive” as distinguished from the ministers who form the “political executive”. While broader policy aspects are laid down by the elected government of the day, bureaucrats are involved with all three functions of policy making: agenda setting, policy formulation and its implementation. The tasks of modern governance are too complex, technical, and enormous to be left either to the legislature or political heads of departments. Moreover, the political executive and parliament may lose sight of the broader and serious questions of national importance if they were to enter into the details of routine administration

Similarly, the bureaucratic role in national defence planning cannot be overemphasised. A recent report by the Centre for Strategic and International Studies (CSIS) points out that the antagonistic attitude of armed forces towards civilian bureaucracies reflects a failure to appreciate that civil professionals provide “deep expertise, institutional memory, continuity across administrations, and seasoned perspectives on policies and programs” to the defence department.

The military and the civil bureaucracy working together, under the political executive, have a significant role to play in formulating an integrated and co-ordinated national security strategy. A fundamental review of civil-military relationship is needed to address armed forces’ concern about bureaucratic overreach while recognising and preserving the civil bureaucracy’s role in defence planning.

Envisioning a new relationship

A new civil-military relationship must be based on the following premise: it must be recognized that the area of activity encompassing defence planning, preparedness, administration and management is distinct from technical aspects of military

The failure to separate the advisory and executive functions of the chiefs of staff, which has denied the top military brass their rightful place as professional military advisors to the government.

operations and military training. The civil bureaucracy has no role to play in the latter while the military *commanders* have no statutory powers in the former.

Modern democracies see the armed forces as technical arm of the state—to carry out the policies of the elected government. It is important, therefore, to understand that the military commanders are not part of the government set-up in any modern democracy.

When the interim Indian government under Jawaharlal Nehru came to power in 1946, Field Marshal Auchinleck continued to be the Commander-in-Chief and head of the three services, but ceased to be a member of the Governor General’s Council. Thus, he remained an operational commander but was divested of his role as a military advisor to the government. This was fur-

ther reinforced by the recommendations of Lord Ismay on the higher defence set-up that were accepted by the Indian Cabinet in September 1947. While the nomenclature of the erstwhile Commanders-in-Chief of the three defence services was changed to the respective service chiefs of staff in 1955, they continued to function as operational commanders of their services. In other words, they remained theatre commanders in continuation of the tradition of an Indian theatre commander of the British military during the colonial era.

For service chiefs to be integrated in the institutionalised government set-up, they would have to function purely as military advisors with no operational command of the Indian armed forces. It is this failure to separate the advisory and executive functions of the chiefs of staff, which has denied the top military brass their rightful place as professional military advisors to the government.

It would also be illustrative to look at the structure of the United States defence forces. In 1986, the US Congress passed the Goldwater-Nichols Act to address the growing problem of inter-service rivalry and multiple lines of command. The act strictly separated the advisory and command functions of the military top brass. The chairman of the Joint Chiefs of Staff became the principal military advisor to the government. The chairman, in consultation with chiefs of staff, was entrusted with the responsibility of policy formulation, strategic planning, evaluating command preparedness and similar functions. However, neither he nor would other members of Joint Chiefs of Staff exercise any military command. All forces were assigned to combatant commands with chain of command running directly from the President to the Secretary of Defence to Commanders of the combatant commands, completely bypassing the Chiefs of Staff.

The perception that the civilian bureaucracy has conspired to deny the military brass its seat at the high table of national security discourse is misplaced. It is simply a function of the failure—whether by design or providence—to separate the command and advisory function of the military brass. Indeed, there have been instances where the administrative actions of the civil bureaucracy have impinged on operational readiness of the services. It needs a strong political leadership, in addition to a well-defined charter of duties, to prevent the military and the civil bureaucracy from causing destructive interference in each others’ domains.

As argued in the preceding paragraphs, national security, apart from its military aspects,

requires management at multiple levels: diplomacy, internal security, finance and civic action. National security cannot be restricted to the armed forces alone—rather it requires support from civil bureaucrats working under multiple ministries. In order to achieve co-ordination across different organisations, there exists a need for a significantly senior civil bureaucratic head of the defence ministry, at par with the highest-ranking military officer in the country.

The Arun Singh Committee, which had proposed far-reaching reforms in higher defence organisation, had recognised precisely this requirement. In his proposal, which is yet to be accepted by the government, the Defence Secretary will function as the “Principal Defence Adviser” to the Defence Minister while the Chief of Defence Staff would function as the “Principal Military Advisor” and both will enjoy an equivalent status in terms of their working relationship as distinct from the Warrant of Precedence. In this system, the Chief of

Defence Staff would not hold any command duties after being integrated into the governmental set-up.

Rather than banking on the good fortune of possessing sagacious political and military leaders, the emphasis, as rightly highlighted in the Indian Constitution, has to be on establishing institutionalised systems and processes for operational and administrative control of the armed forces by the civil leadership. The Indian state must display the political will to undertake structural reform of its higher defence set-up. This will not only fulfil the vision of our constitution makers, but also provide the military leadership and civil bureaucracy their rightful place in formulating an cohesive national security strategy.

Sushant K Singh and Rohit Pradhan are resident commentators on *The Indian National Interest*.

RELIGION AND THE STATE

Faith in the system

The state must not restrict religious freedoms

ROHIT PRADHAN & HARSH GUPTA

THE UNFORTUNATE incidents of violence and arson in Orissa and Karnataka have attracted a lot of national and international attention. Scores have lost their lives and thousands have been rendered homeless and forced to flee their villages.

It has led to the usual rounds of blame and counter-blame. Christian groups allege that extremist Hindu groups attacked them without provocation. The Hindu groups, on the other hand, claim that some Christian churches indulge in aggressive proselytisation. Even if this is true, violence is clearly unacceptable as a tool of social discourse. The respective state governments should prosecute the perpetrators and ensure that they are punished to the fullest extent of the law. The state also needs to be more firm in dealing with rioters irrespective of their ideological affiliations or the “justness” of their cause.

Religious conversions remain a highly contentious and sensitive issue in India. Since Hinduism is a non-proselytising religion, Hindu groups find themselves handicapped in the dealing with ag-

gressive evangelical groups which are often backed by deep-pocketed donors in Western countries. While the claim that conversions are radically altering the religious demographics of India are far-fetched, it is indeed true that in some parts of the country—invariably the poorest—large-scale conversions have taken place. Christian groups have stepped in to fill the gap left by a dysfunctional state and in the process, attracted the poor to their fold.

A response to conversions must separate the state from the civil society. The constitution grants citizens of India the right to freely practice and propagate their religion. Therefore, it follows, that citizens will occasionally convert to a different religion. Clearly, a secular state founded on the principle of liberty cannot circumscribe the right of the citizenry to practice the religion of their choice or to the vagaries of individual’s religious beliefs.

But what if conversions are coerced or are a result of monetary inducements? A few states have passed laws restricting conversions precisely to



address these concerns. They argue that religious conversions induced by material benefits are not really an exercise in free will, and hence the state has the right to curb them. Here again the *locus standi* of the state is questionable. The constitution visualises religion as the private affair of the individual and the state cannot intervene if the said individual decides to trade in his religion for monetary benefits. Whether the trade is spiritual or pecuniary is immaterial and cannot be allowed to bear any influence on the actions of the state. It is only if coercion has been established, does the state has the natural right—and an obligation—to

logistical challenges considering missionaries usually operate in rural hinterlands of India. In fact, it could be justifiably argued that this would amount to the state curbing the right to propagation of religion through the backdoor. An intervention of this nature always raises the spectre of “license-permit” raj—an abomination India has still to get rid of completely. Rather, privacy concerns should be addressed at the community level as far as possible with state intervening only when privacy laws are expressly violated. Strengthening India’s rather ineffectual privacy laws would further limit the need for an overtly activist state.

Violence is unacceptable as a tool of social discourse. The state also needs to be more firm in dealing with rioters irrespective of their ideological affiliations or the “justness” of their cause.

Can religious conversions affect internal security? It is indeed true that large-scale conversions have taken place in sensitive border-states especially in the North-east. Churches are also allegedly linked to some of the militant groups operating in the North-eastern states. The government has a role in investigating sources of foreign money and ensuring that anti-Indian groups are not funding religious conversions. Transparency in this process is essential. The government can ensure that source of funding of every non-governmental organisation, especially those who receive foreign money, should be freely available on government websites. If the claims of church organisations that they have nothing to hide are true, then, they should have no objection to public scrutiny of their funding. Government can also consider special visa categories for those who wish to undertake religious activities in sensitive areas with clearly laid out rules of operation.

intervene.

Does aggressive proselytisation raise privacy issues? Should people who may be unwilling customers of religious speeches and promotional literature be forced to listen to them? Or as one of our colleagues on *The Indian National Interest* has proposed, should the state, in the manner telemarketing is handled in the United States, restrict proselytisation only to those who solicit it—say, by setting up a national do-proselytise-directory?

While privacy is an important concern, a registry of this kind would present extremely difficult

Similarly, the government has the right to probe the alleged links of church organisations with anti-Indian groups. It needs to be emphasised again

that government should only be guided by internal security concerns: it should ensure that it does not infringe on people's right to freedom of religion.

Indian society may perceive religious conversions differently. Some groups may oppose conversions based on their moral principles; others may be motivated by their desire to preserve the Hindu majority character of India. Whatever may their reasoning, it is up to them to compete in the religious marketplace. Instead of marching against the state demanding laws banning conversions, they should demand the state provide better governance: basic necessities, better schools and economic freedom for India's poor. Similarly, they can

strive to tackle the problems of caste inequities which has forced many lower caste Hindus to convert to other faiths. The onus is on them to make a better case for Hinduism. Asking the state to intervene is illiberal and a violation of constitutional provisions.

Rohit Pradhan and Harsh Gupta are resident commentators on *The Indian National Interest*.

ECONOMIC LIBERALISATION

Rajiv Gandhi's last manifesto

The Congress Party must rediscover its 1991 vision

V ANANTHA NAGESWARAN

SONIA GANDHI, the chairperson of the United Progressive Alliance (UPA) accompanied Prime Minister Manmohan Singh to Tamil Nadu in September, where the latter laid the foundation stone for the modernisation and expansion of a steel plant in Salem.

She berated the National Democratic Alliance (NDA) government for indiscriminate privatisation and said that the UPA government had not followed that path. The latter we know. The former, we did not know. In fact, some of us have been under the mistaken impression that one of the shining achievements of the previous government was to move away from that ghastly term, 'disinvestment' and openly privatise public sector enterprises.

Not that the NDA government sold the family silver for a few pennies. The UPA government tried to slam that charge on the previous government. Mercifully, it did not stick. The pugnacious Arun Shourie devoted his energies to lay down a proper framework for privatisation and successfully executed a few. He was assisted by some able and equally visionary civil servants. That they managed to do so when the Mumbai Sensex index was a mere 4000 points redounds to their credit. At that time, global investors were not infatuated with India and were still sceptical.

Towards the end of last year, the *Indian Express* ran a series of articles ('Public Sector unbound') on how the privatised enterprises were faring. Every single one of them was doing well. The first and the most difficult case was that of BALCO. The newspaper wrote: "If Balco is considered a bellwether of the privatisation process considering the controversy it was mired in, the progress made by it since then should serve as the perfect rejoinder not just to those who opposed its sale but also the present-day obstacles to disinvestment—the DMK, which stalled the present government's move to list Neyveli Lignite and the Left parties."

It might be too much to expect the UPA chairperson to accept that her observations are diametrically opposed to facts. Her government had virtually stopped the clock on one of the important imperatives for India's growth. This government has done the most to stop the power sector reforms, consensus for which was painstakingly built by Suresh Prabhu when he was in the NDA government. It is not a surprise therefore that several states are reeling from power shortages.

It might be equally too much to expect her to concede that the NDA government did something right. But, she could be persuaded to believe in her late husband's vision. Recently, the editor of *Business Standard* wrote that the manifesto of the Con-

gress party for the 1991 elections was perhaps the boldest statement yet on economic reforms. Mr Ninan wrote, “in the run-up to the 1991 elections, the Congress under (Mr Rajiv Gandhi) put together a manifesto that has not been surpassed since for the clarity and boldness of its action programme—including most of the steps that were adopted by the Narasimha Rao-Manmohan Singh combine for India’s second liberation.” He is right.

As a student in the United States, this writer remembers reading newspaper highlights of that manifesto, and of not being able to suppress the excitement at the bold vision that the manifesto stood for. It is India’s tragedy that Mr Rajiv Gandhi’s life was cut short in 1991. In fact, some observers also claim that he was perhaps the last of the national security-conscious Prime Ministers of

The manifesto said that the construction of toll-highways and toll-bridges would be thrown open to the private and joint sectors and that the Congress party would endeavour to abolish the monopoly of any sector or any individual enterprise in any field of manufacture, except on strategic or military considerations and that all manufacturing activity would be thrown open to competition.

The Congress party promised to accomplish this within the first two years of coming to power. In the first three years, the party promised to oversee the gradual withdrawal of the public sector from areas where the private and joint sectors have developed capabilities.

Contrast this with a allegedly reformist Prime Minister Singh and the chairperson of his ruling alliance laying the foundation stone for the modernisation and expansion of a steel plant in the public sector, accompanied by a Minister for Steel who declared that the mismatch between demand and supply contributed to the price rise. All this when an Indian was receiving the Forbes Lifetime Achievement award for his achievements in steel production in the private sector!

It is a telling commentary on how far the Congress party has come away from Mr Rajiv Gandhi’s vision that the page in the party’s website on the highlights of the previous manifestos pointedly omits the proposals on industrial and public sector reforms from the 1991 manifesto.

Actually, the first nine pages of the 1991 manifesto lay specific charges on the previous National Front government. Some samples are here: “The National Front unleashed communal animosity”, “The National Front unleashed caste animosity”, “The National Front compromised with terrorism”, “The National Front bungled in Kashmir” and “The National Front: A picture of chaos and confusion”. One wonders what Mr Rajiv Gandhi would have said of the UPA government.

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“In the run-up to the 1991 elections, the Congress under (Mr Rajiv Gandhi) put together a manifesto that has not been surpassed since for the clarity and boldness of its action programme—by the Narasimha Rao-Manmohan Singh combine” – T N Ninan

India. We shall stick to his economic vision here.

A search for the 1991 manifesto on the internet leads one to a story by Subroto Roy. He writes that Mr Rajiv Gandhi sought specific proposals and recommendations for the direction the country should take from outside experts. Mr Roy was one of them.

Although Mr Roy writes that the final manifesto was a diluted version, the agenda for the public sector published in the final version is bold by standards of the UPA government. The manifesto accepted that for the public sector it needed flexibility, vision, visibility, accountability, leadership, innovation, entrepreneurship, global outlook and a competitive environment. More specifically, the manifesto recognised that the government ought to interfere less, provide for strong and professionally competent boards and enable the sector to attract the best managerial talent.

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GLOBAL ECONOMY

The end of financial capitalism: what now?*Competent economic management has become all the more important*

MUKUL G ASHER

THE CURRENT global financial and economic crisis is among the most serious the world has faced since the Great Depression of the 1930s. The International Monetary Fund (IMF), usually given to understatement, has warned of financial meltdown, underscoring the gravity of the current crisis. While the epicentre of the current turmoil is in the industrial countries, particularly the US, UK and Europe, no part of the world is immune from its impact.

As an example, India's BSE Sensex has dropped by nearly two-thirds from its peak in early January 2008. Households and businesses are finding access to credit much more difficult, and are facing higher cost of credit when it is available. India's exports are being seriously affected by volatility in the value of the Indian rupee, rolling over of existing short-term debt, and by reduced global growth. There are also fears that protectionism may rise in US and Europe. India thus also faces diminished growth prospects.

Among the several factors contributing to the crisis, the following two are widely regarded as the most critical. Both these will have to be addressed if the crisis is to be resolved satisfactorily.

First, the fundamental inconsistency between globalisation of finance and disproportionate role of the financial sector in the major economies on the one hand; and limited institutional and regulatory capacities of the domestic agencies on the other, has been demonstrated to be unsustainable. The Federal Reserve of the United States admitted that vast proportion of the total liquidity created by "shadow banks" was outside its regulatory purview. It has since then be forced to assume liabilities—whose precise magnitude is unknown—of these banks.

The financial sector's share of gross domestic product (GDP) in the US increased from around 4 percent in the mid-1980s to 12 percent in 2005. Its share of corporate profits in the U S rose from 10 percent in 1982 to 27 percent in 2007. This increase was aided by excessively loose credit conditions, and an almost automatic acceptance of the benefits

of financial innovations in products (for example of credit default swaps, which have helped to spread the crisis globally), and of financial leveraging.

This period also witnessed emergence of new financial institutions (for example, hedge funds, Sovereign Wealth Funds or SWFs, and private equity firms) whose reach was global, but they largely escaped regulatory oversight, both domestically and internationally.

The second major factor has been large and unsustainable global macroeconomic imbalances. The US has been able to persistently run excessively large budget and trade deficits. These have been financed by correspondingly large trade surpluses

Merely increasing the role of the state, without increasing regulatory capacities and willingness to regulate, is unlikely to address the root causes of the crisis.

of export-led economies such as China, and of resource-rich countries.

The surpluses were largely reinvested in the US and Europe, lowering the interest rates. Some argue that these led to substantially increased risk-appetite by the financial institutions, contributing to the types of financial innovations, and accounting practices which have now proved to be excessively risky.

The response of the policy-makers to the global financial turmoil strongly suggests that the era of financial capitalism has ended. Thus, there has been an effective nationalisation of large chunks of the financial sector in the US, UK and Europe. Re-capitalisation of banks, primarily from governmental resources and extensive guarantees for bank deposits have been the major instruments of governments around the world, including in Asia.

Re-capitalisation and guarantees for banks (and probably insurance companies) involve complex technical issues. They also imply that governments

will have to bear large unknown amount of contingent liability. This could severely constrain the use of fiscal policy to stimulate demand and reallocate expenditure towards growth and social consensus-enhancing expenditure in many countries.

In several Asian countries, including in China, the governments are pressing domestic banks, pension funds, and insurance companies to stabilise the stock markets.

One of the consequences of the end of financial capitalism is that the financial sector will henceforth not play as dominant a role as in the recent past. However, the transition to a more sedate and scaled-down financial sector will be painful, and will not be achieved quickly. On the positive side, the scaling down of the financial sector may release talent which could be more productively used in other sectors such as in manufacturing. This applies especially to India.

The government ownership of the large segments of the financial sector represents a sudden reversal in the prevailing intellectual climate concerning the state-market mix. It is however important to draw the right lessons. Historically, the role of the state (more loosely, the government) has increased at times of major crisis, such as wars, financial crises and deep recessions. But to undertake any economic activity (for example provision of infrastructure, health, education or financial services) in an appropriate mix of the state and the market is needed.

A regulatory and supervisory failure in major developed countries has been among the major reasons for the current crisis. Thus, merely increasing the role of the state, without increasing regulatory capacities and willingness to regulate, is unlikely to address the root causes of the crisis.

It is not yet clear how the dynamics created by the current global financial turmoil will help in addressing the global macroeconomic imbalances, without serious and prolonged damage to the world economy. The proposed meeting, of major developed and developing countries in mid-November 2008 in the US is expected to discuss the new global financial architecture and reforms of existing institutions such as the IMF and the World Bank.

As has usually been the case, there is less pressure on the surplus countries, such as China, to adjust. Traditionally, the burden of adjustments has primarily been on the deficit countries. However, the reserve currency status of the US dollar, and the fact that US consumer demand has underpinned global growth in recent years, are complicating the traditional adjustment mechanism.

The emergence of new global economic powers such as China and Russia also create challenges for addressing the global macroeconomic imbalances. Nevertheless, a more multi-polar world is likely to emerge. The global weight of those with large surpluses, and of those countries which are economically well-managed and governed, is likely to increase. The current global financial turmoil however could lead to substantial reduction in the current level of foreign exchange reserves and assets of many countries.

Many resource-rich and trade-surplus economies have entrusted their reserves and assets to their SWFs. The future role of the SWFs will be determined by the appetite for political risk tolerance of the population, and institution of accountability mechanisms in each SWF originating country; and by how they are perceived in the recipient countries.

At this juncture, it is still unclear what would replace the financial capitalism which dominated the global economy for the past quarter of a century. It is also unclear whether the current differences in the financial sector philosophies, and governance practices between the US, EU and major Asian countries will widen or narrow. It is however essential that whatever replaces the financial capitalism should be consistent with robust global financial and credit flows. If this does not occur, then there is a danger that the world may be divided into economic spheres, endangering gains made from globalisation and multilateralism in trade and investments.

The immediate priorities of the countries are to ensure adequate credit to the banking system, which flows to the businesses and households, while ensuring that short-term dollar liabilities are financed without too much friction. The currency volatility which is impacting the business profits and international trade must also be addressed. However, even as the countries address the immediate concerns, policy-makers would do well to focus on the fundamentals of sustained economic growth, and improved quality of life.

India also must look beyond the immediate measures designed to cope with the financial crisis. To sustain growth, it requires more competent and prudent economic and political management, and an environment in which India's inherent entrepreneurial capacities have opportunities to create wealth for the society.

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Photo: Oxnalbo/T

EDITOR'S PICKS

Not a moment of boredom

Slim, readable books: one on China and the other on Jammu & Kashmir

NITIN PAI

THE CULTURAL and linguistic barriers between India and China are perhaps as high as the geographical ones that separate them. For the first time in history, large numbers of people of the two countries are in a position to overcome them. And when they do, both Indians and the Chinese often find themselves evaluating the long-held images of each other. It is yet unclear whether this process of popular reappraisal will lead the two countries to draw closer together or indeed, to decide that the distance is well kept.

The barriers are coming down because some-

Review

Smoke & Mirrors - An Experience of China

by Pallavi Aiyar
Fourth Estate, 273 pages, 2008

India, Pakistan and the Secret Jihad - The covert war in Kashmir, 1947-2004

by Praveen Swami
Routledge, 258 pages, 2007

where around the dawn of the new millennium Indians began to visit China in increasing numbers, and a small Indian expatriate community took shape in China's metropolises. The Chinese, for their part, began embracing English. Pallavi Aiyar epitomises the two trends. *Smoke and Mirrors—An Experience of China* is the story of her life in China, first as an English teacher and then as a corre-

spondent for *NDTV* and *The Hindu*.

Ms Aiyar's book must be read not for fresh, new insights on emerging China, but rather to

meet the real people who make the China story. Not only the Chinese ones, but the Indian ones too. Like Yogi Mohan, a young man from Garhwal whose little yoga school in Beijing became a chain of fifty-one Yogi Yoga centres, with over 10,000 students across China—in three years.

“Chindia”, that dreadful portmanteau was invented around the time Ms Aiyar made the switch from teacher to journalist, and figures early on in the book. To her credit though, she diligently compares her observations in China with her previous experiences in India and presents her readers with honest contrasts. Ms Aiyar’s easy prose and informal style makes the comprehension easier. Some readers might notice the similarities between the two countries, others the differences, and still others might notice both.

Ms Aiyar does ask herself the question “If I were to choose, would I rather be born Indian or Chinese?” and admits that there are no simple, black or white answers to what is arguably a trade-off between individual freedom and material prosperity. As the astute blogger at *Plus Ultra* points out “were she to be able to ensure being born even moderately well-off, she would plump for India over China. In India, (those with) money (can) exist happily enough despite the failure of the government. No electricity? You could buy a genset. No police protection? You could have your own security agency. And so on.

On the other hand, were she to be born poor, she would be better off taking her chances in authoritarian China, where despite lacking a vote and the freedom that is taken for granted in India, the likelihood of her being decently fed, clothed and housed were considerably higher. More crucially, China would present her with greater opportunities for upward socio-economic mobility. So that even though she may have been born impoverished, there was a better chance she wouldn’t die as wretched in China as in India.”

It didn’t start in 1988.

A retired senior police officer complained to Bahu-kutumbi Raman, a former intelligence officer and prolific commentator, that intelligence agencies and police show a greater readiness to share their information with Praveen Swami, than with each other. And that “we all wait for his columns in *The Hindu* to know what information other agencies and the police of other States have.” That is as much an indictment of the internal security set-up

as it is a compliment to Mr Swami. Those familiar with Mr Swami’s reportage will know that some of India’s best writings on terrorism and internal security come from his MacBook.

So it is a mystery why the publishers of *India, Pakistan and the Secret Jihad: The covert war in Kashmir, 1947-2004*, a book Mr Swami wrote in 2006 did not adequately market it in India at a price that ordinary readers could afford. The paperback edition is now available in bookstores, but you won’t know it until you ask for it. That’s a real shame because *Secret Jihad* is the one book on the issue in Jammu & Kashmir that everyone should read. If it reads like a spy thriller, it is because it is one. In just over 200 pages of engaging prose, Mr Swami demonstrates that contrary to what most people think (and India’s median age is around twenty-five) the troubles in Jammu & Kashmir didn’t start in the late 1980s, after an infamously rigged election. Rather, as the introduction to the book says “a welter of jihadist groups waged a sustained campaign against Indian rule in Jammu and Kashmir from the outset, after the Partition of India.” Mr Swami’s narrative takes the reader back to the days of the Master Cell and Al-Fatah—entities that appear quaint by today’s standards—and their subsequent evolution into and inspiration of terrorist organisations that exist in contemporary times.

Similarly, Mr Swami reveals the now-in, now-out relationship of the state’s major political parties with Islamist and Kashmiri-nationalist ideologies, and the reader arrives at the inevitable conclusion that for all the paeans celebrating *Kashmiriyat*, secularism has always been less than skin-deep in Kashmiri separatist politics.

To the extent *Secret Jihad* relies on sources from within India’s internal security establishment, it largely illuminates only one side of the war. Mr Swami admits this himself, conceding that Pakistan’s secret archives, if they exist at all, are necessary to improve the completeness of the account. But even so, Mr Swami’s book joins Chandrashekar Dasgupta’s *War and Diplomacy in Kashmir, 1947-48* as an indispensable book for anyone seeking a well-researched and readable account of the Kashmir issue. *Secret Jihad* ends in 2004 but the secret jihad continues. An updated edition, or better still, a sequel, is in order.

Nitin Pai is editor of *Pragati*.



Photo: Joel Dousset

Khuri, Rajasthan



Map: Arun Ganesha

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