

CENTRAL ASIA AND SOUTH ASIA: INDIA AND PAKISTAN¹

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The December 1991 collapse of the USSR resulted in the involuntary and unexpected independence of five former Soviet Central Asian republics, creating a belt of states with majority Muslim populations to the north and west of India and Pakistan—two of the most populous countries of South Asia. The geostrategic and geocultural consequences of these developments were profound, necessitating a fundamental realignment in the strategies and identities of states in central and south Asia. The former communist leaders of the new states of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan were forced to make a deft transformation into nationalist statesmen as they began to negotiate the complex path of refashioning state identities and

¹ This paper was presented at the 10th Biennial Conference of the Australasian Association for Communist and Post-Communist Studies (AACaPS) in Canberra, 3-4 February 2011. It has been peer reviewed via a double referee process and appears in the Conference Proceedings Website by the permission of the author who retains copyright.

interests around a common national ethos. India and Pakistan, in turn, had to recalibrate the bases of their respective relationships with the states of central Asia.

Cold War rivalries had imposed a global structural logic on the nature of interactions between India and Pakistan on the one hand and the republics of Central Asia on the other. New Delhi's strategic tilt toward the USSR had provided the foundation for India's cordial ties with the Soviet Central Asian republics. Conversely, the US-Pakistan alignment and Soviet distrust of Islamabad's American embrace had limited Pakistan's access to Central Asia. In the context of a long-standing Indo-Pakistani enmity rooted in divergent national identities, the Soviet invasion and occupation of Afghanistan in 1979 both magnified Islamabad's security dilemma and elevated Pakistan's status in American eyes to that of a "front-line" state in the battle to roll-back the introduction of Soviet-style communism in south-central Asia. This US-Pakistan nexus paved the way for Pakistani sponsorship of militant Islamic groups made up of Afghan and foreign Muslim fighters enlisted to engage in a jihad against Soviet infidels in Afghanistan.

Regional imperatives have supplemented, but not supplanted, the impact of extra-regional pressures on the post-Cold War reshaping of geopolitical spaces and realignment of strategic logics in central and south Asia. Pakistan sought to underscore its Muslim identity as the basis for reconnecting culturally and economically with its "natural" home in southwestern and central Asia (Hasan, M. 1992: 1-2). New Delhi focused on pragmatic and common interests that Central Asian states shared with an India poised to assume a more engaged role in an "extended neighborhood" beyond South Asia. Central Asian states, individually and collectively, moved to forge "multi-vector" links with states in the region and outside while maintaining their traditional ties to Russia. The competing, and often contradictory, claims upon state strategies of historical legacies, geopolitical calculations, economic considerations, and extremist religious ideologies continue to mold the emerging alignments in south and central Asia.

This paper seeks to explore the challenge and the promise of establishing a wide central-south Asian zone of peace and prosperity. The central argument here is that unless the divisive and ultimately self-defeating identity-based conflicts that generate zero-sum security dynamics in south Asia are resolved, the complementary economic synergies between the central and south Asian regions cannot be successfully harnessed. These

synergies are centered on the creation of a cooperative energy grid that brings together geographically proximate suppliers and consumers and upon the opening of profitable commercial and pipeline transit routes linking the land-locked states of central Asia with the coastal states of India and Pakistan,.

HISTORICAL LEGACIES

Examining the interface between the states of South and Central Asia is to study how history, religion, politics, and economics have commingled to shape the unique challenges and opportunities of new and old post-imperial states in the twenty-first century. The reasons for the fractiousness dividing many of these countries that were once part of an extended regional web of economic and cultural interactions lie buried in the sands of history. The regions of Central and South Asia share a rich historical legacy that stretches back several millennia to at least 1500 BC. The source of early migrations of Indo-Aryans into the Indo-Gangetic plains has been traced to present-day Turkmenistan, Uzbekistan, and Afghanistan. Trade and cultural interchange flourished along the Old Silk Route with Indian merchant outposts in Kashgar, Yarkand, Khotan, Muram, and Qara-Shahr in Central Asia. In this early period, Buddhist and Hindu influences penetrated Central Asia from India on the wings of commerce.²

Islam was introduced to Central Asia by way of the Arab world in the 7th century AD. India's encounter with the Muslim world, which began in the late 10th century, was violent. The first ravaging incursion in 1001 was led by Sultan Mahmud of Ghazni (in modern-day Afghanistan).³ These early raids were accompanied not only by a rapacious interest in India's riches but also curiosity about its culture and scholarship. For instance, commissioned by Sultan Mahmud to write a work about India and Indians, the renowned medieval Central Asian scholar Alberuni (born near modern Khiva in Uzbekistan) visited India in 1017 and left behind a written treatise of his experiences, recorded in *Tahrik-i-Hind* (An Inquiry into India).⁴

² Romila Thapar, (1966) *A History of India*, Vol. 1, (London: Penguin, 1966), 107 and N.N. Vohra, ed. *Culture, Society, and Politics in Central Asia and India*, (Delhi: Shipra Publications, 1999).

³ Vincent Smith, *The Oxford History of India*, 3rd edn, ed. by Percival Spear, (Oxford: Clarendon Press, 1967) 205.

⁴ Eduard Sachau, *Alberuni's India*, 2 vols, (London: Kegan Paul, Trench, Trübner, & Co., 1910)

The next wave of invasions from Central Asia and Afghanistan that began in the last quarter of the 12th century led to a more sustained Muslim presence in India. Muslim rulers from different dynasties serially established empires in India centered in Delhi. From the sultanate of Delhi, the fortunes and geographic dimensions of these empires waxed and waned as dynasties overcame or succumbed to the military forces of newer Muslim invaders and of native Hindu rulers who resisted Muslim expansion.⁵ However, economic and commercial exchanges between South and Central Asia remained fairly robust. Central Asia was the crossroads for a vibrant trade between Asia and Europe until Vasco de Gama's discovery in 1498 of an alternative sea route to the spices and markets of India. The Age of Exploration in Europe also inaugurated the era of European colonization—a development that was to have profound and long-lasting effects on south and central Asia.

With the re-routing of the land trade, the Central Asian Khanates began to decline. This decline accelerated in the 16th century with the rise of the Persian Safavid dynasty and the overthrow of the Timurids of Central Asia by the Uzbeks. Babur, who had inherited a small fragment of the Timurid Empire in Ferghana, invaded India in 1526 and after defeating Delhi's Sultan Ibrahim at the Battle of Panipat, established a long era of Mughal rule. The arrival of the British East India Company in the 17th century, spelled the beginning of the end of Mughal and Muslim rule in India. Between 1803 and 1858, when the British Crown assumed direct control over the Indian Empire, the Mughal Empire had been reduced to titular status.⁶ As the sea-faring British were establishing an overseas empire on the Indian subcontinent, Russian tsars had begun expanding their empire southward and had colonized Central Asia by the latter half of the 19th century. Meanwhile, the Chinese Empire had gradually spread into East Turkestan (Xinjiang). Afghanistan and the Pamir region thus became the focus of an intense geopolitical "Great Game" involving the British and the Russians.

The mountains of the Pamir and the Hindu Kush (where present-day Tajikistan, Afghanistan, and Pakistan meet) represented a strategic point where the edges of the Russian, Chinese and British Indian empires converged. Concern over the integrity of

⁵ Smith, *Oxford History of India*, 232.

⁶ Smith, *Oxford History of India*, 320-1.

their Indian colony led the British to negotiate the Pamir Agreement with Russia in 1895. Under this agreement, the Pamir region was awarded to Russia and British jurisdiction over Kashmir was extended northwestward. Additionally, a narrow strip of land between Kashmir and the Pamirs (the Wakhan corridor) was granted to the Afghan Emir in order to create a geographical separation between the British and Russian empires. In 1907, the Anglo-Russian Convention committed the two governments to respect the independence and integrity of Persia but recognized British influence in Afghanistan as “paramount”.⁷ While China had not been a party to the Pamir accord, Beijing “accepted Tibet’s British-drawn boundaries with Afghanistan”.⁸

Another important historical wrinkle in the story of colonial India was created by the gradual politicization of Hindu-Muslim differences in the British administration of the Crown colony. By 1940, leaders of the Muslim League had called for the division of the colony into two separate states. As India moved inexorably toward independence in 1947, Muhammad Ali Jinnah demanded the partition of British India into Hindu- and Muslim-majority countries based on the two-nation theory founded upon the idea of a religious-based national identity. Unable to avert this outcome, the British acceded to the creation of a geographically bifurcated West and East Pakistan as a state for Muslims. Jinnah’s hopes for a secular Pakistan perished with his death soon after Pakistan’s founding. India, which was established on secular democratic principles and had within its borders a large Muslim minority and other several other religious minorities, refused to accept the validity of religious faith as a basis for national identity. These divergent bases for nationhood compounded Pakistan’s sense of insecurity in the face of India’s looming geographical presence in South Asia.

Twentieth-century Cold War history also cast a deep shadow over these regions, superimposing superpower dynamics over the Indo-Pakistani rivalry. Democracy, which had never developed strong roots in Pakistan, was weakened further in the course of

⁷ Editorial Comment (1909) “England and Russia in Central Asia,” *American Journal of International Law*, (January 1909): 170-71.

⁸ Mohan Malik, “India-China Competition Revealed in Ongoing Border Disputes,” *Power and Interest News Report* (PINR), October 9, 2007, accessed February 13, 2009, http://www.pinr.com/report.php?ac=view_report&report_id=695&language_id=1 (accessed February 13, 2009).

events in the 1970s. Conflict between West- and East-Pakistani leaders over the refusal of Islamabad to respect the results of the 1971 elections, which the East Pakistani Awami League Party had won, led successively to a civil war, an Indian military intervention, the defeat of Pakistani armed forces, and the creation of an independent Bangladesh. The loss of East Pakistan raised questions about the validity of a Muslim-based national identity, exacerbated Pakistan's existential dilemma and made its leaders acutely aware of their country's lack of strategic depth. Between 1972 and 1977, Pakistan was under a civilian government led by Prime Minister Zulfikar Ali Bhutto who was deposed in a military coup by General Zia ul-Haq. Significantly, General, and later, President Zia began a steady Islamization of state and society. By the time of the Soviet invasion of Afghanistan in 1979, Pakistan's Islamic identity was inextricably tied to its national consciousness.

Meanwhile, an inexorable Cold War geopolitical logic merged into this confluence of sub-continental developments and served to spread Muslim radicalism to Afghanistan. Coming at a time when the Cold War was heating up again with unrest in Poland and other East European Soviet satellites, the establishment of a Soviet-sponsored communist government in Afghanistan prompted the United States to enlist Pakistan's aid in combating encroaching Soviet influence in Asia. The US funneled military aid to Pakistan—a front-line state in the war against Soviet communism and supported a proxy war by Islamic militant fighters—the Mujahedin—sponsored by Pakistan. Indigenous and foreign Muslim fundamentalists joined in the fight against Soviet forces and their Afghan supporters.

After the Soviet withdrawal from Afghanistan in the late 1980s and the ensuing waning of American interest, Islamabad continued to support several Pakistan-based Afghan militant groups (Rubin 2002).⁹ In the 1990s, Islamabad hoped to capitalize on a two-pronged strategy based on (1) using its Muslim identity to forge close ties with the newly independent Central Asian states and to create a friendly government in Kabul that would free Pakistan from its confinement in South Asia and (2) developing strong

⁹ Barnett R. Rubin, *The Fragmentation of Afghanistan: State Formation and Collapse in the International System*, (New Haven: Yale University Press, 2002).

commercial links with the Central Asian region that would promote its economic and development goals. But the success of this approach was compromised when Islamabad shifted its support to the extremist Taliban and helped orchestrate the group's 1996 takeover of Afghanistan. From Islamabad's perspective, a Pakistan-sponsored government in Afghanistan provided both strategic depth against India and reduced pressures from Kabul for a renegotiation of the contested British-era Durand Line that represented the geographical boundary separating Afghanistan and Pakistan.

Paradoxically, this move complicated the achievement of Pakistan's other goals in the wider region as Central Asian leaders feared the dangers of a cross-border spillover of rising Islamic militancy from Afghanistan and Pakistan. Since the late nineteenth century tsarist takeover of the Khanates of Samarkand, Bukhara, Khiva, and Kokand and their brief resurrection after the fall of tsarist Russia and forcible reintegration into the USSR after the Bolshevik Revolution, Muslim Central Asia had been largely isolated from its regional neighbors. The Soviet collapse in 1991 created a fluid situation and opened a previously sealed region to penetration by other states and to the influx of radical Islam.

In the early 1990s, Tajikistan's descent into civil war with opposing forces split along regional and clan lines had allowed the Pakistan-supported Afghan mujahedin to enter into the fray and necessitated the military intervention of Russia to restore political order. The establishment of a Taliban-led government in Kabul set the stage for the Islamization of political life and the creation of a sanctuary for Al Qaeda, culminating in the September 11, 2001 terrorist attacks in the United States, which were planned and executed under the leadership of Al Qaeda's founder Osama bin Laden. The subsequent US war against terrorism launched in Afghanistan compelled Islamabad to abandon its official support of the Taliban government. With this turn of events, Islamabad's Afghanistan and Central Asia strategy suffered a reversal.

This complex historical legacy has had a profound impact on the 21st century engagement between countries in the south and central Asian regions. Political leaders in India and Pakistan have often worked at cross-purposes in attempting to square their respective geopolitical and economic objectives in Central Asia with the terrorist challenges stemming from Islamic fundamentalism and with the political obstacles that have artificially closed off existing geographical connectivities that are necessary for the

establishment of enduring energy, trade, and commercial links. On a visit to New Delhi in March 2009, former Pakistan President Pervez Musharraf reflected upon the urgent need to resolve the Indo-Pakistan conflict noting that Pakistan's unique geostrategic location made it a natural trade and energy corridor linking south and central Asia with western China, the Middle East and the Gulf.¹⁰

A few months earlier, in January 2009, as Kazakhstan and India issued a joint declaration of strategic partnership, Dr. Kairat Umarov, Kazakhstan's ambassador in New Delhi, called for a revival of the old Silk Route: "This route was the bridge between civilizations and carried not only goods, but also progressive ideas. Building on the experience of our forefathers and familiarising (sic) ourselves with the past, today we need to revive the Silk Route." Arguing that Central Asia and South Asia "have always belonged to one cultural space" and have "shared a common history", he foresaw a Union of Central Asian States working together with the South Asian Association for Regional Cooperation (SAARC), adding that with Afghanistan's entry into SAARC, the boundary between Central and South Asia has "blurred," creating opportunities for regional integration.¹¹

The challenge for all countries in Central-South Asia, then, is to find ways to dial back to a time when a robust cultural and economic exchange bound this region into a seamless web of interactions, well before religious and cultural identities became central to the nationalist political agenda. The dilemma in achieving such an outcome lies in the fact that the salience of ethnic and religious identities will loosen only when economic uplift occurs; in turn, for leaders in these states to be successful in achieving economic development goals, civic and secular nationalism needs to replace ethnic- and religious-based political loyalties. Both problems therefore need to be addressed more or less simultaneously for visions of cooperation and prosperity linking these regions to take hold—a circumstance that highlights the role of extra-regional powers, primarily the

¹⁰ "Indo-Pak Disputes Harming South Asia's Economic Growth," *Press Trust of India*, March 8, 2009. Lexis-Nexis Academic, accessed September 19, 2009.

¹¹ "Kazakhstan calls for strategic partnership with India," *United News of India*, January 20, 2009. Lexis-Nexis Academic, accessed September 19, 2009.

United States, Russia, and China either in promoting or inhibiting the development of cooperative relationships among the states of central and south Asia.

CENTRAL ASIA IN INDIAN AND PAKISTANI VISIONS

Historical legacies have played an important role in the underlying bases of the Indian and Pakistani visions of their respective roles in Central Asia. At the ideational level, Islamabad emphasized the common Muslim connection as a springboard to a special economic relationship, while New Delhi called for the revitalization of cultural and commercial ties that had linked the subcontinent with central Asia in times past. Strategically, Pakistan, particularly in the 1990s, sought to exclude India from central Asia; while India, in line with its self-perception of a rising regional power, attempted to bypass Pakistan to engage with the region, first through Iran and, after the fall of the Taliban, through Afghanistan. Economically, both India and Pakistan eyed the vast potential of trade links with a large and newly accessible consumer market and of energy partnerships with an oil- and gas-rich central Asian region.

Viewing India's surrounding regions in terms of widening concentric circles, New Delhi has included Central Asia as part of India's "extended neighborhood" and as an area where India has core geostrategic—economic and security—interests. In 2007, then Indian External Affairs Minister Pranab Mukherjee prioritized the nurturing of a web of cooperative energy security networks linking suppliers in Central Asia with energy-hungry states in South Asia as an important goal of Indian foreign policy. Recognizing the close connection between the attainment of energy security and threats from terrorism, he noted the challenges to Indian security overland from the northwest. New Delhi, he suggested, had a common interest with Central Asian governments in staunching the flow of Islamic fundamentalism from Pakistan and Afghanistan into Kashmir and Central Asia and preventing the region from becoming a conduit for radical religious ideologies with the potential to destabilize the border regions of Uzbekistan, Tajikistan, Kyrgyzstan, China, and India. India's goals, according to Mukherjee, were "premised on the commerce of ideas and goods" (2007).¹²

¹² Pranab Mukherjee, "Indian Foreign Policy: A Road Map for the Decade Ahead," Speech at the 46th National Defense College Course, November 15, 2007, <http://meaindia.nic.in/speech/2006/11/15ss02.htm>, accessed February 22, 2007.

Likewise, in a speech in November 2006 to the Shanghai Institute of International Studies, former Indian Foreign Secretary Shyam Saran challenged his listeners to join India in the creation of a “neighborhood of peace and prosperity in which people, goods, services, and ideas” could traverse freely across borders and which would be anchored in a cooperative Asian security architecture and an Asian economic community.¹³

The transformation in language from borders as lines of division to borders as “connectors” marks a major shift in the Indian worldview in the post-Cold War period.¹⁴ Indian leaders would like to see in Central Asia the emergence of secular polities with which New Delhi can establish economically pragmatic and culturally enriching partnerships hearkening back to the ties that bound these regions together in pre-imperial times.

Pakistan’s Central Asian vision has attempted to integrate three goals: forging bilateral and regional ties based on a common Islamic identity; capitalizing on the opportunity to gain strategic depth against India; and seeking mutually beneficial economic and energy partnerships. From Islamabad’s perspective, the emergence of a belt of independent Muslim states in Central Asia not only allowed Pakistan an exit from being locked into an Indo-centric South Asia but also provided an added measure of security in the event of an armed conflict with India. The establishment of the Taliban-led government under Islamabad’s sponsorship in 1996 and Pakistan’s declaration of nuclear weapons status in 1998 further attenuated Pakistan’s structurally-imposed insecurity. But none of these developments freed Islamabad from its identity-driven insecurity vis-à-vis India that dated back to Jinnah’s enunciation of the two-nation principle of statehood.

The converse of this Pakistani vision has been a strategy of denial to India of the use of its territory for overland access to Central Asia. Hindering New Delhi from developing strong ties with Central Asian countries was seen in Islamabad as crucial for the overall success of Pakistan’s strategic goals. As a case in point, President Musharraf’s April 2006 articulation at the Pakistan-China Energy Forum of a grand vision of Pakistan serving as a major transport and energy corridor for land-locked Central Asian countries

¹³ Shyam Saran, “Present Dimensions of the Indian Foreign Policy,” November 1, 2006, <http://meaindia.nic.in/speech/2006/01/11ss01htm>, accessed February 22, 2007.

¹⁴ Shyam Saran, “Does India have a Neighborhood Policy?” September 9, 2006, <http://meaindia.nic.in/speech/2006/09/09ss01.htm>, accessed February 22, 2007.

and western China to the Indian Ocean through the Chinese-built port facility at Gwadar pointedly excluded any mention of India.¹⁵

THE POLITICS OF TRANSPORT AND ENERGY CORRIDORS

Pakistan is ideally situated to serve as an energy-and-transport corridor linking Central Asia with South Asia. However, any such routes to Central Asia would have to traverse the politically volatile areas of Afghanistan, northwestern Pakistan, or western China. In the early 1990s, Prime Minister Benazir Bhutto sought to revive the Old Silk Route, to invest in oil pipelines from Central Asia to Pakistan, and to provide land-locked Central Asian countries with access to the sea through the port of Gwadar.¹⁶ Bhutto's pipeline proposal was an important topic on the agenda when General Pervez Musharraf, the military ruler of Pakistan, visited Turkmenistan and Kazakhstan in 2000. Pakistan's then Foreign Minister Abdus Sattar expressed Islamabad's keen interest in becoming "part of the arrangements for gas from Turkmenistan and oil from Kazakhstan".¹⁷

A significant Asian Development Bank- sponsored (ADB) project, adumbrated in 2002, was the Turkmenistan-Afghanistan-Pakistan (TAP) gas pipeline, which was later extended to include India (TAPI), spanning a total distance of 1,700 km. The original US-supported TAP gas pipeline from Daulatabad through Herat to Multan could have a spur to India if economic rationality were to prevail over geopolitical calculations. In May 2006, India accepted the invitation to participate in the TAPI project¹⁸ and was formally inducted as a full-fledged member in April 2008.¹⁹ The TAPI project, which has been delayed both by security concerns and by uncertainty regarding the extent of available Turkmen gas supplies, sputtered to life in April 2009 when Ashgabat awarded Islamabad a gas-reserves certification from its Yasrak, rather than the Daulatabad, gas

¹⁵ Jamshed Ayaz Khan, "Pakistan and Regionalism," in Alyson J. K. Bailes et al, *Regionalism in South Asian Diplomacy*, SIPRI Policy Paper No. 15, February 2007: 52.

¹⁶ Javaid R. Laghari, J. (2008) "Pakistan and Central Asia: Post-Bhutto Implications," Central Asia-Caucasus Institute, January 25, 2008, http://www.silkroadstudies.org/new/inside/forum/CACI_2008_0125.html, accessed May 18, 2009.

¹⁷ "Pakistan Seeks Central Asia Gas," *BBC News Online*, November 7, 2000, http://news.bbc.co.uk/2/hi/south_asia/1011272.stm, accessed May 18, 2009.

¹⁸ Gulshan Sachdeva, "India" in Starr, S.F. ed. *The New Silk Roads: Transport and Trade in Greater Central Asia*, Central Asia-Caucasus Institute & Silk Road Studies Program, (Washington, DC and Uppsala, Sweden: Johns Hopkins University and Uppsala University, 2007), 350.

¹⁹ "India committed to Iran, Turkmenistan pipeline projects – minister," PTI, *BBC Monitoring*, April 24, 2008, Lexis-Nexis Academic (accessed November 13, 2009).

field for export through TAPI. But Pakistan's energy negotiator Asim Hussain reiterated Islamabad's reservations over the security of the planned route and proposed either an alternate route that traversed a shorter distance through Afghanistan or, in the absence of major breakthroughs on the TAPI pipeline, suggested routing Turkmen gas through the Iran-Pakistan-India (IPI) pipeline.²⁰

The \$7.4 billion IPI pipeline proposal for transporting South Pars natural gas to the Indian subcontinent over a distance of 2,774 km was first floated in 1989 in a joint proposal by then Iranian Deputy Foreign Minister Ali Shams Ardekani and then Director-General Rajendra Pachauri of India's Tata Energy Research Institute in New Delhi. The Indian political leadership initially balked at the proposal but finally signed a Memorandum of Understanding with Iran in 1993.²¹ Negotiations on the project began in 1994. New Delhi's participation in the IPI project was complicated in the 1990s and into the mid-2000s by India's strategic partnership with the United States and Washington's displeasure with IPI.

In 2004 Prime Minister Manmohan Singh sought simultaneously to work with Washington and Tehran and declared that the IPI project represented a win-win proposition for all participating countries. According to one Indian analyst, "[w]ith this change in mind-set, the key to accessing Central Asian oil and gas is also within its [India's] grasp, since Kazakhstan, Turkmenistan, and Iran all favour [sic] the construction of pipelines from the Caspian region heading south."²² Indian involvement has been welcomed by leaders in Central Asian countries. As Bulat Sultanov of the Kazakh Institute of World Economy and Policy explained, "Stability in our region is based on Russia in the north, the US and European Union in the west, China in the east, and India in the south. It is thus very important for us to have close relations with India. . . . Why

²⁰ Alima Bissenova, A. (2008) "Pakistan and Afghanistan will import 1,300 megawatts electricity from two Central Asian States Kyrgyzstan and Tajikistan under an agreement signed in Islamabad on Monday," *CACI Analyst*, August 20, 2008, <http://www.cacianalyst.org/?q=node/4925>, accessed September 19, 2009.

²¹ S. G. Pandian, S. (2005) "Energy Trade as a Confidence-building Measure between India and Pakistan: A Study of the Indo-Iran-Trans-Pakistan Pipeline Project," *Contemporary South Asia* 14 (2005): 313.

²² Siddharth Varadarajan, "Those with pipelines call the tune," *The Hindu Online*, November 2, 2004, <http://www.hinduonnet.com/thehindu/2004/11/02/stories/2004110207911000.htm>, (accessed June 30, 2009).

can't we think of a pipeline from Kazakhstan to India through Turkmenistan, Afghanistan, and Pakistan?"²³

But when in May 2009, Tehran and Islamabad signed a much-delayed bilateral agreement to proceed with the Iran-Pakistan sector of the proposed Iran-Pakistan-India (IPI) gas pipeline to supply Pakistan with 758,950 million cubic feet per day (Mcf/d) of Iranian gas by the end of 2013, India remained on the sidelines and was not party to the accord. Indian reluctance stemmed both from unresolved gas pricing issues with Iran and concerns over transit security in Pakistan, especially considering that the IPI route would run through Pakistan's restive region of Baluchistan. Moreover, Tehran has been unwilling to agree to a regime whereby Iran would be "held accountable for non-delivery of gas" at the Indian border." Indian Petroleum Secretary R. S. Pandey expressed India's continued interest in the IPI but stated that "certain concerns" needed to be addressed before India would sign on to the deal. For India, both the IPI and TAPI projects have so far failed to materialize.²⁴

In order to expand its pipeline options, India, together with Turkey and Israel began to explore a plan to use a new route that would bypass the Suez Canal and pipe and ship oil and gas to India through a combination of pipelines and supertankers—from the Caspian Sea to Ceyhan through the 1,768 km Baku-Tbilisi-Ceyhan pipeline; from Ceyhan via supertankers to Israel; and then routed through the 254 km Ashkelon-Eilat pipeline to Eilat port and thence via the Red Sea to India. This plan was discussed during Turkish Prime Minister Racip Tayyip Erdogan's visit to India in November 2008.²⁵ For India, the attraction of this route is manifold: Israeli ports serve larger ships than can move through the Suez Canal, with the added benefit of lower tariffs; the route is less congested and would avoid Pakistani territory; and finally, such a project would allow

²³ Siddharth Varadarajan, "Those with pipelines call the tune,"

²⁴ Ammar Zaidi, "Iran, Pakistan sign pipeline deal sans India," *The Press Trust of India*, June 15,, 2009, Factiva.com. Document No: PRTRIN0020090617e56f00005, accessed June 25, 2009.

²⁵ "India: New Joint Project Explores Plan to Pipe Oil, Gas to India," *Voice of America*, November 26, 2008, Lexis-Nexis Academic, accessed September 19, 2009.

India to build upon its increasingly stronger ties with Israel and Turkey.²⁶ Feasibility studies on this project were scheduled to be completed by the end of 2009.

Hydro-electric power is another promising energy resource from Central Asia. In August 2008, at the conclusion of an Inter-Governmental Council (IGC) meeting, the energy ministers of Pakistan and Afghanistan inked a landmark Central Asia-South Asia (CASA 1000) agreement with Tajikistan and Kyrgyzstan linking their countries in a Central Asia/South Asia Regional Electricity Market (CASAREM) that would bring hydroelectric power from Central Asia to South Asia via a 477 km transmission line from Kyrgyzstan to Tajikistan and a 750 km line from Tajikistan to Pakistan through Afghanistan. With financial backing from the World Bank, the Asian Development Bank (ADB), and the Islamic Development Bank, the project is scheduled to be completed by 2013. With this agreement, the IGC set up a Secretariat in Kabul and appointed Pakistan's Qazi Naemuddin as its Executive Director.²⁷

Islamabad's infrastructure plans have also included the building of roadways linking Pakistan to Afghanistan via Jalalabad and the Wakhan Corridor and to western China via a refurbished Karakoram Highway, along which China is contracted to build several bridges. These roads could link up with Chinese roads to Kazakhstan and Kyrgyzstan and existing transit routes to India. The joint construction of an important 20 km road through the Wakhan Corridor in Afghanistan, designed to connect Pakistan to Tajikistan, has been agreed upon by leaders in the three countries, as has the building of a parallel transmission line for the export of electricity from Tajikistan to Pakistan with the possibility of an onward link to India.²⁸ The current volume of trade moving along the Almaty-Bishkek-Kashgar-Karakoram-Islamabad-Karachi road is low.

²⁶ Sudha Ramachandran, S (2008) "Turkey offers oil pipe lifeline to India," *Asia Times Online*, February 27, 2008, http://www.atimes.com/atimes/South_Asia/JB27Df03.html, accessed November 14, 2009.

²⁷ Alima Bissenova, "Pakistan and Afghanistan will import 1,300 megawatts electricity from two Central Asian States Kyrgyzstan and Tajikistan under an agreement signed in Islamabad on Monday," *CACI Analyst*, August 20, 2008, <http://www.cacianalyst.org/?q=node/4925>, accessed September 19, 2009.

²⁸ Aftab Kazi, "Pakistan," in Starr, S.F. ed. *The New Silk Roads: Transport and Trade in Greater Central Asia*, Washington, DC and Uppsala, Sweden: Johns Hopkins University and Uppsala University, 2007): 87-97.

The ADB has sponsored the building of an extensive road network linking central and south Asia. The ADB's \$5.7 billion Central-South Asian Transport and Trade Forum initiative (CSATTF) was unveiled in 2003 in an effort to promote economic development in six participant countries—Afghanistan, Iran, Pakistan, Tajikistan, Turkmenistan, and Uzbekistan—through the upgrading of regional trade and transit routes to facilitate regional trade and create a hub for third country trade. China, India, Kazakhstan, and Kyrgyzstan participated in CSATTF's 2005 meeting.²⁹

In 2007, Islamabad prepared a blueprint for the building of new and upgrading of existing rail links in Baluchistan that would connect the port of Gwadar to Afghanistan, the Central Asian republics and Russia on one line and a second line to Iran, Turkey, and Europe.³⁰ Noting the quadripartite agreement among Pakistan, China, Kazakhstan, and Kyrgyzstan on traffic and transit as well as Chinese assistance for the upgradation to international standards of the Karakoram Highway, Prime Minister Shaukat Aziz held out the promise of Pakistan as a transit hub for land-locked Central Asia and Western China.³¹

Gwadar was completed in 2005 and formally inaugurated in March 2007 at a total cost of \$248 million, of which \$198 million came from China. In return, China secured access to the port for its navy, allowing Beijing to project power in the Arabian Sea and the Persian Gulf.³² Gwadar began handling cargo traffic in March 2008 with the completion of three berths and a 600-meter long ramp capable of accommodating several ships. Ten additional berths are to be constructed in Phase Two.³³ Many analysts believe that trade volumes overland from Central Asia through Pakistan are likely to pick up with the completion of the deep water port at Gwadar. Islamabad also hopes to reap huge

²⁹ Gulshan Sachdeva, "India" in Starr, S.F. ed. *The New Silk Roads: Transport and Trade in Greater Central Asia*, 354.

³⁰ "Pakistan ready to make Balochistan rail link for Central Asia," *Pakistan Press International*, October 26, 2007, Lexis-Nexis Academic, accessed September 19, 2009.

³¹ "Pakistan PM says trade with Central Asian states improving," Associated Press of Pakistan (APP), *BBC Monitoring*, October 31, 2007, Lexis-Nexis Academic, accessed September 19, 2009.

³² "What passes through Gwadar," *Indian Express*, January 29, 2008, Lexis-Nexis Academic, accessed September 19, 2009.

³³ "Gwadar Port becomes functional," *Pakistan Newswire*, March 16, 2008, Lexis-Nexis Academic, accessed September 19, 2009.

revenues from the future use of this port by Central Asian states, Russia, China, and Afghanistan.

In July 2009, the President of Pakistan met in bilateral, trilateral, and quadrilateral formats with the Presidents of Afghanistan, Tajikistan, and Russia. In one agreement, the three involved countries agreed on the route of a proposed 1,306 kilometer highway to connect Pakistan with Tajikistan through Afghanistan. Entering Afghanistan from Chitral through the Durrah Pass, the road would wind through Iskatul, Ulkhana, Ishkashim, Khorugh, Kulaikhumb, Kulab, and Kofirnigan before arriving at Dushanbe. The Joint Statement committed their respective countries to the construction of a network of roadways and railways to provide Tajikistan with access to Pakistani seaports. Additionally, the leaders of Pakistan, Afghanistan, and Tajikistan decided to adopt a regional strategy to combat drug-trafficking and terrorist threats. With these agreements, Tajikistan moved to ease travel restrictions for Tajik businessmen and tourists to Pakistan. Tajik nationals could now seek entry visas from the Pakistani embassy in Dushanbe without the added burden of obtaining permission from the Interior Ministry. President Medvedev offered Russian help in training civilian forces to combat the rising militancy in Pakistan.³⁴

As with pipeline politics, India's most direct route to Central Asia through Pakistan and Afghanistan is both politically charged and insecure. Iran and Kazakhstan represent alternative, though more circuitous, strategic access points for India to Central Asia and rest on New Delhi's long-standing ties with Iran and reciprocally friendly relations with Kazakhstan. Strong relationships with Iran and Kazakhstan would allow India to break out of Pakistan's political strategy of denial to India of a trans-Pakistani transit route to Central Asia. India is wary of trans-Pakistani routes both because political instability in the country, the unresolved tensions related to the bilateral conflict over Kashmir, and terrorist threats issuing from Muslim fundamentalist groups operating from Pakistan.

³⁴ "Pakistan President returns after three-day visit to Tajikistan," *APP Report*, July 31, 2009, Lexis-Nexis Academic, accessed September 19, 2009.

For a vibrant Central-South Asia relationship to emerge, however, the insurgency-fueled political instability in Pakistan and Afghanistan needs to be addressed. As the insurgency in Pakistan gathered strength in 2009, many officials in Western diplomatic, defense, and intelligence circles expressed alarm. One US intelligence officer with “long experience in Pakistan” observed: “It’s a disaster in the making on the scale of the Iranian revolution.”³⁵ In May 2009, the deputy secretary of the Russian Security Council Vladimir Nazarov echoed this concern noting the possibility that “terrorists in Pakistan could gain access to nuclear weapons because of instability in that country.”³⁶

When the leaders of Tajikistan, Pakistan, and Afghanistan met at a summit near Dushanbe in July 2009 that was originally “intended to highlight the joint energy project,” Pakistani President Zardari indicated that security issues would dominate the discussions in light of the resurgent threats of terrorism and narco-trafficking which, he said, threatened their countries, the neighborhood, and the region. Tajikistan’s July 31 launch of the Sangtuda-1 hydropower plant for which the regional presidents had gathered was overshadowed by fighting in the tribal region of northwestern Pakistan and Afghanistan that spilled over into Tajikistan when militants attacked police in eastern Tajikistan.³⁷ In October 2009, the Pakistan Army launched an assault on tribal strongholds in the northwest aimed at striking against insurgent bases that threaten to destabilize the entire country. The success of this ongoing operation remains an open question.

Additionally, Indo-Pakistani tensions vastly complicate the security scenario in the region. The port of Gwadar in Pakistan’s Baluchistan Province is a frequent target of violence by ethnic Baluchis who harbor resentment against the central government based on perceptions that Islamabad neglects their interests, or worse, that it directs to other parts of the country the wealth gained from the sale of Baluchi gas.³⁸ Islamabad’s

³⁵ Jonathan S. Landay “Global Threat of Pakistan Warlords,” *Sunday Telegraph* (Australia), April 19, 2009, Lexis-Nexis Academic, accessed September 19, 2009.

“Russia, other SCO members worry terrorists in Pakistan may get access to nukes,” ³⁶ *Central Asia General Newswire*, May 20, 2009, Lexis-Nexis Academic, accessed September 19, 2009.

³⁷ Bruce Pannier, “Regional Presidents Assemble for C. Asia Security Talks,” *RFE/RL Report*, July 30, 2009, http://www.rferl.org/content/Afghan_Pakistan_Leaders_discuss_CAsia_Security/1788818.html, accessed October 2, 2009.

³⁸ Christine Fair, “Pakistan’s Relations with Central Asia: Is the Past Prologue?” *The Journal of Strategic Studies* 31(April 2008): 214.

allegations that Indian consulates in Kandahar and Jalalabad in Afghanistan and Zahedan in southeastern Iran have supported military training camps for Baluchis have served to complicate an already festering Indo-Pakistani relationship over the issue of Pakistani sponsorship of cross-border terrorism in Kashmir.³⁹

Ethnic Baluchis inhabit the southwestern region of Pakistan and the contiguous southeastern area of Iran. Baluch nationalism has also generated tensions in Iran-Pakistan ties over terrorist attacks launched in Iran from Pakistan. The October 18, 2009 Zahedan attack targeting top leaders of Iran's Revolutionary Guard was traced to an anti-Shia Iranian militant group—Jondallah—composed of Sunni Baluchis based in Pakistani Baluchistan. This incident was another in a series of intermittent cross-border guerrilla-style attacks that have occurred since 2003.⁴⁰ Furthermore, the resurgence of the Taliban in Afghanistan and Pakistan has threatened to destabilize vast areas in Pakistan's northwestern region, compromising the security of cargo and pipelines along transit routes traversing these spaces.

Indian involvement in regional infrastructure development has largely focused on its traditionally strong ties with Afghanistan, Iran, and Russia. The North-South Corridor initiative casts a wider net of players with India, Iran, and Russia (as founding members), and Bulgaria, Ukraine, Belarus, Armenia, Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan, Oman, Syria, and Turkey. This project seeks to link Scandinavian countries and Russia to the Indian Ocean, the Persian Gulf, and Southeast Asia along a North-South corridor using both land and sea routes. The southern portion would link the Indian port in Mumbai with Bandar Abbas in Iran and then overland in Iran to Caspian Sea ports bound for the Russian ports of Astrakhan and Lagan. India is helping with the construction of the port of Chahbahar in Iran and a road project that would link Chahbahar to the Iranian rail network allowing access to Central Asia. In Afghanistan, India is also involved in the building of a 22 km road from Zaranj, located at the Iran-Afghan border, to Milak and the 235 km road from Zaranj to Delaram connecting thence

³⁹ Kazi, "Pakistan," in Starr, S.F. ed. *The New Silk Roads: Transport and Trade in Greater Central Asia*, 102.

⁴⁰ "Pakistan tells Iran about link between Sunni rebel group, Taleban—sources," *BBC Monitoring*, October 20, 2009, Lexis-Nexis Academic, accessed October 23, 2009.

to existing roads links through Afghanistan to Central Asia.⁴¹ All these infrastructure projects reveal New Delhi's attempts to facilitate trade, commercial and energy ties with Central Asia in the face of its inability, for political reasons, to use the shortest access point to the region through Pakistan.

In March 2008, as the Indo-Pakistan composite dialogue process initiated in January 2004 showed signs of progress, then Indian External Affairs Minister Pranab Mukherjee in an inaugural address at a forum in Chandigarh on "Cooperative Development and Peace in Central Asia advocated closer cooperation between India and Central Asia through the establishment of a direct transportation route through Pakistan, Afghanistan, and Iran. Noting that the absence of a "direct surface link" presented a major impediment to trade between India and Central Asia, Mukherjee called for linking efforts by Kazakhstan, Turkmenistan, and Russia to increase road and rail connectivity to further development of the North-South international trade corridor (Pakistan Newswire 2008a).⁴²

But a year later in March 2009, in a lecture at Jadavpur University on "Cooperative development, peace, and security in Central and South Asia," Mukherjee was less hopeful. The November 2008 terrorist attacks in Mumbai, which New Delhi traced to elements in Pakistan, reignited strains in the relationship and led to the suspension of the fifth round of these talks.⁴³ Meeting with India's External Affairs Minister S. M. Krishna on the sidelines of the annual United Nations General Assembly meeting in September 2009, Pakistan's foreign minister Shah Mahmood Qureshi urged resumption of the composite dialogue process.⁴⁴ The importance of cordial Indo-Pakistan ties to the development of strong central-south Asian relations has not been lost on leaders and analysts in Central Asia. Speaking in Almaty to an Indian journalist, First Deputy Director of the Kazakhstan Institute of Strategic Studies Sanat Khushkumbayev

⁴¹ Sachdeva, "India" in Starr, S.F. ed. *The New Silk Roads: Transport and Trade in Greater Central Asia*, 357-8

⁴² "India for road link with Central Asia through Pakistan," *Pakistan Newswire*, March 15, 2008, Lexis-Nexis Academic, accessed September 19, 2009).

⁴³ Sudha Varadarajan, "Commentary urges India not to delay dialogue with Pakistan over Baluchistan," *The Hindu*, July 29, 2009, BBC Monitoring, Lexis-Nexis Academic, accessed October 30, 2009. See also, The Indian Express, "Pakistan must cease to be a terror haven, says Pranab," *The Indian Express Online Media: The Financial Times*, March 2, 2009, Lexis-Nexis Academic, accessed September 19, 2009.

⁴⁴ Patrick Worsnip and Arshad Mohammed, "Pakistan aims to mend fences with India: foreign ministers meet," *Reuters*, September 28, 2009, Lexis-Nexis Academic, accessed October 30, 2009.

saw the resolution of the Indo-Pakistani conflict as key to the successful emergence of an economically vibrant south-central Asian region.⁴⁵

POLITICAL AND ECONOMIC TIES

Far from using the Soviet collapse as a springboard for developing new relationships with the states of Central Asia in acknowledgement of new realities and in recognition of the need to develop new priorities, India chose to focus on recasting New Delhi's relationship with the new Russia. New Delhi thus lost an early opportunity to shape the Central Asian agenda on India's terms. This omission was especially short-sighted in view of the fact that, as a consequence of its close ties with Moscow, India had maintained a consulate in Tashkent since 1987, had air links between New Delhi and Tashkent, had hosted many students from Soviet Central Asia at Indian universities, and in turn had sent many Indians to study in Central Asian universities. India therefore had a strong potential resource among its population and that of Central Asia whose mutual knowledge, expertise, and good will could have been utilized to India's advantage in building mutually beneficial ties.

Preoccupied with managing the Indian-Russian relationship, India initially overlooked its Central Asian neighbors. A prime indicator of this neglect was that while Uzbek President Islam Karimov chose to visit India in late 1991 – his first visit to a country outside the Commonwealth of Independent States (CIS) – and Kazakhstan's President Nursultan Nazarbayev visited New Delhi in February 1992, followed by President Askar Akayev's visit in March 1992, it was not until May 1993 that India's Prime Minister visited Uzbekistan. In their visits to India, the Central Asian presidents had lauded India's secular political model, eschewed Islamic fundamentalism, and expressed the desire for strong ties with India.

Indian leaders were slow to capitalize on these advantages. Serious reengagement efforts with countries in the region began in earnest only in the early 2000s and picked up pace by the middle of the decade. By this time, however, India found itself competing with China and the United States, which were drawn in early by the promise of energy resources and by the challenge of terrorism and religious radicalism. Both countries are

⁴⁵ Hindustan Times "Ties between Central and South Asia facing hiccups: Expert," *The Hindustan Times*, August 28, 2008, Lexis-Nexis Academic, accessed September 19, 2009.

deeply entrenched in Central Asia, where the Russian imprint by virtue of its historical legacy has also continued to be strong. As a late entrant to the geo-economic and geopolitical dynamics of Central Asia, India has attempted to rectify its earlier missteps. In the words of Tahir Ashgar, an Indian scholar of Central Asia, “We didn’t miss the bus as we did not go to the bus stop in the first place. It is time to make up for lost opportunities. . . . We need to have a more comprehensive policy in Central Asia to extract maximum advantage.”⁴⁶

From a pragmatic perspective, the vast oil resources of Kazakhstan, the gas reserves of Kazakhstan and Turkmenistan and the hydroelectric energy potential in Tajikistan and Kyrgyzstan represent proximate sources of abundant energy for a country such as India whose energy demands are expected to rise exponentially in the coming decades. India has focused primarily on the development of its relations with Uzbekistan, Tajikistan, and Kazakhstan but has also reached out to Turkmenistan and Kyrgyzstan. Indo-Uzbek summit meetings in 1991 and 1993 resulted largely in the signing of agreements to cooperate in the scientific-technical, economic, and socio-cultural fields. Additionally in 1993 an Indo-Uzbek Treaty on the Principles of Inter-State Cooperation was signed and the Indian Prime Minister also announced the creation of an ‘India Chair’ at the University of World Economy and Diplomacy in Tashkent. By the time of President Karimov’s visit in 1994, instruments of ratification of the Indo-Uzbek Treaty were exchanged and an agreement was signed on the opening of an Indian Cultural Centre in Tashkent. Over these years, India also offered Uzbekistan three credit lines of \$10 million each for joint ventures, project exports, and the purchase of capital goods from India. Both countries also viewed the rising terrorist threats with concern and in 2003, New Delhi and Tashkent set up a bilateral working group on international terrorism and agreed to share intelligence and to conduct joint military exercises.⁴⁷

While these early agreements did not make any significant breakthroughs in tangible areas such as trade and economic cooperation, they did play an important role in creating opportunities for people-to-people exchanges. Indo-Uzbek trade, for instance, is

⁴⁶ “Central Asia, New Forces of India’s Oil Diplomacy,” *Indo-Asian News Service*, New Delhi, April 6, 2005, Lexis-Nexis Academic, accessed February 22, 2007.

⁴⁷ Sebastien Peyrouse, “Russia and India Face Kazakhstan’s Space Ambitions,” *CACI Analyst*, October 29, 2008, <http://www.cacianalyst.org/?q=node/4971>, accessed September 19, 2009.

minimal, with a bilateral trade turnover in 2004 of \$150 million.⁴⁸ Pharmaceuticals constitute the largest single item of Indian exports to Uzbekistan, which also include tea, machinery, plastics, and garments. Uzbek exports include machinery, cotton, raw silk, raw wool, non-ferrous metals, and aircraft. However, in the area of cultivating soft power, India made considerable headway since 1991 with the establishment in Tashkent of the Indo-Uzbek Centre for Promotion of Scientific and Technological Cooperation in 1995; the setting up of an 'India Chair' at the University of World Economy and Diplomacy in 1996; hosting over a hundred Uzbeks per year since 2002 (the numbers were fewer in earlier years) for training in information technology; working on the establishment of a Centre for Information Technology in Tashkent with funding from the Indian government; and in hosting Uzbek students for study in Indian universities under a scholarship and cultural exchange program under the auspices of the Indian Council for Cultural Relations.

Indo-Uzbek ties progressed in 2005 and 2006 during the visits to New Delhi and Tashkent respectively by President Karimov and Prime Minister Manmohan Singh. Twelve bilateral agreements were inked in 2005—four of which dealt with cooperation in defense, education, culture and sports, and support of small and private entrepreneurship and the other eight relating to cooperation between economic, cultural, educational institutes of India and Uzbekistan. Afghanistan represented an important area of discussion with both sides agreeing to cooperate in the reconstruction of the country and recognizing the key role of Afghanistan in providing a transportation link between Uzbekistan and India. The military cooperation agreement called for joint military exercises and opportunities for the training of Uzbek officers. In the area of defense industry, the two countries agreed to initiate cooperation between the Indian company Hindustan Aeronautics Limited and the Tashkent aviation plant in the modernization of Ilyushin 76 aircraft. For India, the unequivocal support offered by the Uzbek President

⁴⁸ Ministry of External Affairs, India, "State Visit of President of the Republic of Uzbekistan, H.E. Mr. Islam A. Karimov," April 1, 2005, New Delhi, <<http://meaindia.nic.in/pressrelease/2005/04/01pr01.htm>>, accessed June 6, 2006.

for India's permanent membership in an expanded United Nations Security Council was particularly welcome.⁴⁹

During Prime Minister Manmohan Singh's 2006 visit to Tashkent, Uzbekistan provided a major boost to India's quest for energy security by offering exploration facilities to Indian companies in the hydrocarbon sector with a proposal for an equal share for both countries in the extracts. This offer was initialed in a Memorandum of Understanding between India's Ministry of Petroleum and Natural Gas and Uzbekistan's Uzbekneftgaz. Two other Memoranda of Understanding were concluded between the Gas Authority of India, Ltd (GAIL) and Uzbekneftgaz and between the Coal Ministry of India and Uzbekistan's State Committee for the exploration of gas and mineral resources. Singh stated that India saw Uzbekistan "as an important element in any effort to optimally utilize the energy resources of Central Asia" and Karimov added that "Uzbekistan, based on its cooperation with a number of countries . . . is ready to allocate geological territory to Indian companies to explore the resources of gas, oil, and other hydrocarbons."⁵⁰

At the eighth meeting of the Indo-Uzbek intergovernmental commission in New Delhi in September 2008, the two sides discussed ways to expand and intensify business cooperation and signed a protocol on trade. At this meeting, Indian Minister of State for Commerce and Industry Jairam Ramesh reiterated India's interest in cooperation in the oil and gas sectors to the Uzbek delegation headed by Minister of Economics Botir Hojayeov and leading specialists in the field of oil and gas, the electricity, information technology, and pharmaceutical industries.⁵¹ In March 2009, the leaders of Uzbekneftgaz met with India's Minister of Petroleum and Natural Gas Murli Deora to discuss opportunities for an expanded partnership.⁵²

⁴⁹ "India-Uzbek Ink 12 Bilateral Pacts," *The Statesman*, India, April 5, 2005, LexisNexis Academic, accessed June 14, 2006.

⁵⁰ "Uzbekistan Offers Gas Exploration Facilities to Indian Companies," April 26, 2006, Press Trust of India, *BBC Worldwide Monitoring*, LexisNexis Academic, accessed June 14, 2006.

⁵¹ "Uzbekistan, India sign protocol on economic cooperation," Regnum News Agency, Moscow, *BBC Monitoring*, September 23, 2008, Lexis-Nexis Academic, accessed September 19, 2009.

⁵² "Uzbek energy officials, Indian oil minister discuss partnership opportunities," Regnum News Agency, Moscow, *BBC Monitoring*, March 18, 2009, Lexis-Nexis Academic, accessed September 19, 2009.

The bilateral trade turnover between India and Kazakhstan was around \$79 million in 2003, with Indian exports largely in pharmaceuticals and tea. Kazakhstan's Minister of Industry and Commerce Adilbek R. Zhaksybekov in 2004 termed the volume of trade between the two countries as "insignificant" and added that his government sought to encourage Indian investment in sectors like telecommunications, electronics, and biotechnology. Addressing Indian investors, Zhaksybekov stated, "The Kazakh government has invested \$2 billion towards special funds which investors must make use of. Therefore, if Indian investors decide to invest in the country, they would not have to raise their own funds."⁵³

In the energy sector, India was not as quick-footed as were the United States and China in the exploration and development of oil and natural gas in the Caspian Sea continental shelf (Varadarajan 2004a). In January 2005, the Kazakh government invited India to set up joint ventures in the oil and natural gas sectors (PTI 2005a).⁵⁴ In February 2005 at the Astana meeting of the Indo-Kazakhstan Joint Commission on Economic, Scientific, Industrial, and Cultural Cooperation, India's Minister of Petroleum and Natural Gas, Mani Shankar Aiyar, expressed India's interest in promoting participation through India's Oil and Natural Gas Videsh Ltd. (OVL) in exploration and production in the energy sector in Kazakhstan; in cooperation in the military-technical area; and in information technology.⁵⁵

Aiyar's discussions opened a new phase of cooperation between Kazakhstan and India. OVL opened a regional office in Astana in July 2005 and was to pick one of two exploration blocks (Satpayev and Makhanbet) in the oil-rich Caspian Sea region. A senior Indian official stated, "Both sides realized we have missed some opportunities in the past. It's time to make up for all that lost time."⁵⁶ India is also exploring the possibilities for investment in the development of pipelines and in the gas sector. By October 2005, Indo-Kazakh cooperation in the energy sector was on a firmer footing.

⁵³ "Kazakhstan Offers Concessions to Indian Investors," Press Trust of India, New Delhi, September 17, 2004, *Press Trust of India*, Lexis-Nexis Academic, accessed June 14, 2006.

⁵⁴ "Kazakhstan Invites India to Set up JVS in Oil and Natural Gas," January 20, 2005, *Press Trust of India*, Lexis-Nexis Academic, accessed June 14, 2006.

⁵⁵ "Indo Kazakhstan Joint Commission Meets in Astana," *The Hindustan Times*, New Delhi, February 18, 2005, Lexis-Nexis Academic, accessed June 14, 2006.

⁵⁶ "Kazakhstan to Quench India's Oil Thirst," *Indo-Asian News Service*, Astana, July 8, 2005, Lexis-Nexis Academic, accessed February 22, 2007.

Kazakhstan's Energy Minister V. Shkolnik noted, "[w]e has agreed to have strategic energy cooperation. KazMunaiGaz and OVL will work together in the Caspian Sea."⁵⁷ Kazakhstan is also making a strong bid for the participation of Indian textile majors in developing the Kazakh textile industry in the Special Economic Zone for textiles in Ontustyk.

Like the United States, India has increasingly come to focus on Kazakhstan as a key link in its developing relationship with Central Asian states. The organizational restructuring of the US State Department to link Central and South Asia into a single unit reflected a conscious American predilection to promote the development of stronger ties between these regions in which India and Kazakhstan represent important countries. Indian Vice-President Hamid Ansari's March 2008 visit to Kazakhstan sought to put Central Asia on India's map while simultaneously raising India's presence in Central Asia. Astana assumed even greater importance in New Delhi's reckoning in the wake of the 2008 US-India civilian nuclear deal in light of Kazakhstan's position as one of the world's three largest suppliers of uranium after Canada and Australia. Moreover, the US has strongly favored Kazakhstan as a source of oil and gas supplies to India in preference to the IPI pipeline (BBC Monitoring 2008c).⁵⁸

A significant uptick in ties between these two countries occurred after President Nazarbayev's January 2009 visit to New Delhi as an honored guest during India's Republic Day celebrations. Speaking to Indian journalists President Nazarbayev touted the strength of Indo-Kazakh relations: "Currently over 280 Kazakh-Indian joint ventures operate in Kazakhstan, and our country is India's largest economic partner in the Central Asian region: more than half of India's trade in Central Asia accounts for Kazakhstan. Now we will reach agreements in the energy sector and on Indian companies operating on Kazakh oilfields, as well as on supplying uranium to Indian power stations and on joint work in the sphere of information technology."⁵⁹ A spate of agreements followed, the most noteworthy of which were the supply of uranium for India's nuclear energy

⁵⁷ Zaidi, "OVL-KazMunaiGaz to jointly explore oil in Caspian," Almaty, October 6, 2005, Lexis-Nexis Academic, accessed June 14, 2006.

⁵⁸ "Indian Vice-President to visit Kazakhstan to 'revitalize' ties with Central Asia," *The Asian Age*, *BBC Monitoring*, March 14, 2008, Lexis-Nexis Academic, accessed September 19, 2009.

⁵⁹ "Kazakh President Upbeat on visit to India," Kazinform, Astana, *BBC Monitoring*, January 24, 2009, Lexis-Nexis Academic, accessed September 19, 2009.

projects, the clearance for ONGC-Mittal Energy to invest in the development of the Satpayev oil field in the Caspian, and joint work on space projects (Petersen 2009).⁶⁰ In September 2009, the two governments signed a three-year inter-governmental cooperation program in science and technology stipulating implementation of joint scientific projects in biotechnology, nanotechnology, space research, information technology, renewable energy resources, and petro-chemistry.⁶¹

India and Tajikistan share a common strategic interest in countering security threats issuing from fundamentalism, terrorism, drug trafficking, and organized crime. President Emomali Rakhmanov visited India in 1995, 1999, and 2001, and the Indian Prime Minister visited Dushanbe in November 2003. The primary agreements between the two countries cover cooperation in criminal matters, against drug trafficking, and against terrorism. Tajikistan has played an important role in Indo-Russian military cooperation in Central Asia. India, with Russian agreement, built a runway at a military airport in Dushanbe and a Russian spokesperson stated that India and Russia “will closely cooperate in the military sphere,” adding that Russia does not regard India as a rival and would have nothing against an Indian presence in Central Asia.⁶²

This Russian attitude changed in the wake of India’s embrace of the United States and the development of a strong Indo-US relationship, as the story of the Ayni air base demonstrates. In 2006, India acquired an overseas military facility in Tajikistan, with the Indian Air Force to deploy a fleet of MiG 29 fighter-bombers at the Ayni (or Aini) Air Base, about 7 miles from Dushanbe. Indian defense planners said that the base would provide New Delhi with “a longer strategic reach” in Central Asia.⁶³ But as Indian journalist Rahul Bedi noted, “[t]here is mounting uncertainty over India’s continued presence” at the Ayni base stemming largely from unfulfilled Indian pledge of providing a \$500,000 grant-in-aid and helping in various infrastructure development projects

⁶⁰ Alexandros Petersen “Regional Ties are key to stability in South, Central Asia,” *RFE/RL Report* (2009), Lexis-Nexis Academic, accessed September 19, 2009.

⁶¹ “Kazakhstan, India sign programme for cooperation in science and technology,” *Interfax Kazakhstan, BBC Monitoring*, September 5, 2009, Lexis-Nexis Academic, accessed September 19, 2009.

⁶² “Russia, India agree on military cooperation in Central Asia,” *ITAR-TASS*, Moscow, December 4, 2004, Lexis-Nexis Academic, accessed February 22, 2007.

⁶³ “India to station MiG-29 fighter-bombers at Tajikistan base,” New Delhi, *Indo-Asian News Service*, April 20, 2006, Lexis-Nexis Academic, accessed June 14, 2006.

prompted Tajik officials to notify India in 2007 “to withdraw its 150-200 military personnel stationed at Ayni.” Talks in New Delhi in January 2008 between Indian Defence Minister A. K. Anthony and his Tajik counterpart Colonel Kairullaev Sherlai “temporarily stalled India’s ejection . . . after Delhi hastily released an installment of \$100,000.” Under the agreement with Tajikistan, India had restored the disused air base which India, Russia, and Tajikistan were to “operate by rotation.”⁶⁴ The final outcome remains undecided with Russia increasingly piqued over India’s US tilt, China and Pakistan opposed to an Indian military presence in Tajikistan, and the US not openly supportive.

The Ayni initiative had followed the establishment of an Indian military outpost at Farkhor on the Tajik-Afghan border. The Farkhor base is an extension of a field logistical base that India established in the late 1990s in support of the Northern Alliance’s fight against the Taliban in Afghanistan. This base plays an important part in India’s support of the Karzai government. Indian economic and relief assistance is furnished to Afghanistan from Farkhor, with relief supplies airlifted by the Indian Air Force to Aini, transported to Farkhor, and into Afghanistan by road, since Pakistan does not allow India overland access to Afghanistan. With U.S. support, India has provided training and equipment to the Afghan army, and has aided in the country’s reconstruction. Russia’s interests also converge with those of India in Afghanistan. According to a retired Indian military officer, Arun Sahgal, “Though India remains powerless to engineer or overtly influence the New Game [in Central Asia], its size, military and nuclear capability make it a not altogether insignificant part of the emerging complex jigsaw.”⁶⁵

Tajikistan’s importance in the energy area is also not lost on India. At the SCO’s 2005 summit meeting in Astana, President Rakhmanov told Indian External Affairs Minister Natwar Singh that he welcomed India’s investment in his country’s power sector. Rakhmanov is reported to have stated that if an Indian company were to set up a

⁶⁴ Rahul Bedi, “Dithering almost cost India its Tajik military facility,” *Thaindian News*, February 4, 2008, http://www.thaindian.com/newsportal/india-news/dithering-almost-cost-india-its-tajik-military-facility_10016126.html, accessed September 21, 2009.

⁶⁵ “India to station MiG-29 fighter-bombers at Tajikistan base,” New Delhi, *Indo-Asian News Service*, April 20, 2006, Lexis-Nexis Academic, accessed June 14, 2006.

hydroelectric plant in Tajikistan, the electricity that was generated could be transmitted to India through the Wakhan Corridor in Afghanistan and Pakistan. Tajikistan's hydroelectric power is of great attraction to energy-hungry India. The country is the third largest producer of hydroelectric power, after the U.S. and Russia. As one Indian observer noted: "Since any Central Asian power lines passing through the Wakhan Corridor would likely enter Pakistan in the northern areas of undivided Jammu and Kashmir before moving along to the Indian side of the state, such a project would also help fuel the proposal to make the Line of Control 'irrelevant.'"⁶⁶.

Trade is almost non-existent, with the total trade turnover in 2006 between the two countries standing at a little over \$3 million. But by 2008, while still low by international standards, the trade turnover had increased to \$57 million, with aid disbursements amounting to \$20-25 million, and \$17 million invested by Indian companies in a hydroelectric project and \$5 million in building a five-star hotel in Dushanbe. This followed a 2007 protocol on trade, economic, scientific and technical cooperation signed by the two governments on the sidelines of the fourth session in Dushanbe of the Tajik-Indian intergovernmental commission for trade and economic cooperation (BBC Monitoring 2007a).⁶⁷ Indian President Pratibha Patil who visited Dushanbe in September 2009 in order to promote wider cooperation with Tajikistan announced plans for the investment of \$16 million in the construction of a cement plant in the north and \$12 million to develop gas fields in the south (Sodiqov 2009).

President Patil's visit, according to some observers, was designed to reposition India for greater engagement with Tajikistan in hopes of reviving access to Ayni, securing uranium supplies, and establishing a more stable foundation for a stronger bilateral relationship.⁶⁸ Another issue on the agenda was hydroelectric power and the two presidents reviewed the progress on upgrading the Varzob-1 hydro-power station undertaken by Indian companies Bharat Heavy Electricals Ltd. (BHEL) and the National

⁶⁶ Sudha Varadarajan, "Power Grids and the New Silk Road in Asia," *The Hindu*, 11 July 2005. Lexis-Nexis Academic, accessed June 14, 2006.

⁶⁷ "Tajikistan, India ink protocol on cooperation," Asia-Plus News Agency Website, Dushanbe, *BBC Monitoring*, October 12, 2007, Lexis-Nexis Academic, accessed September 19, 2009.

⁶⁸ Alexander Sodiqov, "India's Intensified Interest in Tajikistan Driven by Pursuit of Airbase and Uranium," *CACI Analyst*, September 16, 2009, <http://www.cacianalyst.org/?q=node/5182>, accessed September 19, 2009.

Hydroelectric Power Corporation (NHPC). New Delhi hopes to tap Tajikistan's huge hydropower potential estimated at 40,000 and 80,000 megawatts for its own burgeoning energy needs and to increase the overall volume of trade.⁶⁹

India did not establish an embassy in Ashgabat until January 1994, and high-level visits have been few. Then Turkmen President Saparmurat Niyazov visited India in April 1992 and February 1997. India's Prime Minister P. V. Narasimha Rao visited Turkmenistan in September 1995. India's External Affairs Minister Jaswant Singh visited Ashgabat in May 1999 and Turkmenistan's Foreign Minister Boris Shikhmuradov visited India in April 2000. The two countries signed a Bilateral Investment Promotion and Protection Agreement in September 1995, and in September 1996 an agreement was concluded between the Chambers of Commerce and Industry in both countries to develop economic, commercial, and financial cooperation.

The bilateral trade turnover in 2004 was a negligible \$33.89 million, with the bulk of Indian exports consisting of pharmaceuticals, machinery, and equipment, and Turkmen exports to India comprising chemicals. By the terms of a memorandum signed in February 2000, Turkmen Airlines operated eight flights weekly to Amritsar/New Delhi and the Indian sectors are very profitable. In the mid-2000s, Turkmenistan emerged as an important factor in India's search for energy supplies. Weighing these options for the supply of gas to India through Pakistan from Iran, Turkmenistan, and Qatar, India had been seriously considering participation in the Turkmenistan-Afghanistan-Pakistan pipeline with an extension of the pipeline into India. Indian petroleum Minister Mani Shankar Aiyar, on an official visit to Pakistan in June 2005 noted: "I was very encouraged that Prime Minister Shaukat Aziz joined me in expressing a desire to carry forward the discussions initiated here in Islamabad on a gas pipeline running to India to and through Pakistan to India. . . . These linkages, the Prime Minister said, could constitute the basis . . . on which we could build cooperative Pakistan-India relations."⁷⁰ In January 2008, President Gurbanguly Berdimuhamedov signed a resolution that called for a boosting of the bilateral India-Turkmen relationship, following which Turkmen

⁶⁹ "Indian, Tajik Presidents discuss energy, terrorism, and trade," The Hindu Website, *BBC Monitoring*, September 8, 2009, Lexis-Nexis Academic, accessed September 19, 2009.

⁷⁰ "India interested in three gas pipelines in Pakistan," *Agence France Press*, Islamabad, June 6, 2005, Lexis-Nexis Academic, accessed June 14, 2006).

membership of a joint Turkmen-Indian Commission on partnership in trade, economy, science and technology was approved.⁷¹ The April 2008 visit of Indian Vice-President Hamid Ansari to Turkmenistan yielded a Memorandum of Understanding to facilitate contacts between Indian and Turkmen companies in the fields of oil and gas.⁷²

The Kyrgyz Republic opened its resident mission in New Delhi in 1993 and India opened an embassy in Bishkek in 1994. Bilateral trade between India and Kyrgyzstan is around \$15 million. While Indian ties with Kyrgyzstan are minimal, Kyrgyzstan's profile in Indian eyes may increase because of its strong potential in the generation of hydroelectric power. Kyrgyz leaders are also interested in ramping up the engagement of India in their economy. The Kyrgyz Charge d'Affaires in India, Saltan Bek Kadaraliev invited Indian investment in telecommunications, oil and gas, tourism, and railways. He particularly sought collaboration with the Indian information technology industry.⁷³ In response, India signed a memorandum on mutual understanding in March 2006 to open an Indian-Kyrgyz center for information technologies in Bishkek. India has also worked toward other cooperation projects in agricultural processing, medical research, and technical training.⁷⁴ In 2008, Indian External Affairs Minister Pranab Mukherjee and Kyrgyz Foreign Affairs Minister Ednan Karabayev signed a five-year program of cooperation that included a mechanism for high-level consultations on issues of terrorism and regional security.⁷⁵

Overall trade volumes between the Central Asian states on the one hand and India and Pakistan on the other are small. Annual bilateral trade turnover between India and Central Asia falls below \$500 million with pharmaceuticals being the leading export, followed by tea, textiles, and some machinery. Imports from Central Asia include cotton,

⁷¹ "Turkmenistan, India set to boost cooperation," *BBC Monitoring*, January 14, 2008, Lexis-Nexis Academic, accessed September 19, 2009.

⁷² "Indian Vice-President concludes visit to 'hydrocarbon rich' Central Asia," *Press Trust of India*, April 10, 2008, Lexis-Nexis Academic, accessed September 19, 2009.

⁷³ "Kyrgyz Republic Seeks to Attract Indian Investment," *Press Trist of India*, Kolkata, December 22, 2005, Lexis-Nexis Academic, accessed June 14, 2006.

⁷⁴ "Kyrgyzstan, India Sign Memorandum on Opening IT Centre," *Kyrgyz AKI Press*, Bishkek, March 20, 2006, Lexis-Nexis Academic, accessed June 14, 2006.

⁷⁵ "India, Kyrgyzstan sign counterterrorism pact," *Press Trust of India*, *BBC Monitoring*, February 5, 2008, Lexis-Nexis Academic, accessed September 19, 2009.

iron and steel, and zinc.⁷⁶ Pakistan's trade with Central Asia is paltry. The reasons for low trade turnover are partly political and partly economic. In India's case, geographical access serves as a major barrier to trade. Political instability and economic weakness have been the primary impediments on the Pakistani side.

Pakistan's early attempts to engage the Central Asian region economically were through the Economic Cooperation Organization (ECO). ECO was created in 1985 by Iran, Pakistan, and Turkey, and in 1992 expanded to embrace Afghanistan, Azerbaijan, and the five Central Asian states. ECO had been created as a multilateral body designed to promote economic, technical, and cultural cooperation among Muslim countries. Capitalizing on the Muslim connection, Pakistan hoped to use ECO as a springboard to establish strong economic ties with the states of central Asia. A related objective was anti-India in its focus. As Fair notes, "Pakistan also seems to have understood the ECO's territorial configuration to comprise a 'web of strategic interests around it as a way to contain India's potential influence in the region.'"⁷⁷

Between November and December 1991, Islamabad sent its top diplomats to Kazakhstan, Kyrgyzstan, and Tajikistan offering \$30 million in credit for the establishment of joint ventures.⁷⁸ While most of these early economic initiatives failed to bear fruit, efforts to develop stronger ties with the countries of Central Asia, especially in the areas of transportation and energy, continued. Land-locked Central Asian countries saw in Pakistan the prospects for direct overland access to the Persian Gulf and the Indian Ocean via the Arabian Sea while Pakistan was interested in tapping into the energy resources and markets of Central Asia, which had been inaccessible to Pakistan prior to 1992.

During Kazakh President Nursultan Nazarbayev's February 1992 visit to Pakistan, the two countries signed an agreement on the establishment of diplomatic and consular relations and decided to establish a Joint Ministerial Commission on trade-economic, scientific-technical, and cultural cooperation, followed in 1993 by the signing

⁷⁶ Sachdeva, "India" in Starr, S.F. ed. *The New Silk Roads: Transport and Trade in Greater Central Asia*, p. 365.

⁷⁷ Fair, "Pakistan's Relations with Central Asia: Is the Past Prologue?" p. 212.

⁷⁸ Khalid Hasan, "Pakistan, India Both Eye Central Asia," *Daily Times*, Pakistan, August 12, 2005, http://www.dailytimes.com.pk/default.asp?page=story_12-8-2005_pg7_57, accessed May 18, 2009.

of a Memorandum of Understanding on principles of cooperation in the area of transportation. In March 1995, a quadrilateral agreement among Kazakhstan, Kyrgyzstan, Pakistan and China on traffic-in transit was signed in Islamabad. In their visits to Kazakhstan, Prime Minister Benazir Bhutto (August 1995), President Faruq Ahmad Khan (October 1996), and President Pervez Musharraf (November 2000) sought to explore the prospects for a deeper bilateral relationship. In November 2000 at their first meeting in Islamabad, ECO Ministers of Energy adopted a Joint Statement and a five-year (2001-05) Plan of cooperation in the field of energy and oil. By the time of President Nazarbayev's 2003 visit to Pakistan, the two sides sought to expand the legal bases for their mutual relationship.⁷⁹

Diplomatic relations between Pakistan and Uzbekistan were initiated in May 1992 but the relationship faced its ups and downs throughout the 1990s as Islamabad's support of radical Islamist groups and sponsorship of the Taliban government in Afghanistan created rifts with Uzbekistan. Uzbek President Islam Karimov alleged that the Islamic Movement of Uzbekistan (IMU) which sought to overthrow his government found support and favor from like-minded groups in Afghanistan and Pakistan. But Pakistan's disavowal of the Taliban after the 9/11 attacks on the United States created a firmer basis for reciprocal ties. The two countries have signed four agreements on cooperation in small and private entrepreneurship; mutual legal assistance in criminal matters; cooperation between their respective Chambers of Commerce and Industry; and cooperation in the area of plant quarantine. Memoranda of Understanding have been concluded on trade, economic, and investment cooperation; cooperation in customs and foreign trade; cooperation in food, agriculture, and livestock; and cooperation between Tashkent Islamic University and the International Islamic University of Islamabad.⁸⁰

Finally, and importantly from Karimov's perspective, the two countries signed a protocol on cooperation in combating terrorism. An extradition treaty signed in January 2001 eased the transfer to Tashkent of Uzbek terrorists apprehended in Waziristan in the

⁷⁹ "Cooperation of Republic of Kazakhstan with the Islamic Republic of Pakistan," July 13, 2006, http://portal.mfa.kz/portal/page/portal/mfa/en/content/policy/cooperation/asia_africa/0, accessed September 19, 2009.

⁸⁰ Asma Shakir Khwaja, "Uzbek President Karimov Visits Pakistan," *CACI Analyst*, May 31, 2006, <http://www.cacianalyst.org/?q=node/3979>, accessed September 19, 2009.

course of military operations by Pakistani forces. Pakistan has also agreed to share intelligence data to help in uncovering terrorist financing and work both bilaterally and through the mechanism of the SCO in order to foil terrorist activities. President Musharraf's 2005 visit to Tashkent followed by President Karimov's visit to Islamabad in 2006 helped cement stronger bilateral ties. In July 2008, Uzbek defense minister Ruslan Mirzayev met with General Tariq Majid, head of Pakistani Armed Forces Unified Committee of Chief-of-Staff to discuss military technical cooperation and regional security issues.⁸¹

Pakistan's ties with Turkmenistan centered primarily on attempts to import energy and on negotiations involving TAPI. Efforts to broaden the bilateral relationship have been very recent. In August 2009, the first session of the Pakistan-Turkmenistan Joint Ministerial Commission was held in Ashgabat during which the two governments signed a protocol to speed up the TAPI project. Turkmenistan also offered to export electricity. Additionally, Pakistan and Turkmenistan agreed to form working groups on commerce & trade and food & agriculture, and to activate the forum of political consultations and the 1994 agreement on cooperation in science and technology.⁸²

The Kyrgyz embassy in Pakistan was not established until 2006 and the two countries have since sought to capitalize on the complementarities of their economies. Pakistan and Kyrgyzstan began to explore the multi-faceted potential for their bilateral relationship with the 2003 founding meeting in Islamabad of the Intergovernmental Commission on trade, economic, scientific and technical cooperation. At the second session of the Commission in Bishkek in 2007, the two sides sought to explore the problems that impeded stronger ties. Muhammad Ijaz Abbasi, President of the Islamabad Chamber of Commerce and Industry saw the potential for Pakistani exports of garments, cotton products, engineering and consumer goods, and pharmaceuticals in exchange for electricity and electrical products.⁸³ In 2008, the Kyrgyz ambassador to Pakistan Nurlan

⁸¹ "Uzbekistan enhancing military technical cooperation with Pakistan," *Pakistan Press International*, July 6, 2008, Lexis-Nexis Academic, accessed September 19, 2009.

⁸² "First Meeting of Pakistan-Turkmenistan Joint Ministerial Commission," Pakistan Ministry of Foreign Affairs Website, August 5, 2009, http://www.mofa.gov.pk/Press_Releases/2009/Aug/PR_295_09.htm, accessed November 13, 2009.

⁸³ "Pakistan, Kyrgyzstan discuss trade ties," APP, *BBC Monitoring*, April 30, 2008, Lexis-Nexis Academic (accessed September 19, 2009).

Aitmurzaev invited Pakistani businessmen to invest in his country, stating that Islamabad and Bishkek had signed eight agreements designed to promote economic cooperation by establishing measures for the protection of investment and repatriation of profits.⁸⁴

Pakistan's ties with Tajikistan were forged early and the two countries have signed about twenty agreements, protocols, and memoranda of understanding to enhance cooperation in the areas of energy, communication and transport, insurance, investment, industry, agriculture, science and technology, education, health, tourism and culture. In July 2009, Tajik ambassador Zubaydov Zubaydullo Najatovich succinctly summed up what each country could do for the other: Tajikistan was in dire need of access to the world through Pakistani ports like Gwadar and Pakistan's energy shortfall in the northern areas could be resolved through the importation of hydroelectric power from Tajikistan.⁸⁵ But in the same month, problems emerged as Islamabad refused to disburse a \$500 million credit toward construction of the Rogun hydroelectric power station which had been part of a 1992 bilateral agreement. Islamabad's refusal was based on its inability to extend credit and on Tajikistan's poor record of repayment.⁸⁶

Pakistan's focus on the Muslim connection in establishing a special relationship with the states of Central Asia has been undercut by the rising tide of Islamic militancy and the creation in 1996 of the Shanghai Five. The IMU, for instance, has expanded its activities across Uzbekistan to Tajikistan, and Kyrgyzstan and is gaining strength as terrorist groups are driven into Central Asia from the border areas of Pakistan and Afghanistan.⁸⁷ In a July 2009 interview, Pakistani Foreign Secretary Riaz Khokhar conceded that the prospects for trade between Pakistan and Central Asia were limited because effective trade routes could not be established as long as there was continued instability in the south Asian region.⁸⁸ However, Islamabad has engaged in efforts to

⁸⁴ "Level of East-West transit traffic low, ADB Report," *Business Recorder*, December 26, 2007, Lexis-Nexis Academic, accessed September 19, 2009.

⁸⁵ "Pakistan, a gateway of Central Asia for trade, Tajik diplomat," *Pakistan News Wire*, July 3, 2009, Lexis-Nexis Academic, accessed September 19, 2009.

⁸⁶ Zafar Bhutta, "Tajik power project: Pakistan refuses to extend \$500 million credit," *Business Recorder*, July 24, 2009, Lexis-Nexis Academic, accessed September 19, 2009.

⁸⁷ Roman Muzalevsky, "Kyrgyz Operation against IMY Reveals Growing Terrorist Threat," *CACI Analyst*, July 1, 2009, <http://www.cacianalyst.org/?q=node/5144>, accessed September 19, 2009.

⁸⁸ Bruce Pannier, "Regional Presidents Assemble for C.Asia Security Talks," *RFE/RL Report*, July 30, 2009, http://www.rferl.org/content/Afghan_Pakistan_Leaders_discuss_CAsia_Security/1788818.html, accessed October 2, 2009.

increase Pakistan's trade with the countries of Central Asia. In April-May 2009, the Trade Development Authority of Pakistan held seminars and workshops designed to create awareness of and interest in opportunities for trade with Central Asia culminating in an invitation to potential exporters to join in a "trade caravan" during June-July 2009 exhibiting Pakistani products in Kashgar (western China), Bishkek (Kyrgyzstan) and Almaty (Kazakhstan).⁸⁹

The Shanghai Five was institutionalized in 2001 as the Shanghai Cooperation Organization (SCO), which bound the Central Asian states to China and Russia (non-Muslim majority states) and provided the spur for robust trade and energy ties between China and Central Asia, complementing the region's traditional trade and energy links with Russia. Additionally, the SCO Charter made the fight against Islamic radicalism an important plank in their policy agenda. India and Pakistan are observer members of the SCO. Pakistan has made assiduous efforts to seek full membership of the SCO and at the organization's ninth summit in June 2009, President Zardari called for greater links between the SCO and other inter-regional organizations. He reiterated this argument at the ECO summit in Tehran where he urged stronger ties between SCO and ECO.⁹⁰

While India's interest in the SCO has been focused largely on energy issues, New Delhi has supported the SCO's anti-terrorism thrust. In a statement to the Council of Heads of State of the Shanghai Cooperation Organization (SCO) meeting in Shanghai in June 2005, the leader of the Indian delegation Murli Deora committed India's support for the SCO's commitment against extremism, fundamentalism, and terrorism called for cooperative efforts to foster greater intra-SCO trade facilitated by the development of banking and financial services and transportation networks and transit linkages, offered to share India's unique development experience and argued that widespread economic growth, development, and prosperity was the sine qua non of peace and stability in the

⁸⁹ "Pakistan to promote trade and investment with Central Asia," *Pakistan Press International*, April 9, 2009, Lexis-Nexis Academic, accessed September 19, 2009.

See also, "Pakistan asks exporters to join trade caravan for Central Asia," *Pakistan Press International*, May 13, 2009, Lexis-Nexis Academic, accessed September 19, 2009.

⁹⁰ "President Zardari to represent Pakistan at 9th SCO Summit," *Pakistan News Wire*, June 17, 2009, Lexis-Nexis Academic, accessed September 19, 2009.

region. Deora called on the SCO as an organization that brought together major producers and consumers of energy in the world to cooperate in the area of energy security (2007).⁹¹

The choice of Murli Deora, India's Minister for Petroleum and Natural Gas, as delegate to the Shanghai meeting of the SCO clearly signaled India's interest in becoming a player in the energy area in Central Asia. To ensure that India's voice is heard on this issue, Murli Deora's ministry joined forces with Indian Oil and Natural Gas Corporation to organize the 7th International Oil and Gas Conference and Exhibition – Petrotech 2007 – in New Delhi in January. Bringing together petroleum ministries from OPEC and other energy producing countries with scientists, managers, and traders, this conclave provided a “global platform to all stakeholders for interaction and sharing of knowledge and experience” in energy issues. In his inaugural address, External Affairs Minister Pranab Mukherjee emphasized that the goal of energy security was the “prime objective” of India's policies.

A tangible symbol of this New Delhi's energy predilection in its Central Asian relationships was that the primary interlocutor at SCO meetings was the Energy Minister Murli Deora. New Delhi's decision to de-emphasize the political significance of its SCO participation was partly due to its strengthening ties with the US and the Bush administration's antipathies toward the SCO. However, New Delhi is under increasing pressure to upgrade its participation in the SCO to the prime ministerial level in order to infuse its South and Central Asia policy with greater coherence in the face of a new American approach to Afghanistan and Pakistan.⁹²

POLITICAL QUANDARIES

S. Frederick Starr who conceptualized the Greater Central Asia Partnership (GCAP) has argued that in the wake of the Soviet exit from Central Asia, the Chinese willingness to open its borders to trade, and the “gradual return of Afghanistan to the community of nations” after the post-9/11 fall of the Taliban, “Western Europe, China,

⁹¹ Murli Deora, “Statement by Shri Murli Deora, Leader of the Indian delegation to the meeting of the Council of Heads of State of the Shanghai Cooperation Organization,” June 15, 2007, Shanghai, China, <http://meanindia.nic.in/speech/2006/06/15ss02.htm>, accessed February 22, 2007.

⁹² M. K. Bhadrakumar, “India Must Energize Regional Diplomacy,” *The Hindu*, May 15, 2009, <http://www.hindu.com/2009/05/15/stories/2009051554120800.htm>, accessed May 23, 2009.

the Middle East and the Indian sub-continent can, in time, connect with one another and with the lands between by means of direct roads, railroads, and technologies for transporting gas, oil, and hydroelectric power.”⁹³ But for this promise to be realized, political obstacles, in the form of the adversarial Indo-Pakistani and Sino-India relationships and the tension-laden Afghan-Pakistan ties, would need to be resolved.

Pakistan has refused to allow India direct overland access to Afghanistan, which would have provided New Delhi a point of access to the states of Central Asia. Indian merchandise bound for Afghanistan has to be shipped by sea via Iranian ports or committed to “indirect transfer arrangements” under Pakistani supervision (Kazi 2007: 103).⁹⁴ China, which Islamabad calls an “all-weather” friend, has balked at allowing Pakistan trade transit rights through Kashgar in Xinjiang, perhaps because of the rise in Islamic militancy in Pakistan and fears of the spread of Muslim radicalism to the Muslim Uighur population of Xinjiang.

For Starr’s scenario to come to pass, Pakistan would have to curb the forces of Muslim militancy in the country because, apart from the challenge of managing intrastate obstacles, Pakistan, Afghanistan, and the border regions of India, Tajikistan, and China are volatile and vulnerable to the twin threats of Muslim radicalism and terrorism. In the 1990s, Pakistan’s strategy of fomenting the Kashmiri insurgency in India had received tacit support from China as a way of keeping India hemmed in South Asia. Pakistani sponsorship and support of the Taliban-led government in Afghanistan was an integral part of a strategy designed to provide Pakistan with strategic depth against India and prevent the possibility of an India-friendly government in that country.

With the terrorist attacks in the United States in September 2001, the Taliban-Al Qaeda connection and evidence of Al Qaeda complicity in the attacks, Pakistan’s Afghanistan strategy came unraveled. Compelled to join the war against terrorism in Afghanistan and with China’s support for Pakistan’s abetting of Kashmiri militants in India ebbing, China and Pakistan attempted to reorient their India strategies, particularly

⁹³ S. Frederick Starr, “Greater Central Asia Partnership: Afghanistan and Its Neighbors,” *Foreign Affairs*, July/August (2005): 168-74. See also, S. Frederick Starr, ed. *The New Silk Roads: Transport and Trade in Greater Central Asia*, (Washington, DC and Uppsala, Sweden: Johns Hopkins University and Uppsala University, 2007): 5.

⁹⁴ Kazi, “Pakistan,” in Starr, S.F. ed. *The New Silk Roads: Transport and Trade in Greater Central Asia*, p. 104

in light of the 2004 US-Indian strategic partnership. These developments, if sustained, may provide the space for moving in the direction of economic partnerships that would revitalize the Central-South Asian region. Such cooperative economic efforts may also overcome India's energy resource paucity issue by opening the area to multilateral development initiatives.

India faces two major obstacles to achieving its aspirations for a key role in Central Asia—the lack of transportation corridors and the lack of sufficient resources. The first obstacle is largely political; the second is economic. In seeking overland access to Central Asia, India has to confront its historically thorny relations with Pakistan and China. India's transportation corridors to Central Asia would have to run either through Pakistan and Afghanistan to Tajikistan and beyond or through the western reaches of China's Xinjiang region into Tajikistan or Kyrgyzstan. As far as economic obstacles are concerned, some are related to the logistics of transport but most are integrally connected with the success of India's development program, the availability of resources in the form of official economic aid and private investment, and the attractiveness of products and pricing—areas in which China offers unprecedented competition.

The slow thawing of New Delhi's relations with Pakistan and China since 2005 may make for greater headway in providing connectivity between Central Asia and India in the future. But the thaw has been uneven, impeded intermittently by serious and ongoing tensions. Thus, progress is heavily dependent on the course of relations among these three countries. Islamabad's India strategy of denial runs the risk of isolating Pakistan, especially if China were to expand on its heretofore limited cooperative efforts with India in order to prevent the strengthening of the Indo-U.S. relationship from reducing its leverage in South Asia. On the other hand, a Pakistani strategy of engagement has the potential to transform the economic landscape of the Central-South Asian region in positive directions. But a Chinese strategy of turning up the heat on New Delhi vis-à-vis the border dispute in India's northeast, as Beijing has done since 2008, accompanied by an increasing reliance on a pro-Pakistan/anti-India posture would succeed in complicating the prospects for the creation of a vast south-central Asian zone of peace and prosperity.

A 2007 ADB report noted the sluggish volume of direct trade between India and Pakistan, noting that such trade is routed through Dubai with resulting efficiency losses. The report also addressed the negligible transit traffic from Central Asia through the Peshawar-Karachi route which accounted for a mere 1.5 percent of Pakistan's total merchandise trade. The "pull effect" of India's rapidly growing economy, the report suggested, would have a positive impact not only on its immediate neighbors but also on other countries that could use the East-West corridor through Pakistan for trade with India and for access to seaports.⁹⁵ But the political roadblocks in the way of realizing economic efficiencies that would benefit all countries in Central and South Asia achieve the twin objectives of peace and prosperity are enormous. Cooperative approaches to the resolution of bilateral and regional challenges are often frustrated by competing geopolitical and geoeconomic strategies pursued by regional and extra-regional powers

Thus, while Central and South Asia may be conceptualized in terms of the physical geography of the countries that constitute these regions, a focus on political boundaries alone belies the nature of the challenges and opportunities that become apparent as one considers the geographies of energy, religion, culture, and ethnicity that are superimposed on these states. These various geographies have to be taken in to account in fashioning effective and feasible policies to deal with challenges and to take advantage of the opportunities in the central-south Asian regions.

⁹⁵ "Level of East-West transit traffic low, ADB Report," *Business Recorder*, December 26, 2007, Lexis-Nexis Academic, accessed September 19, 2009.