

alle Teilnehmer zustimmen, sie wiesen vor allem auf die enorme Staatsverschuldung und die drohende Deflationsfalle hin. Dennoch setzte sein Ausblick einen etwas optimistischeren Kontrapunkt zu der zumindest im Bereich der Innenpolitik vorherrschenden Einschätzung einer perspektivlosen Politik. Unabhängig davon, wie die Teilnehmer die Entwicklungen in den beiden Ländern gewichteten, kristallisierte sich doch ein einvernehmliches Fazit heraus: Sowohl in Japan als auch in Deutschland sind die strukturellen und ökonomischen Herausforderungen und ihre Brisanz offensichtlich. Offen bleibt nur die Frage, ob die jeweiligen politischen Klassen die Kraft haben, die zu ihrer Bewältigung notwendigen Anstrengungen zu unternehmen.

*Stefan Rother*

### **Major Powers and South Asia**

Islamabad, 11–13 August 2003

Had it not been for the infamous incidents of September 2001, South Asia might have remained on the periphery of international politics. This at least was one conclusion from the conference "Major Powers and South Asia", held in Islamabad, Pakistan, from 11 to 13 August. Hosted by the Institute of Regional Studies (IRS), scholars from the U.K., France, Germany, Russia, Japan, China, the U.S. and the subcontinent analysed the current status and future prospects of South Asia's relations with major international actors in the light of recent events in the region. Each panel included presentations from the Pakistani perspective.

Described by many observers as a decisive moment in international relations, the so-called 9/11 attacks literally turned, overnight, the subcontinent, and especially Pakistan and Afghanistan, into a hotspot of international security, or rather, its Achilles heel, according to some official statements. The sudden prominence of both countries which had dramatically lost their geo-strategic appeal after the demise of the Soviet Union resulted in the withdrawal of sanctions, the resumption of economic assistance and arms exports and the provision of additional incentives. Pakistan, until recently considered to be on the verge of economic collapse, quickly opted to join the drive to oust the Taleban government in Afghanistan – a delicate move by President Musharraf that faced resistance from groups that opposed the U.S. intervention and those which have strong inter-tribal relations with their Afghan neighbours. This balancing act improved Pakistan's relations with the United States, as Stephen Cohen (Brookings Institution) pointed

out, at least for the time being. In Washington, though, reservations with regard to the fragile political system remain. Democratisation, according to current U.S. foreign policy, is the key to stability – a significant departure from earlier positions that favoured military governments.

However, as Cohen suggested, the long-term orientation of U.S. South Asia policy will be towards India as the “one big power” (George Bush), as the greatly enhanced military co-operation indicates. India is increasingly seen by Washington as the dominant actor in the region and a potential ally in the effort to contain the growing Chinese naval presence in the Indian Ocean. Indian nuclear capability has received tacit U.S. acceptance, as Cohen remarked, while, according to Rodney Taylor (Policy Architects International), the objective of including both India and Pakistan in the non-proliferation and test ban regimes remains on the agenda. India, with her relations to both the Middle East and Southeast Asia, will be the partner of choice for Washington, as Jones concluded.

This analysis coincided with Peter Lyon’s (University of London) assessment which stressed the rising importance of the Indian Ocean and the growing rivalry between India and China that also affects other South Asian countries like Bangladesh and Sri Lanka. The U.S. is again seen as a strategic ally of India. Pakistan’s perception of this development is highly apprehensive: India is about to become the region’s policeman, on behalf of the U.S., in the words of retired General Kamal Matinuddin, who analysed his country’s chequered relationship with the U.S.

This perspective of South Asia, however, is different from that on the other side of the Atlantic, as the panel on European South Asia policy demonstrated. Jean-Luc Racine (Centre National de la Recherche Scientifique) defined the EU role primarily in economic terms, as did the other participants of the panel, Beate Maeder-Metcalf (German Foreign Ministry), David Taylor (Aga Khan University) and the author. The EU approach to the sub-continent is co-operative and regionalist in that it aims to involve the countries of the region – its governments and non-governmental organisations – on the basis of a partnership within the context of intra-regional relations. Economic instruments are intended to serve both the process of democratisation and conflict prevention, as economic prosperity is considered a basic prerequisite of peaceful development. Trade relations with almost all South Asian nations have experienced a rise, while relations with India have reached the highest level of institutionalisation, as this country is perceived to be the politically most stable nation. Nuclear weapons are viewed as a potential threat to international security against the background of unsolved bilateral disputes between Pakistan and India, notably over Kashmir. So-called Islamist militant movements might, according to the European Com-

munity's official assessment, pose a regional danger as they have established cross-border networks.

Russian stakes in South Asia are subordinate to interests in neighbouring regions, especially Central Asia. Vyatcheslav Belokrenitski of the Moscow Institute of International Relations pointed at the Chechnyan conflict and relations with CIS members, which are of prime concern, alongside those with the United States, the NATO countries and China. Interestingly, the events of September 2001 do not seem to have had a major impact on Russian South Asia policy, as the Foreign Policy Concept of June 2000 continues to provide the policy guidelines. The 1998 nuclear weapons tests, more than anything else, contributed to raising India's – rather than Pakistan's – geopolitical status. However, Russian efforts to mediate in the Kashmir dispute have also failed, due to Indian opposition. Arms exports and other means of military co-operation have slightly increased, yet India, along with South Asia as a whole, continues to play a lesser role in Moscow's foreign policy than in the case of other major actors, as overall economic and political interaction remains at a low level.

The region's two large neighbours to the East, Japan and the People's Republic of China, each perceive South Asia from a different perspective. Japanese foreign policy towards South Asia is based on the principle of equidistance, as Takako Hirose, legal expert from Senshu University, pointed out. The conflict between Pakistan and India is seen as an essentially bilateral one. Similar to the German approach, Japanese foreign policy emphasises economic strategies and focuses on democratic development through indirect means, like education and technological innovation and the support of civil society initiatives. With a history of strong popular opposition to any nuclear weapons programs, Tokyo's demand for the denuclearisation of the subcontinent remains unchanged. Given the geographical distance, however, Japanese security concerns (and diplomatic activity) focus on the Korean peninsula, rather than South Asia. Pakistan's expectations, presented by ambassador Najmul Saqib, clearly call for a more active involvement by Tokyo, particularly in the settlement of the Kashmir conflict – an unlikely prospect, though, given India's dominance in regional politics.

The People's Republic of China's policy towards South Asia draws on a history of troubled relations, as Hu Shisheng of the China Institute of Contemporary International Relations pointed out. Unlike any other major actor, Beijing's interests derive from the country's geographical vicinity: India poses a challenge on many issues, like the unsolved border dispute, Tibetan independence activists operating from northern India, and the growing strategic rivalry in the Indian Ocean, perceived as part of a U.S. scheme to encircle China. Illegal arms transfers to separatist movements in Xinjiang and the narcotics trade make South Asia a difficult neighbour for Beijing.

Economic and political relations, as a result, are limited; the prospect of co-operation over issues of common concern, like piracy along the sea trade routes, might therefore be premature. The concept of good neighbourhood appears to date to be rather static and defensive.

The picture of South Asia is an ambivalent one: There is increased co-operation in various fields, as in the textile trade (EU and U.S.) and security (mostly U.S.), following the on-going Afghanistan intervention. As the problems on the ground persist – particularly in Kashmir and most of Afghanistan except Kabul – the commitment of European and U.S. decision-makers will be tested. Other areas of conflict, like Iraq and the Congo, demand similar attention. The prospect of substantial long-term co-operation hence appears to be limited. In Europe, attention will continue to be directed towards Eastern Europe and EU foreign policy integration. With regard to South Asia, both the EU and the U.S. as well as the other major international actors perceive India to be the driving force in regional politics and the most promising candidate for any kind of partnership. As a result, regional initiatives like SAARC, will probably be limited even more by the sharp asymmetry between its members. Religious extremism is perceived by almost all actors to be a challenge to democratisation for the time being; the series of religiously motivated incidents in India, Kashmir and Pakistan has added to the impression of many people that Islam as such poses a problem. One result of this rather superficial interpretation of conflict is the fragile state of relations with Pakistan, as this country's political system is seen to be in a transitional state, still exposed to the influence of radicals. The two countries' bilateral dispute blocks international co-operation in vital areas, like nuclear proliferation, thereby enhancing the region's isolation. In sum, the mid-term potential of further co-operation seems to be limited.

The Institute of Regional Studies ([www.irs.org.pk](http://www.irs.org.pk)) which hosted this conference, is chaired by former Pakistan Army General Jamshed Ayaz Khan. Over the past two decades, the IRS has established itself as one of Pakistan's major think tanks, next to the Institute of Strategic Studies Islamabad (ISSI) and the Islamabad Policy Research Institute (IPRI). Following a seminar on domestic policy challenges of South Asia in May 2003, this conference focused on the Institute's main research interest, foreign and security affairs. The IRS was founded in 1982 and today publishes a range of journals and research paper series – among them the quarterly *Regional Studies*. The conference on Major Powers and South Asia addressed more than just the acute problems of South Asia. It also highlighted the long-term factors that affect the region's future and the discrepancies in perception from inside and outside the region. This is an important outcome of the seminar.

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