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Mamoon, Dawood

Institute of Social Studies

24 November 2007

Online at <https://mpra.ub.uni-muenchen.de/26697/>

MPRA Paper No. 26697, posted 23 May 2011 12:05 UTC

## **Past is just a Fine Reality: Redefining the Indo-Pak History through its Economics**

**Dawood Mamoon**

Institute of Social studies (ISS)  
PO Box 29776  
2502 LT The Hague, The Netherlands  
[Mamoon@iss.nl](mailto:Mamoon@iss.nl)  
Phone # 31 70 4260683

### **Abstract**

The paper revisits India Pakistan relationships in its historical context since 1947, and gives a fresh perspective to the political economy of the region by promoting the idea of how embracing free market economic management policies may have benefited both countries to achieve higher economic dividends recently and thus provided the base for ongoing peace negotiations. The paper also highlights the domestic and international political and economic factors which may have affected India and Pakistan relationships over the years though the study agrees with other research in the same area on the domestic dynamics of hostilities which were initiated since the very independence from the British in 1947 partly due to mistrust between the leadership of both countries. In later years the mistrust and encompassing hostilities were sustained more significantly due to Kashmir dispute which has yet to resolve.

## 1. Beating all Odds: The Peacemaker

*“There is no compromise on national security. We will exercise all options including nuclear options to protect security and sovereignty” ..... Prime Minister Vajpayee (March 18, 1998)<sup>1</sup>*

*“India is now a nuclear weapons state...We have the capacity for a big bomb now. Ours will never be weapons of aggression” .... Prime Minister Vajpayee (May 14, 1998)<sup>2</sup>*

*Pakistan has successfully carried out five nuclear tests. This was announced by the Prime Minister Mr. Nawaz Sharif in his address to the nation. He said Pakistan expressed maximum restraint in the face of Indian nuclear threats but the world reaction over Indian aggressive postures was Luke-warm. India was not punished for using the nuclear options which endangered peace and security in the region. He said the nation will make every sacrifice and uphold its dignity in this hour of trial. He said the government has decided to adopt massive austerity measures and simplicity to meet the challenges ahead. He said all the big government building will now be devoted for the welfare of the people. Mr. Mohammad Nawaz Sharif said to begin this I have decided to vacate the Prime Minister secretariat for this noble cause. He urged the people to contribute generously towards the national exchequer and pay their taxes honestly. Pakistanis in and around the globe heard this news with jubilation. (Government of Pakistan, May 28, 1998)<sup>3</sup>*

***“We are for UN resolutions (demanding a referendum in Jammu and Kashmir). However, now we have left that aside....If we want to resolve this issue, both sides need to talk to each other with flexibility, coming beyond stated positions, meeting half way somewhere.....if that political dialogue doesn’t come about, who wins and who loses? If it is the moderates who lose and the extremists who win, and that is exactly what has been happening.....if the leadership doesn’t rise to the occasion, it is a pity and I think we’ll disappoint our public again.....The ball is in his (Prime minister Atal Behari Vajpayee) court. If he wants to meet me, I’ll meet him. If he doesn’t want to meet me, I am not that keen.....I am a proud Pakistani. I will not submit....No sir, we will not forget Kashmir” .....Pakistani President Pervez Musharraf<sup>4</sup> (BBC, December 18, 2003)<sup>5</sup>***

*Pakistan Makes New Map of Kashmir ....(Daily Times, February 26, 2006)<sup>6</sup>*

*“I hope and believe that Jammu and Kashmir can, one day, become a symbol of India-Pakistan cooperation rather than of conflict. As I have stated earlier, borders cannot be changed, but they can be made irrelevant. There can be no question of divisions or partitions, but the Line of Control can become a line of peace with a freer flow of ideas, goods, services and people.... Similarly, there are vast opportunities to jointly work together for the mutual benefit of our people. It goes without saying that*

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<sup>1</sup> <http://nuclearweaponarchive.org/India/IndiaShakti.html>

<sup>2</sup> <http://nuclearweaponarchive.org/India/IndiaShakti.html>

<sup>3</sup> <http://nuclearweaponarchive.org/Pakistan/PakOffAnnounce1.txt>

<sup>4</sup> Also look at the maps of Pakistan in appendix

<sup>5</sup> [http://news.bbc.co.uk/2/hi/south\\_asia/3330031.stm](http://news.bbc.co.uk/2/hi/south_asia/3330031.stm)

<sup>6</sup> <http://www.jammu-kashmir.com/archives/archives2006/kashmir20060226b.html>

*this can only happen once terrorism and violence end permanently..... I have said this before and I say it again, real political power in a democracy comes from the ballot box, not the barrel of a gun. We are firm in our resolve to fight terrorism and to end the blackmail of terror in this peace-loving state.....Indian Prime Minister Manmohan Singh (Dawn, July 15, 2007)<sup>7</sup>*

*President Pervez Musharraf faces a wave of criticism after imposing emergency rule in Pakistan on Saturday.....(BBC, November 5, 2007)<sup>8</sup>*

*“And one of the reasons you’re seeing the blowback that you’re getting in Pakistan is because of the reforms that President Musharraf has put in place.....He’s also advanced democracy in Pakistan. He has said he’s going to take off his uniform, he’s said there will be elections. Today he released prisoners, and so far I’ve found him to be a man of his word” ....US President George W. Bush (Dawn, November 21, 2007)<sup>9</sup>*

*Pakistan has been suspended from the Commonwealth because of its imposition of emergency rule, the organisation has announced after a meeting in Uganda. Secretary General Don McKinnon said Pakistan was being suspended "pending restoration of democracy and the rule of law".....(BBC, November 23, 2007)<sup>10</sup>*

## **2. How did the History plead the case for the Two Nations?**

Much has been written about India and Pakistan, and more so about the pre partition history of the subcontinent and its experiences of visitors from the outside world from the quest of Alexander the great to the journeys of Arab merchants. The history of the subcontinent is an ancient one as the region has been house to such early scientific societies who would embark on a journey to make one of the earliest of known human efforts to address the unsolved and abstract mysteries of the universe. Invention of zero is by far the most prominent one which would later bring a revolution in developing mathematics and other sciences where first the Arab empires would contribute and then the Europeans. For last millennium, Indian subcontinent has been an integral part of the global society. The region witnessed unprecedented prosperity especially during the last Muslim reigns; though later it plunged into impoverishment when the land and labour of the subcontinent was exploited under the brutes of European Colonialism. For example in 1600, when the East India Company was founded by Britain, British lands were generating 1.8% of the world’s GDP, while India was producing 22.5%. By 1870, at the peak of the British rule over the subcontinent Britain was generating 9.1%, while India had been reduced for the first time to the epitome of a Third World nation, a symbol across the globe of famine, poverty and deprivation (Dalrymple, 2007).

Though the larger population of pre partition India had retained its Hindu identity and culture, the Muslim empires who ruled India till 1857 would increasingly bring Islam as one of the significant religious identity to the population through its generic appeal

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<sup>7</sup> <http://www.dawn.com/2007/07/16/top5.htm>

<sup>8</sup> [http://news.bbc.co.uk/2/hi/south\\_asia/7078656.stm](http://news.bbc.co.uk/2/hi/south_asia/7078656.stm)

<sup>9</sup> <http://www.dawn.com/2007/11/22/top9.htm>

<sup>10</sup> [http://news.bbc.co.uk/2/hi/south\\_asia/7108543.stm](http://news.bbc.co.uk/2/hi/south_asia/7108543.stm)

to revive strong fundamentals of humanity and thus break the shackles of caste culture for the ones who lived at the bottom of economic and social pyramid. Whereas, the colonial powers were more interested in exploiting Indian resources and thus largely failed to integrate into Indian culture. Though the colonial rulers did bring Christianity to the region but the religion could not transform into a popular local religion as Christians remain only a small minority to this date in the subcontinent. The anthropology of Indian subcontinent implies that unlike any other area in the world, it has traditionally been one of the most multi ethnic, multi cultural and multi religious region which also bring our attention to the fact that the subcontinent has directly or indirectly played a central role in shaping the contemporary global society through its traditional openness.

Some 60 years ago, in 1947 two nation states emerged from the Sub continent as the British gave in to the independence struggle by Indian people which was initiated in 1857 against their colonial rule in the region. In 1857 two main religious groups, Muslims and Hindus rebelled against their colonial masters on a united front, however in 1947, both Muslims and Hindus of subcontinent India largely participated in two distinct political movements, one led by All India Congress representing Hindu majority polity under Mohandas Karamchand Gandhi who was a proponent of one Indian nation and the other one lead by All India Muslim League representing Muslim majority polity under Muhammad Ali Jinnah who proposed the post-independence division of India on the basis of two nation theory. The idea of two nations took momentum after 1937 pre partition elections which led to the victory of Congress with its Hindu Majority which was then able to make the government and sidelined political concerns of Muslim League.

On August 1947, due to lack of consensus between these two representative parties of Hindus and Muslims, British exceeded power to Indian populace by mainly dividing British India into Muslim majority Pakistan and Hindu majority India also known as Hindustan. Then there was an issue of Princely states who were supposed to accede to either India or Pakistan. One of the prized princely states, Jammu and Kashmir, situated on the Northern highlands of the region, which was ruled by Maharaja Hari Singh, was urged by both Jawaharel Nehru, the leader of India, and Mohammed Ali Jinnah, the founder of Pakistan, to join their respective nations. Raja Hari Singh wanted neither, and delayed his decision, whereas in case of accession the Muslim population wanted to join Pakistan. On the rumours that Raja might accede to India, in early September, a Muslim rebellion seeking unity with Pakistan erupted in the Poonch district. By mid October, the rebel army was only four kilometres away from capturing Srinagar. It was at this point of desperation, that Hari Singh reportedly signed the Treaty of Accession with India. The Indian army would enter the province the same day, and would be at war with Pakistan within a month. The validity of this treaty would be the basis of both nations' claim to Kashmir.

Irrespective of complexities following the issue of Kashmir accession after the signing of the treaty by the Raja, a simplistic but mutually exclusive perspective for both sides was that for Jinnah, Kashmir was a majority Muslim state and shared a long border with it and thus should have been part of Pakistan considering the observation of a partition rule that Muslim majority lands or princely states have a right to join Pakistan, where as for Nehru and Congress, who have yet to accept the idea of two nation theory, any land which lied outside 1947 British demarcated lands

of Pakistan, should have acceded to India as they only accepted Pakistan but not the validity of two nation theory which had been the basis for the creation of two nation states. Now there was a disputed signed treaty to give India the legal rights of Kashmir, but according to rules of Partition, Kashmir should accede to Pakistan since it was a majority Muslim state.

Though the dispute of Kashmir is largely seen as a land dispute between India and Pakistan each claiming their territorial rights over it and each controlling a part it divided by a line of control, the very emergence of Kashmir dispute has its roots in the mistrust which was carried throughout the process of Partition between the leadership of Muslim League and the Congress, whereas this mistrust was the result of those efforts by Congress to isolate Muslim League in subsequent all India elections on the pretext of Congress's idealistic secular rhetoric on which they failed to deliver and the evidence of Hindu revivalist sentiments among the top Congress leadership as in case of Sardar Patel ensued the surfacing of Muslim League as the most dominant Muslim representative party with the representative agenda to seek the division of India from the British on the basis of two nations.

Thus the two countries Pakistan and India with similar cultural background under a different religious undertone would embark on an uneasy ride from their very inception mired with instances of heightened hostilities which also resulted into outright wars with huge economic and human costs.

The purpose of this article is not to define or re define Kashmir dispute but it does aim to re define India Pakistan relationships in the light of future economic and security dividends of peace but would finish short of providing any solution for Kashmir. Only more than a decade ago, both countries were seen by many as failing states as both faced immense challenges on socio economic fronts. The history was not only mired with active conflict with each other but also controversial and mostly competitive relationships with cold war powers were harnessed for most of the last 60 years which resulted in many conflicting economic and foreign policy strategies. However, today the lens to see South Asia has entirely changed partly due to recent Indian economic success story and thus it also brings a fair opportunity to re define the post partition history of India and Pakistan by going beyond the traditional political economy approach and by connecting history with economic outcomes to explain bilateral relationships over the stretch of last 60 years.

India, the economic darling of today's world, was perceived quite differently two decades ago by the economic gurus. After independence, Nehru had a socialist vision for his country with a strong communist leaning, whereas local industry was heavily protected from outside competition. Though the country was already 400 million people strong, it failed to promote private sector development and stifled private investment and all major industries were state property. Had this been the case today in India, may be world's 3<sup>rd</sup> richest man Indian-born steel tycoon Lakshmi Mittal would have never made it to his riches. India embraced globalisation and opened up in early 1990s, when Manmohan Singh was brought in from World Bank to be the Indian finance minister. He vigorously followed privatisation and shed public burden of ownership and since then there has been no looking back for India as the country is growing at impressive rates for more than a decade now and achieved a remarkable outlook.

Whereas Pakistan only a decade later of its independence, would transform into a prospering nation. So much so that during 1960s, it was widely forecasted that Pakistan would be soon gaining a middle income country status and countries like South Korea would follow Pakistan's economic policies. Evidently Pakistan was a more open country, with a thriving private sector. Pakistan also witnessed green revolution, a basis for its take off to higher level of development with equally distributed gains to the population. However, partly due to its economic confidence and newly boosted strength, the country would go into 1965 war with India. It seemed to be the right time for Pakistan to use a military option to get the rest of Kashmir by means of force when India just few years ago in 1962 lost a war with China and also had been faltering economically. However, India proved to be more resilient than it was anticipated by Pakistani side as Indian army due to its larger size able to open many fronts along Pakistan and Indian west side international borders and thus after a month of intense fighting the war was a stalemate.

The post war period saw a slow plunge of Pakistani economy as more resources were channelled to defence to regain the defence capabilities which were depleted greatly due to heavy losses in the War. Another post 1965 flash point was that US had also severed its ties with Pakistan and economic assistance halted partly because US did not approved the Pakistani move into Kashmir and despite Russian-Indian connection US never came for Pakistan's aid. It appears that US wanted Pakistan to continue its economic progress without indulging into any conflict with its neighbour whereas the US was aiming to develop its relationships with the Indian nation to neutralise their pro Russian leaning.

Under post 1965 circumstances the so called architect of Pakistan's economic prosperity; General Ayub Khan had to leave office by giving way to his predecessor. However, the dried up economy would increase the divide between East and West Pakistan, where East Pakistan was accusing the West side for exploiting their resources. This general dissatisfaction would lead to political disaccord and a move for independence from Pakistan would be initiated by Mujib-ur-Rehman's Awami League party. Civil unrest would follow soon and Indian army on the pretext of helping Bengali people would enter East Pakistan and also arm Mukti Bahni. In December 1971, Pakistani army in East Pakistan would lay down arms and Bangladesh would be formed as an independent state where as Indian political leadership would claim that the debacle was a proof of the failure of two nation theory.

Till 1970s, smart indigenous economic thinking had yet to take any roots in the volatile region of South Asia when compared to recent times where India and their neighbor China have both been expected to dominate future economic landscape at a global level. However, 1971 debacle was the first indicator that conflicts would be increasingly based on economic interests or failures rather than on ideological grounds in the region.

A war trodden Pakistan was soon led by Zulfikar Ali Bhutto, who would nationalise the economy and adopt a socialist approach towards governance, where as relationship with US was severed further and stronger ties with Middle East and China were further developed. On the other hand, India after giving Pakistan a bloody

nose would now focus on its larger adversary China, when it undertook its first nuclear test by naming it 'Smiling Bhudda'. Note that the spiritual leader of Bhudist Monks from Tibet had been exiled to India where he lives till this day, and naming their first nuclear explosion after Bhudda evidently showed that India was now flexing its muscles against China.

Same time, Zulfiqar Ali Bhutto also announced that Pakistan would seek nuclear capability at any cost and initiated efforts to that effect. Much to the alarm of US, he would call it an Islamic Bomb and seek financial help from Arab states. However, poor war trodden economy was not helped by nationalisation and neither did the resources allow that Pakistan should embark on procuring one of the world's most expensive defence gadgetry. Thus economic pressures gave way to public unrest, which formed the pretext of General Zia's Marshal Law.

General Zia ruled Pakistan for an extended period of time and he was generously assisted by the US as Pakistan helped organise and fund Jihad against the Soviet army which was in Afghanistan. Pakistan went on with its nuclear program. General Zia's rule witnessed increased level of war mongering and Islamic fundamentalism funded primarily by incoming US dollars. The dollars had not only sustained a sound economic outlook but it also gave strength to Jehadi rhetoric to suggest as if Pakistan had been the front line state for the revival of Pan Islamism and all the greatness associated with it. In short, the Afghan War was the economic and the foreign policy of Pakistan primarily funded by the US.

However during the 1970s and 80s, India was witnessing serious economic challenges as nationalist policies and inward approach would not sustain increasing pressures of growing population and domestic demand. Furthermore, India entered into an arms race with much stronger adversary China, which diverted resources to defence and domestic pressures mounted as social development was ignored in larger part of India. Many separatist movements would also take momentum inside the country as economic growth rates would remain volatile throughout the two decades, even plunging to negative values for some years. Especially, during mid 1980s, the separatist movement gained a momentum in Kashmir. Now, it was the pay back time for Pakistan to bleed India for its 1971 loss and thus Pakistan actively supported the independence struggle by Kashmiri people and demanded India to implement UN resolutions.

In 1988 after the untimely death of General Zia, Benazir Bhutto the daughter of Zulfiqar Ali Bhutto formed the elected government. US sanctions were also imposed on Pakistan soon afterwards, to put pressure on Pakistan regarding its nuclear program. Simultaneously US ties with India developed further and its nuclear program went ahead relatively unhindered. In 1991, Cold war ended with the collapse of Soviet Union and US left Pakistan to mainly deal with the mess created in Afghanistan. Due to a decade long dictatorial rule and war based economy, Pakistan witnessed a collapse of its political institutions with high levels of corruption. This initiated a political tug of war. Whereas, India had been sailing smoothly on its democratic front - political institutions strengthened and courts were functioning well. Thus once good economic policy was in place in 1990s, there was no looking back for India.



From 1988 to 1996, Pakistan had four parliamentary elections, whereas 3 democratic governments were deposed on the charges of mismanagement and corruption. During this time, though Pakistan continued with its open economic policies, macro economic outlook failed to benefit from it. The last democratic government, before the coup of General Musharraf, was led by Mian Nawaz Sharif who stayed for nearly 3 years in power till 1999.

## **2. 1990s and the Kargil Conflict:**

1990s have been historic for India and Pakistan for many reasons. Pakistan's struggle with democracy would be mired with corruption charges on politicians. Nevertheless, under increased sanctions from the US, Pakistan's economy could not withstand political instability and thus experimentation with different governments continued with two main political parties taking turns. Whereas, India had not only secured its economy, it had increased level of control over separatist movements with the only exception of Kashmir which remained house to Indian army's largest military contingent. A solution to Kashmir was paramount; to move ahead and seek a more global role as India also started its efforts towards securing a seat in UN Security Council. This time around, India was riding high on the horses of its newly achieved economic success.

The heightened impatience to exploit economic success would land India into political extremism where Congress would be sidelined and Bharatiya Janta Party with its links to extremist Hindu organisations would come to power. In 1998 elections, BJP would re elect on the basis of war mongering rhetoric aimed against Pakistan when Vajpayee would promise to deliver Pakistani held Kashmir to Indian people. Once coming to power, within 2 months, his government would carry out five nuclear tests, where as all of them called Shakti (Hindu Power) only differentiated with numbers.

Under pressure from domestic polity, Pakistan retaliated with five nuclear tests. However as warned, Pakistan was faced with complete international isolation from the Western countries. Further sanctions led to a sharp economic plunge as the country was already surviving severe debt burden. With these circumstances on hand when Pakistan's nuclear program was also out in public which was earlier run clandestinely, the country had no option but to exploit its achieved deterrence against India. Entering into Kargil was the military strategy which would only make more sense for Pakistan, especially when the possibility of outright war would be minimum as nuclear option would deter the Indians to violate international borders. In short 1998 nuclear tests by the Indians eventually led to Kargil war.

Indian economic and military resilience enabled the country to sustain Kargil and the country continued with its economic boom. However, Pakistan under heavy debts and sanctions came close to become bankrupt as foreign exchange reserves could not finance a month of imports. Yet again democracy dwindled as frustrations mounted and Pakistan found itself with another man in uniform.

### **3. Pakistan and India Enter the 21<sup>st</sup> Century:**

General Pervez Musharraf, would seek a professional team to discipline the economy and started his government under the banner of accountability. However, Pakistan's current economic progress would not start till late 2001 when the country joined US war on terror and became worthy of US aid and economic assistance, whereas debt rescheduling would come as a fringe benefit for Pakistan's steady cooperation. Though in 2002, India amassed its army on Pakistani borders after an attack on its parliament, the standoff did not transgress into outright war partly due to the risk of nuclear exchange. It may also be another political ploy by the Vajpayee government, who just before loosing 2004 elections responded positively on Musharraf's peace initiatives but could not sell Shining India slogan to the Indian people. With Congress in power the peace talks continued and currently both countries are devising a long term strategy towards a viable solution for dispute settlement.

Though Pakistan's higher growth patterns and robust macro economic progress was initiated by its cooperation with the West for its fight against extremism, one should also give credit to the economic team of Musharraf's government who managed the economy well, promoted decentralisation and privatisation while also brought an extended level of political stability which resulted in significant foreign investment into the country and high growth rates had been sustained for extended period of times. In this respect President Musharraf's government brings parallels to 1960s when under President Ayub, Pakistan also witnessed longer periods of economic growth. However today there is a fundamental difference. Unlike in 1960s, when the hostilities in the region were rising and witnessed outright confrontations first between China and India and then between Pakistan and India, today the region presents a very different picture where there is significant signs of economic cooperation between all these countries.

President Musharraf had entered the 21<sup>st</sup> century lesser of an army General and more of a statesman when he made serious efforts to bring India back to the negotiation table for a sustainable solution of bilateral issues including Kashmir. Many in India or outside may still feel uncomfortable to trust Pakistani intentions as President Musharraf remains the same man who as Chief of Army Staff during Kargil escalation in 1999 utilised language of confrontation even giving reference to Pakistan's newly acquired nuclear deterrence. However one should then also note if prime minister Vajpayee can have a change of heart after he was elected on basis of his war mongering against Pakistan in 1998 and initiate a bus visit to Lahore within few months by taking a U turn on his stance on Pakistan, one should also give full credit to all efforts made by President Musharraf for peace in the region since 2003. It is only unfortunate that India has failed to correspond to Pakistan's peace initiative with the same vigour which has resulted in loss of many opportunities where some significant move to possible solution on Kashmir could have been undertaken. A luke worm Indian response to current peace initiatives by Pakistan undermines Indian sincerity and even suggests that India may just be buying its time out of the peace talks which can then also be seen as an attempt to discredit President Musharraf, who has been faced with many domestic challenges on political as well as social fronts.

Only going back a decade into history, when on 18 March 1998, the day before he was sworn in as Prime Minister, Vajpayee declared to exercise all options including nuclear options to protect security and sovereignty of the country. Thus talk of nuclear option or war mongering had never been Pakistani initiative especially in recent times. If anything the politics of 1990s give validation to the demarcation of Subcontinent India on basis of two nation theory as India had been witnessing a heightened levels of hinduvta nationalism as it was also progressing economically. For example, BJP, the party Vajpayee was leading got elected riding on a wave of ethnic-religious politics advocating Hindu based nationalism for the first time in 1996.

Thus in 1998 most interesting question which can be raised here would be why Vajpayee and BJP would initiate peace talks with Pakistan by taking a U turn on its anti Pakistan rhetoric soon after Pakistan responded with 5 nuclear tests? One probable answer could be that India might not have anticipated that Pakistan's own nuclear program is at a stage to respond in kind to be able to create deterrence against Indian nuclear capability. Secondly, after the nuclear deterrence was created between both countries, any leverage India might have had on Pakistan on Kashmir was lost, where as there was an active insurgency going on in the Indian side of Kashmir which India through heavy military presence had been trying to curtail. Furthermore, Kashmir had been one of the major hurdles for India to claim a seat in UN Security Council. As Pakistan was economically isolated by international body, Vajpayee government must have guessed that Pakistan would now utilise its nuclear deterrence and try to pressurise India for a Kashmir solution while exploiting the insurgency yet more openly.

#### **4. Conclusions: Finding their Way into Peace and Prosperity**

By going nuclear, both countries have increased the stake of the conflict but also reduced the possibility of war. Furthermore, good economic outlook has also increased the costs of conflict. On its 60<sup>th</sup> year into independence from British, both countries have the opportunity to move beyond historic grievances and shape the future and let the economic prosperity trickle down to the poor with significant resources channelled to social development. Pakistan remains less populated per density when compared to India, and thus in a better position to exploit its economic dividends. Sound economic strategy should be supplemented by strong institutions - political as well as legal.

Much like 1960s, when the country was expected to takeoff, today Pakistan can well move ahead to become a middle income country whereas peace with its neighbour is the key to achieve any such goal. Pakistan, which has traditionally been more open than India, would also benefit from global competition more so with time and may surpass its neighbour if India would not follow sue and open up further. On security issue, peace is not only good news for the common man in the country but it is also good news for Pakistan's defence capabilities. Higher growth rates would not only mean greater resources being channelled towards development sector, but Pakistan will have more resources to bring greater efficiency to its armed forces by procuring high end technology defence imports. However peace would mean that both countries would decrease their militarization much like developed nations who maintain smaller

but well equipped armies. On Indian side, an effective global role for which the country is ready can only be achieved through peace with its neighbour.

The difference of ideologies in this era of globalisation has become irrelevant for both countries. The same vision and prospects of economic gains and excellence has led China and India to forgo their hostilities and similar should be the case for Pakistan and India. Going past their hostilities, India and Pakistan can supplement larger South Asia and China to emerge as a thriving and progressive economic block where by domestic commerce within the area would bring social and economic respite to the larger population on sustainable basis. India, China and Pakistan can together shape the future to the best of the welfare of one of the most populous lands in the world and thus bring the larger world yet one step closer to fair globalisation while regaining the region's status for traditionally being a global cultural, economic and scientific magnet.

To achieve all this, India and Pakistan need to look into their common history which also marked 1857 war of independence and should not restrict themselves to 1947 partition or last 60 years to realize that both countries lie in such regional fault lines which may soon take a central stage in shaping the future global society.

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**APPENDIX:**

**High Conflict Zone Between India and Pakistan (source: International Crises Group)**



How Pakistan sees the high Conflict Zone (source: Govt of Pakistan)

