

**The Atlantic Council of the United States
and
The Institute of National Strategic Studies,
National Defense University**

**The India-Pakistan Security Dilemma:
Major Issues and Charting a Viable Role for the United States**

Welcome:

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Moderator:

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Speakers:

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Program Officer for Asia,
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**Aparna Pande,
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SHIKHA BHATNAGAR: Good morning, everyone. Thank you all for coming to the Atlantic Council this morning. I am Shikha Bhatnagar; I'm the associate director of the South Asia Center here at the Atlantic Council. On behalf of our president, Fred Kempe, and the director of the South Asia Center, Shuja Nawaz, I would like to thank you all for joining us this morning.

Before we begin, I wanted to tell you a little bit about our center. The South Asia Center was launched in 2009 under our director Shuja Nawaz. And it has quickly become a central forum and point of contact for policymakers and members of Congress as well as European and South Asian leaders. Our center focuses on the greater South Asia region, which includes India, Pakistan, as well as the Gulf States, and Afghanistan and parts of Central Asia. We recognize that the subcontinent is not isolated and very much linked to its neighbors.

As you can imagine, we've been very busy here at the center. One of our central tenets is to wage peace in the region, which means finding innovative and effective solutions for economic and political stability.

Nowhere is this more vital than the relationship between India and Pakistan. Although both governments have recently committed to maintaining talks despite the threat of derailment by external actors, real progress in alleviating tensions has yet to be achieved. In addition, it remains uncertain whether U.S. withdrawal from Afghanistan and its declining relationship with Pakistan will actually fan paranoias on both sides, exacerbating an already difficult situation.

So what are the critical issues dividing India and Pakistan? Is a solution to Kashmir even possible? And is it really the key to ending decade-old tensions? And the question that's on everyone's mind: What if there is another major attack on – major attack by Pakistani-based militants on Indian soil? What's the likelihood of a nuclear option? These are just some of the issues that our distinguished guests will address today.

I would now like to welcome our moderator, Dr. Thomas Lynch. Dr. Lynch is currently a distinguished research fellow for South Asia and the Near East at the National Defense University's Institute of National Strategic Studies. The NDU's Institute of National Strategic Studies is also our partner for today's event; we'd like to thank you for that. His long career includes service as commander of U.S. Army Area Support Group in Doha, director of U.S. CENTCOM, commander, Strategic Advisory Group and special military assistant to the U.S. ambassador to Afghanistan in Kabul. He is also a respected member of the Atlantic Council's extended family, having previously served as our Army senior fellow. So I'd like to now pass the stage on to Dr. Lynch. Thank you.

THOMAS LYNCH: Well, thank you so much, Shikha. And thanks to all of you here in attendance today.

As Shikha mentioned, I am Tom Lynch, the distinguished research fellow for South Asia and the Near East over at the Institute for National Strategic Studies. On behalf of the South Asia Center here at the Atlantic Council and also on behalf of my institute, the Institute of National Strategic Studies at National Defense University, I want to welcome you all this morning to this panel discussion. Our gathering today is on the record. Consequently, I'm obliged to tell you, given my current position, that the opinions expressed by me and those in this panel this morning do not represent the positions of National Defense University, the U.S. Department of Defense or the United States government.

Having that preliminary out of the way, let me say that today's cosponsored panel really was conceived in discussions between myself and Shuja Nawaz during the course of late spring, as Shuja and I continued to interact on various panels around town and in other parts of the country in working groups, discussing and writing about the challenges in Pakistan, Afghanistan and across wider South Asia.

It seemed to us that these gatherings, no matter where they were or who was hosting them, tended to come down to three common dimensions. First, they always came round to what Brookings' South Asian scholar, Stephen Cohen, called in his April 2011 Current History article, "...the core strategic conundrum that permeates all regional issues: the extreme tension between Pakistan and India."

Second, lengthy though they often were, these discussions were mostly focused upon the symptoms of that conundrum, skirting around the central issues fueling the Indo-Pakistani security dilemma. As a consequence, Shuja and I felt that they left largely unexplored the seminal policy question that continues to vex Washington, and that is, what, if any, space exists for U.S. policy to help reduce these pernicious complications that flow from the conundrum?

Third, and finally, these gatherings most often compromised – correction, often comprised – U.S. and international participants with decades of experience in writing about South Asia: the veterans. Although there's nothing wrong with that, Shuja and I felt they often excluded voices from younger emerging practitioners and scholars working on these critical issues with South Asian security.

As a consequence, the panel you see assembled here before you today is an attempt to deal with these three issues by way of our discussion. Those assembled here this morning, who I'll introduce in a second, have been asked to help us move beyond these norms for South Asia security discussions in two principal areas.

Each panelist is a young, distinguished and emerging practitioner or scholar in the field whose voice merits additional attention, we believe, in this area. Each will present for us a short individual view about, first, what are the most critical roots of the seemingly intractable Indo-Pakistani security dilemma; and second, what are the possibilities and, indeed, the limitations for any viable U.S. policy role in overcoming these central issues.

I've asked each of them here this morning to speak for no more than seven minutes, sharpening a distinct perspective on these two questions and allowing for more detailed panelist

exchanges and then your questions. I'll take a few minutes to moderate an exchange amongst them, hopefully to help sharpen the similarities and the differences in their positions. And then I trust that will leave us a good 45 to 50 minutes for your questions from the floor, which I very much look forward to.

Let me briefly, then, introduce the panelists to you in the order that I'll ask them to speak, starting on my right, your left.

Our first panelist is Mr. Dhruva Jaishankar, who is the project officer for the German Marshall Fund focused on issues of South Asia and the subcontinent. A practitioner and a writer on South Asian security and a former journalist and research assistant to the aforementioned Dr. Stephen Cohen at Brookings, he is the organizer of South Asia programs for the German Marshall Fund and brings a lot of experience in this area to bear.

Next, to my immediate right and your left is Dr. Aparna Pande, fellow at the Hudson Institute and author of the recently released book entitled "Explaining Pakistan's Foreign Policy: Escaping India," which was published by Routledge here late last year. Aparna will testify this afternoon before the House Foreign Affairs Committee on the topic of American strategy in South Asia.

Then, to my far left – thank you for being here – is Moeed Yusuf, the South Asian adviser at the U.S. Institute of Peace and their Center for Conflict Management. Formerly with Harvard's Kennedy School in Boston, Massachusetts, he is a writer, speaker and contributor to numerous South Asia security and political discussions. He's a member of two policy Track II high-level Indo-Pakistani dialogues: the Ottawa Dialogue and the Pugwash Conference. Moeed is also the author of a forthcoming Institute of Peace report entitled "Pakistan, the United States and the End Game in Afghanistan: Perceptions of Pakistan's Foreign Policy Elite."

And finally, to my immediate left, Dr. Amer Latif is the visiting fellow at the Wadhawni Chair in U.S.-India Policy Studies in the Center for Strategic International Studies. Before that, Amer was the director for South Asian affairs in the policy directorate of the Office of Secretary of Defense from 2007 to early this year, 2011. In that capacity, he was responsible for policy advice and oversight for U.S. policy with respect to military and political dynamics with all the countries of the subcontinent or South Asia– those that you all well know and are familiar with, from Bangladesh to Sri Lanka to India to Pakistan to Bhutan and to Nepal.

So with that, and with the distinguished group assembled here today, I look forward now to turning to comments, and I'll ask Dhruva to start for us with his comments and thoughts on these seminal questions.

DHRUVA JAISHANKAR: Should I speak at the podium, or here?

DR. LYNCH: I think right is here is fine since we're all miked-up. Thank you.

MR. JAISHANKAR: OK, all right.

Well, thank you, Tom, and thanks to Shuja Nawaz and Shikha Bhatnagar and the Atlantic Council for organizing this event and inviting me to participate here today.

I'd like to begin with two caveats. First, nothing I say should be construed as the position of my employer, the German Marshall Fund; these are solely my personal views. Second, I want to clarify at the outset that, unlike others on this panel, I'm not an expert on Pakistan. I'll therefore limit my remarks to the extent possible to India-Pakistan relations and U.S. regional policy as seen from an Indian perspective.

I want to use my seven minutes to make a set of four interrelated points or propositions, some of which Tom already alluded to, with the intention of advancing or stirring up debate, and before going on, to address some possible implications for U.S. policy.

My first proposition is a somewhat simple one. The general characterization in the United States of India-Pakistan relations, particularly India's position, has ossified since the 1990s, even though both India and Indian foreign policy have altered radically in the same period. Mirror-imaging – the assumption that attitudes and actions are of a similar nature on both sides of the India-Pakistan divide – is therefore a very common fallacy.

India is no longer an insecure, autarkic state obsessing about zero-sum competition with Pakistan. Today, it's reluctant to intervene militarily in its neighboring states. I give you the example of Nepal, where Indian interests were directly targeted earlier this decade, and yet there was no real contemplation of a military intervention of any kind. India has little to gain from seizing Pakistani territory and nothing to gain from its dismemberment. India's leaders are fully aware that military aggression and conflict threatens the Indian growth story. Moreover, nuclearization has created a level of strategic stability – we can get into some of the nuances of that later. But – and I'd ask us to – take a look at the more than 50 billion dollars in trade today between India and China from almost no trade in 1998, despite that outstanding boundary dispute between those two countries.

After 2002, India's leaders are conscious of the limitations of using conventional military force – excuse me – in a nuclearized and globalized environment. India has not fully mobilized its military in almost a decade despite terrorist attacks of greater severity than the 2001 parliament attacks, including many with clear links to elements operating in Pakistan. In fact, we can largely attribute last decade's peace in the region – and by peace, I mean the absence of limited interstate war – to this transformation in Indian behavior.

I'm not making a case for Indian moral superiority, so I just want to be clear about that. Its history is littered with bad intentions, and we can point to a number of incidents. But I do want to underscore that India's more benign and restrained behavior over the past decade stems from self-interest to prioritize stability over instability. So that'd be my first proposition.

My second proposition is that, in many respects – sorry, many aspects of India-Pakistan confrontation and competition, particularly the Kashmir dispute, are symptoms rather than root causes. I know others on this panel would probably disagree with that. If Kashmir were to be resolved tomorrow, which I certainly hope it is, there's no guarantee that other outstanding

problems between the two countries will dissipate. Kashmir alone does not explain the nature of the 2008 terrorist attacks on Mumbai, where foreigners were deliberately targeted. It doesn't explain Pakistan's terror attacks against Indian interests in Afghanistan. It doesn't explain al-Qaeda's presence in Pakistan or nuclear relations with North Korea or Iran. Pakistan's purported insecurities related to India's economic growth, military modernization are not going to go away if there's a Kashmir resolution.

Consequently, periodic U.S. attempts at intervention or mediation are not just dangerous from India's point of view – and I can get into that in the Q&A as to why that – why India thinks they are – but they are of little use to solving the region's many security problems.

My third proposition is that a number of developments often associated with India-Pakistan competition – Pakistan's growing use of nuclear arsenal, India's military modernization, Pakistan's support for certain – some terrorist groups – have only loose, tenuous linkages to the India-Pakistan dynamic. I already mentioned al-Qaeda, but as Bruce Riedel, among others, has suggested, the increase in Pakistan nuclear stockpile is arguably directed as much at Washington today as against New Delhi. Many analyses of Indian arms acquisitions – conventional arms acquisitions, particularly by Pakistanis – fail to account for China. So in such cases, I think it would do us well to think outside the narrow confines of India-Pakistan security competition.

My final proposition, flowing from – somewhat from the previous three – is that the ball is now effectively in Pakistan's court. The region's first-order problems lie within Pakistan, not between India and Pakistan. Unless Pakistan can begin to behave like a mature, responsible state – and by which I mean a state that is accountable to its people and to the international community – meaningful normalization between the two sides will be all but impossible.

India today finds itself in much the same boat as Washington vis-à-vis Pakistan – broadly desirous of a unified, democratic, stable Pakistan at peace with itself and its neighbors, and no longer home to a terrorist infrastructure that compromises Indian, American, Afghan and even Pakistani interests.

The difference, of course, is that India has a convenient history of animosity with Pakistan and, unlike Washington, has almost no form of coercive leverage, whether economic or military. But much like the U.S., India is confronted with multiple power centers, indecision and duplicity. In other words, while Indian equities have changed, there's little indication that the same can be said of the other side of the Radcliffe Line.

A state of permanent crisis with India supports the private interest of several key individuals and institutions in Pakistan. I refer, of course, to the security forces and their allies of convenience in the civilian government. Unless those interests alter, unless the constituencies of normalization in Pakistan permanently marginalize the constituencies of crisis, the current peace process has no hope of succeeding and we'd be foolish to expect any major gains.

The official Pakistani reactions after the Osama bin Laden raid earlier this year or the 2008 Mumbai attacks are particularly illustrative in this regard. Like many other incidents in

recent years, they were characterized by an absence of accountability, investigation and cooperation. To extend an analogy made by Steve Cohen, anyone should be expected to help a neighbor whose house is on fire, but it's far more difficult if that neighbor is an arsonist.

So what can and should the United States do to target the root causes of regional tension? I mean, I think Indians are quite conscious of the limitations of – given U.S. interests in the region – limitations to its ability to act. But one modest proposal that I have is that the United States should begin to consistently challenge, with the intention of completely reversing certain pernicious national narratives in Pakistan.

So far, the U.S. response has been somewhat piecemeal. For example, Pakistan is indeed a victim of terrorism, but that does not absolve it of harboring terrorist groups that target India or Afghanistan. Washington could also display a lower tolerance for media manipulation by the Pakistani security forces – manipulation that allows India and the United States to be unfairly blamed for a litany of problems and deflect responsibility from the Pakistani leadership and, with it, any sense of accountability. The U.S. could contest the Pakistani view that its insecurities are legitimately propelled by fears of Indian encirclement, Indian arms acquisition, the U.S.-India nuclear deal or Cold Start. Whatever Pakistani concerns on these scores – and there are some concerns – none of these justify a state run by an army, Pakistani nuclear proliferation or its harboring of terrorist groups.

The activities or stature of Indian intelligence are not comparable to Pakistan's; we can get into that, again, more in the Q&A; nor is India really a revisionist power.

So far, the failure to contest these narratives in effect legitimizes them and thus perpetuates false expectations and bad behavior.

I'd like to end on a somewhat cautionary note. One striking trend of the past few years is that the frequently unkind and perhaps unfair Indian caricature of Pakistan as a predatory and morally bankrupt state that is an incubator of transnational terrorism is now shared by a much wider proportion of the international community, including many in the United States, Europe and even Pakistan's all-weather friend, China. Rather than India bringing its views of Pakistan in line with the world, the world is slowly coming round to India's view.

Pakistan would be on a much stronger footing in its dealings with India if it could prove the world wrong rather than continue to play the victim. So the task for pulling Pakistan from the abyss falls not to Washington or Beijing or London or Riyadh or even New Delhi through political concessions and unilateral engagement; that task falls, ultimately, to Pakistan itself.

DR. LYNCH: Thank you, Dhruva. Very – very dynamic start to our panel, and –

MR. JAISHANKAR: I thought I'd stir things up a little bit there. (Laughter)

DR. LYNCH: With that anchor point, let me ask Aparna for her thoughts. Aparna.

APARNA PANDE: Thanks, Tom. I'd like to thank Shuja Nawaz, Shikha and Atlantic Council and NDU for inviting me.

I would like to start by first talking a bit about the security dilemma and then move on to what role the U.S. can play.

In order to understand the key security dilemma issues with respect to India and Pakistan, I believe we need to understand the underlying paradigm of Pakistan security and foreign policy whose roots lay in the idea of Pakistan – that is: the Two Nation Theory. The way this translated after 1947 was a desire on the behalf of Pakistan and its leaders for parity with India, with the additional desire of escaping any Indianness in Pakistani identity. An ideology-based Pakistani identity was constructed to foster an identity separate from the common civilizational heritage shared by Hindus and Muslims on the subcontinent, as well as to counter the perceived existential threat from India. Fear and insecurity vis-à-vis Hindu India is at the core of Pakistan's foreign and security policies.

Fear of India is related both to fear of Indian *capabilities* with its conventional military might, with no natural frontiers between Indian and Pakistan, but also to Indian *intentions*, a lack of trust and perceived Indian hegemonic ambitions. Initially, Pakistan sought conventional military parity. In later decades, nuclear deterrence was seen as the panacea. Hereto, the desire is not for simple deterrence but for parity in the nuclear arena as well.

Pakistan has always feared strategic encirclement – the so-called pincer movement – which is the fear that one day it would be faced with an antagonistic India on the one border and a pro-India, anti-Pakistan Afghan government on the other. Hence Pakistan has sought strategic depth in Afghanistan.

Pakistan's support today – or the security establishment's support for the Afghan Taliban, the Haqqani network and other groups operating in Afghanistan, as well as support for India- and-Kashmir focus groups like Lashkar-e-Taiba (LeT) – comes from the belief of the Pakistani security establishment that these groups are assets or proxies who will help Pakistan.

Unable to achieve parity with the Indian conventional military might, Pakistani security establishment sees these militant groups as helping ease this asymmetrical relationship by cutting India down to size, by keeping India occupied on various fronts as well as on the defensive.

A trust deficit lies at the core of India-Pakistan relations as the legacy pre-partition has continued even after. Kashmir – and here, I agree with Dhruva – is the symptom of the problem; it's not the problem. The problem is lack of trust. The security and foreign policy establishments on both sides do not trust each other and mistrust each other's motives and intentions. And therefore, it is difficult to resolve relatively simple issues like Siachen (Glacier region), Sir Creek, change visa policies, initiate mutually beneficial policies for economics and trade; as well as more difficult ones like Kashmir.

Though both countries are victims of terrorism, they have barely any intelligence cooperation, despite there being a joint intelligence mechanism set up a couple of years ago.

Both are nuclear-armed powers, and they do exchange on an annual basis a list of this, but there's very little sharing of information in reality.

Bearing this in mind, I'd like to just offer a couple of points about why the U.S. role – I mean why both India and Pakistan look at that role differently. Pakistan would like a more open U.S. role. It has always asked for a more open U.S. role. That's because Pakistan's relationship with the United States is based on the Pakistani hope that American aid – economic and military – will bolster Pakistan's resources and counter Indian economic and military might; and that in return for Pakistani support, United States will help Pakistan vis-à-vis India and Afghanistan. It has never panned out that way, but Pakistan always sought that. India, on the other hand, ideally, would not like an American role. It's because India prefers to deal with issues, especially with its neighbors, on a bilateral basis.

Still, there are some areas (for a U.S. role). In the case of U.S.-Pakistan, United States could pressure Pakistan to continue to act against groups, as it has, but continue to act against groups, not only those groups which target Pakistan, but those groups which target Afghanistan and India, which would – I mean, also – and this is a slightly more, let's say, optimistic hope – that help Pakistan understand that it needs to revisit its own ideas and expectations and desires. Pakistan seeks military parity with a much larger neighbor which drained its own resources and does not provide the security Pakistan craves. It needs to move away and maybe re-examine its expectations and desires.

Vis-à-vis U.S. and India, the U.S. could, I mean, encourage Indian government to start real confidence-building measures. Cricket diplomacy and hockey diplomacy are great and they should continue, but lowering troop levels along the border, especially in Kashmir, more trade across the border, more trade, especially, across the two parts of Kashmir, giving more autonomy to Indian-administered Kashmir, issues like dropping objections to Pakistan's request for (participation in the Generalized System of trade Preferences – Plus) – GSP PLUS – from European Union, which would benefit Pakistan economy, are some of the possibilities.

I'd like to stop there, and the rest I leave for Q&A. Thank you.

DR. LYNCH: Thank you, Aparna. Let me ask, if I could, to turn to my far left, to your far right, and ask Mooed Yusuf from U.S. Institute of Peace to go next and have Amer Latif be our anchorman today. Thank you.

MOEED YUSUF: Thanks. You do need somebody stronger than me for an anchor, so I think you've done the right thing. (Laughter) Thanks. Thanks, Tom, Shuja, Shikha and Atlantic Council for inviting me.

What I thought I would do is just lay out what I think are the key challenges and where we could go from here.

Part of the problem with India-Pakistan dialogues is that it always starts on a note of saying, let's look ahead. And we spend an hour looking backwards and saying what went wrong.

The other sort of caveat is, quite frankly – Dhruva said he’s not an expert on Pakistan – I don’t know how one becomes an expert on Pakistan; I am not either. It’s such a challenging and complicated – sort of complex environment. I worry when I hear people telling me, “Pakistan wants this and that,…” because there are so many different competing interests that it’s very difficult to come out and say, “This is what Pakistan is doing.”

So let me try and make the best of what I can. This is not by any means a Pakistani position. I am not – I don’t know what Pakistan is actually ultimately thinking – but I’m looking at this and putting out what I think the U.S. should be worrying about and doing in the South Asian context.

First question, of course, is why bother? And there you have a debate, well, it’s a primary interest, it’s a secondary interest. Let me just throw out four reasons why this, to me, is a prime U.S. national security interest.

One, the stability of Pakistan – I don’t need to explain that; second, stability of Afghanistan – equally self-explanatory; third, if you really want the Indo-U.S. alliance to reach its full potential and for India to really become the regional and global player that it aspires, the Pakistan-India normalization is a critical element of that. There is now talk of saying, well, why should India care? But I think if you sit down and start breaking-out the relationship, you will find out that India can’t go beyond a point unless this particular problem is – at least moves towards resolution. And fourth, of course, nuclear weapons – and we’ve seen enough nuclear crises in South Asia over the past 12 years to know that (if) either one of them goes wrong, and we’re in trouble.

How do you bring about change in South Asia? Now, one way which has become fairly popular and disturbing to me is to say, ah, “...if only Pakistan would understand.” So Aparna mentioned, U.S. should go and tell Pakistan to rethink. OK, fine, I don’t have a problem with that. The only issue is that really becomes missionary work. And states operate out of interest, not necessarily what they want to hear or don’t want to hear. And interests are going to change based on incentives. So what you really need to look at, how do you shift Pakistani incentives to change its behavior the way you want it to be?

On stability – with Pakistani stability, stability in Afghanistan – I think the India aspect, looking at it from a Pakistani inside-out view, is still critical. I think we underestimate just how much of Pakistani concern in Afghanistan and its policy has been driven by its fear of the Indian presence there. Not saying it’s true, correct, whatever, but it doesn’t matter. What really matters is how the Pakistani policymakers view the situation. And there, I think, India remains critical, even in the Afghanistan – in the Afghanistan bit. And so, if you look at short-term interest Afghanistan, long-term interest Pakistan, India-U.S. relationship, I think this is a critical element of U.S. policy to my mind.

Now, what are the challenges? I could draw up a list and we’ll be here for the next two hours. But let me just put out the four major ones to my mind which I want to focus on.

First, I think – you can take them in any order, but Kashmir of course remains there. Now, if you – my Indian friends tell me that, you know, this is really not that big an issue. Pakistan has made it into a big issue – sure. OK, I'll agree with that. The problem, again, is, are we not looking at Pakistan to see how we can make Pakistan's policy more – sort of more in the interest of the U.S.? And if that's the case, you've got to address this issue.

I'm not exactly sure Kashmir is a symptom, quite frankly, for one very simple reason – because the recruitment of the anti-India militants in Pakistan still comes from the Kashmir rhetoric. That's what they use to gain their recruits at the lowest level. So while one may argue, well, Kashmir has been taken over by facts and on-ground realities, I think if you want to move Pakistan-India forward, Kashmir still remains a major part of that.

On Kashmir, the challenge, to my mind, comes from India. It hasn't really been interested in moving; it's a status quo power; it makes perfect sense; it's in its interests to do that. And it wants to solve the problem internally with Indian Kashmir. It hasn't happened so far, but that's been the Indian policy. I think there a bilateral engagement is critical.

On terrorism, the problem, of course, lies in Pakistan. I think Pakistan hasn't done enough as it should on the anti-India militants. But I would be careful about putting out there – or saying categorically, “Well the Pakistani state continues to support that.” I think there is debate on will versus capacity. I don't know what is true; I don't think anybody can say what is true.

And the reason is fairly simple: You decide whether a country has political will to do something or not if you've already established that capacity is there. If the capacity is not there, then it becomes very difficult to determine whether they are not operating against a group because of capacity or because of will. And in Pakistan's case, unfortunately, I think the genie is out of the bottle.

And while I would definitely want to see more in terms of DDR (Disarmament, Demobilization and Reintegration) in terms of covering the activities of militant groups, ultimately Pakistan has to operate against all sorts of militants, there's no question about that. The real rub here is what's the sequence? Is it first going after TTP (Pakistani Taliban – or Tehrik-e-Taliban Pakistan) and others and then coming to LeT, given that they're sitting in Punjab where a military operation will be ill-advised, et cetera? So I think this debate will continue. But on terrorism, of course – Pakistan – the more it can do the better it is.

On Afghanistan, this is fast becoming a new proxy front. And unless these two sides actually come together to see how their interests align – if they do – or if they can coexist, I see Afghanistan becoming unstable because of this rivalry. Pakistan, of course, is very worried about Indian activities. What I hear is that they're exaggerated.

My point on that is, fair enough, I think they are exaggerated. But the two sides need to talk to figure out what to do about it. If they are exaggerated there should be more transparency coming in saying these are the things we're doing, what here is worrying you, right? And I think that level of trust, I think Aparna is right, is not there at this point. Pakistan does remain worried

about being sidelined in Afghanistan. And that does play into this. I think that should be fairly clear. And so I think that challenge has to be addressed in its own right.

Fourth is the economic bit. The economic operation is simply – you know – the low levels of trade are absurd if you look at the kind of complementarities these two countries have. Traditionally Pakistan has said, well, economics tied to Kashmir and other issues. Now, you see a gradual shift in that. And I think if Pakistan does give India MFN (Most Favored Nation trade status), which it should, then the Indian side has to give up its non-tariff barriers and both sides have to move together on this issue. But I think economics can be a peace-building – a bridge to peace building – if you will.

Now, moving forward, you know, let me just say that there are two issues – this bilateral versus involvement from outside. The point to me is not whether one side likes one or the other. The point is that if you're looking at the U.S. interest, and if the U.S. can make a difference, it should. And if it cannot then, you know, we'll find another policy. But I'll just go on in the next couple of minutes and explain what I think the U.S. can do.

Since 9/11 the U.S. policy has basically been twofold. To Pakistan, you go and apply nominative pressure and say, "...come on, you guys are kidding us. You've got to do this." And, you know, we get an answer: "Sorry we're not doing this." And the second one is what I call a buy-out. "We're giving you so much money, still not?" And the (Pakistani) answer is: "No, sorry, still not." On the Indian side there has been of course an active sort of alliance which is developing: the nuclear deal; you know, the Indian presence in Afghanistan from Pakistan's point of view; et cetera, et cetera.

So as the Pakistani establishment views it, I think what they see is that the regional balance pre-9/11 has actually been sort of tilted more in India's favor in the past 10 years with the U.S. policy. Again, don't take me to say this is correct. I'm explaining to you what they are thinking and that's where the policy is coming out of.

Now, what can the U.S. do? I think the U.S. cannot go and say, "...do this and do that." Enough tried, hasn't worked with Pakistan and with India. But what I do feel is that the U.S. has not really explored the extent of its leverage given its new relationship with India and with Pakistan over the past decade. And the worst that can happen is that you can give it a shot and it won't work, as it's not working right now.

What can be done? On Kashmir, it's fairly simple. You know, my Indian friends get upset when I say, look, let the U.S. come in and put you guys on the table. And I would agree with that criticism if the two sides didn't want to talk. But we have both sides on record saying we want to talk. They have a formula which came out in 2007. Both supposedly agreed to it. But then political events took over and it didn't happen. So why not get somebody to push you back to the table and make sure that the dialogue doesn't fall next time something goes wrong?

In 2007, if the two sides were so close, I think there should have been somebody – if not the U.S., somebody else – who would have told the two sides to continue and, you know, make the final screwdrivers turn if you were to believe the Pakistani foreign minister. That didn't

happen. So let's at least make sure that next time round there is somebody who can ensure that the system doesn't just completely collapse under its own weight.

On terrorism, I've said Pakistani capacity needs to be addressed. I think there needs to be more push to get Pakistan to do more on all sorts of militancy, keeping in mind the capacity constraints. That said, if anybody can convince me that Pakistan and India can solve the terrorism problem without working together, I stand corrected. Let's look at Mumbai. What is the Indian complaint? "Pakistan is not giving us voice samples." If you don't have an intelligence cooperation network, if you don't have a network to work together on terrorism, how is this going to work out?

And unfortunately, all indications that I get and all analyses that I read, Mumbai was not the last crisis – unfortunately. So if you're going to get there again it is critical that these two sides keep working together on terrorism. They have a joint terror mechanism which needs to be operationalized in the real sense. Even the attack which happened a few weeks ago in Mumbai, if you had that cooperation it would have been much easier to ascertain what happened, who did this, how did it work out. And I think that cooperation is critical.

Third, on economics, I think Pakistan needs to give MFN (Most Favored Trade nation status) to India, no question about it. India needs to bring down its non-tariff barriers. I would even argue – this doesn't sound right coming from me – but I would even argue given that India's market is much larger, and the costs for India to open up to Pakistan are lower, if the Indians could take the first step, that would actually push Pakistan in the corner of reciprocating.

But in the U.S. case – I think the U.S. can do one thing tangible, which is to alleviate the Pakistani industry fear that some of them will be flooded – to actually go with targeted assistance to the industries who have a potential to export to India and bolster their capacity, because Pakistan is a medium-sized export market. So they don't have the leverage at this point to expand their production too fast. And so the U.S. could actually go in tangibly and put in some investment in those industries to get the Pakistani industry to be ready to export to India.

And I won't go into the nuclear on what can be done. I'm part of one Track II dialogue which the U.S. Institute of Peace supports, the Ottawa dialogue. We've put out detailed recommendations. But the number one starting point there is transparency. I think if you can push both sides to have more transparency on their nuclear programs that would be one step closer to where we want to go.

Now I'll make one more point and end, if that's OK? Let's say that whatever I've said, you get up and say, look, this is not possible. The U.S.-India relationship is too crucial. We go to India; the Indians tell us, "...back off, we don't want you." And so we don't want to spoil that; we're not going to do any of this. The answer I would give to that is, that's fine. That's a choice that the U.S. government will then make and say, look, we're not going to get involved in this.

But then I have a problem when I come back and hear complaints or concerns about Pakistan behaving in X way or Y way or Z way. So we heard on the panel, Pakistan's nuclear

stockpile growing. We heard Pakistan seeks parity. We heard, you know, every time the Pakistani president or prime minister visits China we are concerned – as we should, given U.S. interests. But if we are not going to address these concerns – which the Pakistani state has rightly or wrongly – if you're not going to approach this more proactively, then we have to internalize and absorb the costs that come with the Pakistani behavior that follows.

States operate, again, as I say, in interests. And countries that don't have many options to fall back on will pursue the few options they have even more aggressively. So in Pakistan's case, rest assured they're going to go to China again and again. They're going to go to Saudi Arabia again and again. Whether it works or not, that's the fallback they have.

The nuclear stockpile – look, I mean, we can go and, you know, debate this issue till the cows come home. The point is very simple. This is a country which is worried that it's being encircled, which sees very few friends, which sees a conventional Indian sort of capability much greater than it, and so it's banking on its nuclear deterrent. And if the concerns are not addressed, it will continue doing that. I think we need to be ready for that. I'm not saying that's a good thing, but we need to be ready for that.

There'll be little trust in the U.S. There'll be more anti-American sentiment in Pakistan because India still remains a critical factor of that narrative that you've gravitated towards India and so you're, you know, you're ditching us again, et cetera. So I think all of this we need to be ready for.

If the entire idea is to change Pakistan's strategic mindset, not doing anything will not change it. That's fairly clear and should be over the past decade.

Now, finally I would just say that this, to me, is not a recipe for solving the problem in South Asia: Not doing something. Things will probably get worse. My point of view in Washington is exactly what I've given you. In Pakistan, of course, I go and do exactly what Washington does – tell them to think more, to change, to realize – but again, that's not policy, that's hope.

One of my mentors, Steve Cohen, who Dhruva also has worked with, always quotes George Shultz and says that when he was in policy planning (at the State Department) (Secretary of State) Shultz always – George Shultz always – used to tell him, “Hope is not a policy. I want policies from you guys.” So with Pakistan what we are doing is hoping. And I'm not sure that's the right way to go. Thanks.

DR. LYNCH: Thank you. Yours was another strong leg. Let's turn to our fourth and final strong leg, Amer Latif. Amer.

S. AMER LATIF: That's a tough act to follow there with Moeed. But I'll try my best. Thank you, Tom, and thank you to the Atlantic Council for inviting me here this morning for this very important event at a very critical time in the region's history.

You know, tomorrow the foreign ministers of India and Pakistan are scheduled to meet in New Delhi to continue their ongoing dialogue that was restarted a few months ago. And to date, the commerce secretaries, the defense secretaries and the home secretaries have met to discuss their respective portfolios and potential cooperation. And the fact that these two nuclear-armed foes are talking is actually an encouraging sign with those that are keen observers of the region.

Now, as the foreign ministers meet, they'll talk about the usual slate of issues. They'll talk about counterterrorism cooperation, Siachen (Glacier), Sir Creek – Kashmir, I'm sure, will come up. However, I don't think we should expect any major breakthroughs at this particular session. Still, as Winston Churchill once commented, "To jaw-jaw is always better than to war-war."

Now, my brief remarks this morning are going to be focused on really two particular areas. Number one, I want to speak about the security trends that are currently prevalent in the India-Pakistan dynamic, and how these two foes might be able to cooperate and be able to move forward over the next three to five years.

One of the things that attracted me, when Tom came to me about speaking on this panel is, is that we're not really looking at the India-Pakistan dynamic or trying to come up with immediate solutions to the India-Pakistan dynamic. We're looking at it from a long-term view. If you take the assumption that India and Pakistan will continue to be in conflict for the foreseeable future, we need to kind of start to think about this, and start to think about solutions or ways that the two might be able to work together on interest-based cooperation. The second area I'll talk about is a possible role for the United States from an organizational point of view. Is the United States properly organized bureaucratically to be able to address South Asian security issues?

Now, as we examine the security landscape in South Asia I would note five separate yet interconnected trends which define the current security environment between India and Pakistan. First of all, Pakistan's fight in the Tribal Areas. As we all know, the Pakistan army has been engaged in a fierce fight against the TTP within its own Tribal Areas. Pakistan has been learning to fight counterinsurgency on the fly, and it's had to learn a new form of warfare that has largely been unknown to an army that has had to focus on India as the threat throughout a large part of its existence.

The paradigm shift of preparing for an external, conventional threat to an internal threat could have interesting repercussions for Pakistan's national security over the next three to five years. Will the second lieutenants and the captains who are fighting in the frontier today think differently about Pakistan's national security when they become majors and lieutenant colonels? It stands to reason that the up and coming generation of officers may not view India as the priority – as the primary – threat, but only time will tell.

Now, as Pakistan has diverted its manpower resources from the border with India, Rawalpindi, of course, has felt a bit more nervous about security situation vis-à-vis its eastern neighbor, which leads to the second major trend: India's conventional arms buildup.

Over the past half-decade India has begun a significant military modernization program that has caused increasing concern within Pakistan.

As India builds up its military capabilities to hedge against China and be able to project power globally, it has caused Islamabad to take note, and to face the stark realization that it will never be able to keep pace with New Delhi's arms buildup. The American defense relationship has also led to the sale of billions of dollars in military equipment to India, which has also further convinced Pakistan's leadership that the U.S. is favoring India between the two.

So this growing gap has led to Pakistan adopting two major strategies in its security: number one, to be able to use terrorism as an asymmetric capability; and number two, to rely on nuclear weapons more as a response to India's growing conventional capability. On nuclear weapons, as the conventional gap widens Islamabad is becoming more and more dependent on its nuclear deterrent, and accelerating its development of ballistic and cruise missiles as well as nuclear warheads.

Pakistan's also been seeking the development of tactical nuclear weapons, which are aimed at attacking battlefield forces and potentially countering India's Cold Start doctrine. With a lack of transparency between India and Pakistan on their nuclear red lines, it increasingly appears that the threshold for a nuclear exchange is lowered, with both sides believing that a conflict is possible – a conventional conflict is possible – below the nuclear threshold.

The fifth trend that I would offer to you is that the U.S. role in South Asia is still vital and still critical. No matter how badly the U.S.-Pakistan relationship has deteriorated, Washington cannot afford to abandon its relationship and must continue to stay engaged with Islamabad. Despite attempts by prior administrations to completely de-hyphenate the relationship, there will always be an element of overlap and hyphenation in India-Pakistan relations.

Now, laying out those trends as a bit of a scene setter let me outline some ways that India and Pakistan might be able to move forward over the next three to five years. One good thing about this event that I've really mentioned before is that we're looking at ways to foster cooperation beyond the 2014 horizon, beyond the three-to-five year point. So to that end, I think we need to think about India and Pakistan as a long-term challenge rather than a problem that requires silver bullets to address the problems today.

Scholars and analysts have looked at confidence-building measures for a number of years and ways to be able to lower the tension. Instead, perhaps, it's time to look at ways to be able to build habits of cooperation across common areas of interest between India and Pakistan. Perhaps it's time to think about interest-based cooperation that looks at common interests where Indian and Pakistani governments might work together.

So a couple of ideas for consideration – Moeed also mentioned this – but the India-Pakistan cooperation within Afghanistan. The Indian-Pakistan rivalry within Afghanistan is the Gordian Knot that stands in the way of lasting stability. While on the surface India and Pakistan may have clashing interests and suspicions, they both want the same thing, which is a stable Afghanistan. Having India and Pakistan cooperate with Afghanistan on joint infrastructure

projects or exploring trade corridors might be a way to help build transparency and trust between the countries. Intelligence cooperation is another way – Indian and Pakistani intelligence services should have a dialogue regarding the other's positions in Afghanistan.

Third, I would offer up the idea of maritime cooperation. India and Pakistan have both been affected by the scourge of piracy over the past couple of years. The recent incident at sea between an Indian and Pakistani warship highlights the need for better coordination on issues of maritime security. Having the Indian and Pakistani navies working together on issues such as piracy, search and rescue and coastal security could be areas of fruitful cooperation.

And then finally I would offer up the idea of cooperation on a disaster response. With earthquakes, floods and tsunamis with – over the past decade, the idea of both militaries training together to jointly address future disaster contingencies could be an excellent venue for cooperation. Now, these areas may not lessen tensions in the immediate term, but they could foster greater trust and transparency over a longer period of time between the Indian and Pakistani security establishments.

Now, given all of this, how can the U.S. effectively engage in South Asia to address the security dilemma and promote better cooperation between the two nuclear rivals? Well, let me just offer up a couple of thoughts on how the U.S. is currently organized to engage on South Asia and some thoughts about the limitations of this bureaucratic organization.

Currently, South Asia, within the U.S. government, is divided among the key agencies at State, the National Security Council and Defense. At State, of course, we have the Special Representative for Afghanistan and Pakistan (SRAP) as well as the South and Central Asia Bureau (SCA). So you have the SRAP handling Afghanistan and Pakistan with SCA handling the balance of South Asia. I would note that a recent IG report had recommended having the SRAP and SCA offices coordinate better in order to be able to prepare for the eventual integration of Afghanistan and Pakistan into one South and Central Asia Bureau.

At the National Security Council, India and Pakistan lie in different directorates, with India lying under the Central Region, which is lumped in with the Middle East and the Gulf, while Pakistan has been lumped in with its own war czar under General Lute. In the Defense Department we have Pacific Command (PACOM) which currently has India while Central Command (CENTCOM) has Pakistan.

So now, while we think about organizations, I mean, the fundamental issue to think about here is, how do we conceptualize the Indian relationship and the Pakistani relationship? If we put India and Pakistan in the same particular office, what we look at is the possibility that there could be a lesser prioritization placed on the India relationship. Right now, with Pacific Command having India, you have India incorporated into a number of other Asian countries, with Southeast Asia and East Asia. So you have the idea of India – actually building a relationship with India in the context of a growing Asia.

While the idea of having India and Pakistan in the same office is appealing because it would allow better coordination between the Indian and Pakistan dimensions, there is always the

risk that those who have both those countries in their portfolio might be also tempered in their willingness to deepen the relationship with India due to concerns about, perhaps, the India-Pakistan balance. So these are some considerations of how we conceptualize the relationship with India and Pakistan.

Personalities and relationships also do matter in this business of bureaucratic organization. How much time U.S. leaders spend with their counterparts will affect their perceptions of the problem. Also, the structures within India and Pakistan also have a huge impact on the U.S. ability to engage. In Pakistan, U.S. leadership can go straight to General Kayani and get the business done or at least be able to know that they're on the phone with a decision-maker – not so in India where the civil government is the one that calls the shots; you have a democracy which is, of course, very slow in making its decisions and it's a much more deliberative process.

So with those comments is perhaps maybe a starting-off point. Let me just kind of leave it there and perhaps maybe open up the discussion for further question and answer.

DR. LYNCH: Great. Thank you, Amer. And thank you for all the panelists. I do want to turn to the audience questions, and I'm heartened by the fact that we have a good amount of time left. Let me use the moderator prerogative, though, to see if I can probe two dimensions of what each of the panelists have touched on, starting with a question about Afghanistan and then following up with a question about information sharing since that seemed to come up quite frequently here in terms of things the United States might want to facilitate.

Let me start with Afghanistan, because everybody here has kind of alluded, I think, to Afghanistan as one of those variables where U.S. policy can – either in a medium- to long-term role – influence the nature of the Indo-Pakistani security dilemma. So let me ask directly to a couple of panelists: What do we think should be an optimal U.S. approach to, particularly, the issue of residual forces beyond 2014? How do Pakistanis and Indians see this? And where do we think there might be a potential for convergence in terms of getting their heads around whether it's right for a certain amount of U.S. force presence to remain, and if so how much and to what purpose?

Let me start on that if I could, and ask Moeed, and if you're up to it, Aparna, to take that on. And then I'll save my second question for the other two panelists. Moeed?

MR. YUSUF: Tom, I think it's very difficult to say; the situation is very fluid. And I think a lot of depends on how the reintegration, reconciliation process goes. If you see progress there, you know, the end game may be much different than if you don't. And to my mind, at this point, without giving you a preview into our upcoming report, I think all options are on the table. (Laughter) It could go from fairly decent outcome to a civil war in Afghanistan. So I think it's very difficult to say at this point.

The regional countries, except India, I think, are going to be uneasy about long-term U.S. presence, as I see it at this point. This does not mean they want the U.S. forces to pack up. Actually all these countries, I think, have a dilemma. They don't want the U.S. to be there long-

term and permanently, but they also don't want the U.S. to leave before things stabilize. India, I think, is much more favorable to a long-term U.S. presence in Afghanistan.

Whether this will become a problem or not, look, I would put it in a different way. I think you will not make progress on Afghanistan to the point of stability unless you solve the India-Pakistan competition there beforehand. I don't think you can get to a stable Afghanistan if Pakistan continues to worry about the Indian presence and the activities and whatever.

And the way forward to me is exactly what Amer has said – two dialogues: intel-to-intel dialogue to clarify what India is doing, assuage whatever Pakistani concerns are, put it – the transparency part is critical here. If the Pakistani view is exaggerated, then I think it should be easier to bring in that transparency and say, look, this is all that is happening.

The second dialogue is a development dialogue. Where are areas where Pakistan and India can either cooperate, or big areas where both of them can develop their own issues and continue helping Afghanistan stabilize through the development paradigm? I think these two are critical. Neither of them is happening right now. Both of them, I think, given U.S. centrality to Afghanistan, the U.S. has an opportunity to bringing these sides to the table.

DR. LYNCH: Great, Thank you.

MR. JAISHANKAR: Tom, if I may just ask –

DR. LYNCH: Sure.

MR. JAISHANKAR: I'm waiting to follow-up. What is an end state that Pakistan – in Afghanistan – will be satisfied with?

MR. YUSEF: Give me two weeks, you'll get the report.

MR. JAISHANKAR: OK, all right, I'll wait. (Laughter)

DR. LYNCH: A tease! Aparna?

DR. PANDE: As often happens in India-Pakistan relations, I agree with Moeed on all his points. And I'd like to say that, yes, I mean, there are issues where intel-to-intel cooperation, both sides seek a stable Afghanistan, but what is the end game that Pakistan seeks and what is the end game that (India) seeks? Neither side has put it forward, and I don't think each side is going to put it forward, nor will the other regional countries, Iran and the others interested in Afghanistan.

So how exactly do you define a stable Afghanistan? A non-Taliban Afghanistan? A part-Taliban, part-Northern Alliance Afghanistan? Yes, India among the regional countries, I mean, is more interested or would not have a problem with American presence or a longer-term American presence in Afghanistan because from India's point of view, India sees it as ensuring a

more stable Afghanistan, as ensuring that it will be less likely that there'll be instability or civil war or the Taliban's rule.

The two sides could also, actually, benefit not just by intel-to-intel but economic and energy issues. Both see Central Asia and Afghanistan to a gateway to energy, economic issues, which both countries need, especially India. So whether it's the TAPI (Turkemenistan-Afghanistan-Pakistan-India) Pipeline or any other pipeline, that could be useful.

But for that there'd have to be transit trade at least between India and Afghanistan. And – I mean, along with MFN, if Pakistan would also allow more open transit trade, which would benefit both countries, benefit Afghanistan, and benefit U.S. But in the bottom line is: what is the end game the countries seek? And it's only when that will be, I guess, in some ways clear to us that we can actually talk about the future.

MR. YUSUF: Well, let me just say, I think even that requires a dialogue.

DR. PANDE: Oh, it does.

MR. YUSUF: You know?

DR. PANDE: Dialogue I agree – the question is that – I mean– do you trust that when the other side is talking about economic issues, it's not going to be an outcome wiping out your economy? When you're talking about intel-to-intel cooperation, do you trust the other side to talk to them and tell them that, yes, the voice samples, why don't they share voice samples – I mean, why is it that when terror attacks place take place in any other part of the world, India is willing to offer and help and Pakistan is. But they don't offer help to each other. So you don't trust the other side, you don't trust what they're going to do with the information you give them or you will decide you will give them – that's the problem.

DR. LYNCH: Well, let me follow up on that, because that's tied to my next question – I think Amer's ready to jump in – which is this issue which keeps coming up about information sharing, which quickly gets into intelligence sharing. And of course, Amer, you've raised some of the bureaucratic breakpoints that are here in the United States. It strikes me that a number of those have to do, especially on the military side, with the ability to have two countries share information.

It doesn't seem like a perfect portal, if you will, for two countries that lack trust to be able to spy on one another, and spy on what one another's agencies are doing. (Laughter) And so if I could get you to, you know, comment on the ways forward with respect to that intel mistrust dimension and then ask Dhruva for his thoughts on that from an Indian perspective, we'll use that as a tag-out point then to turn to audience questions. Amer?

DR. LATIF: Well, I mean, as far as the intel mistrust dimension, I mean, I guess if I were to propose intel cooperation, I would just say to have it go in stages, correct – I mean, to have the intelligence agencies get together and talk about something that's not really so much in the classified realm – exchange perspectives on the political situation in Afghanistan.

You know, if you're a RAW (Indian intelligence – Research and Analyses Wing) representative and an ISI (Pakistani intelligence – InterService Intelligence) representative, how do you both see the political situation in Afghanistan right now? How do you assess the Afghan government's stability? How do you assess the current situation of ethnic groups within the government?

I mean, there's a number of what I would call non-classified topics that these intelligence agencies could talk about without betraying each other's positions. And you start that as a point of departure. And as the, you know, the trust, perhaps, between the intelligence organizations increases, and then you can start to get to a little bit more sensitive issues. But as a point of departure, just starting to talk about at least just kind of the political dynamics within Afghanistan, perhaps some more exchanging of perspectives of what the U.S. might be doing – that's always a great – (chuckles) – point of departure for both countries, to talk about what the United States might be doing.

So in that way I would say that, you know, there's – you have to kind of take it in stages. Start out with unclassified, political topics and then kind of move your way towards more gradually more sensitive, classified topics.

DR. LYNCH: Excellent. And, Dhruva, your thoughts on this particular topic?

MR. JAISHANKAR: I mean, I think in theory it's a great idea. But, you know, so to would my going to Abbottabad, Pakistan or eating kabobs with the Haqqani network. I mean, it's nice; I just don't think it'll happen.

Intelligence-sharing, I think, will be the last thing that the two sides agree upon. I mean, there are numerous problems there. I mean, I think one of the major issues that any intelligence-sharing will have to deal with is that really ISI and RAW – or I mean, broadly speaking, Pakistan intelligence and Indian intelligence – are just not comparable.

They don't have the same level of standing within their own setup – so, government setups. The ISI is primary military, and RAW is not; RAW's civilian. There are a whole number of problems that, I think, will get in the way of intelligence-sharing, and even if its talking about seemingly anodyne open-source sharing, I just don't see that happening for a variety of reasons. I mean, I think, I think – I mean, I hope we get there, but I think that that will be really the last thing that's put on the table.

DR. LATIF: Dhruva, I mean, one thing I would say is there might be something which the United States might be able to facilitate behind the scenes in a very discreet way. I mean, I'm just saying that, you know I totally agree about the challenges but there can be a start-point.

MR. JAISHANKAR: I think a mil-mil dialogue would be much more – or a more robust military-to-military dialogue would actually be – have much more – add much more value, I think, than an intelligence one. But –

DR. LATIF: But I mean –

DR. LYNCH: Let me ask – pardon here, but given that there's, you know, in the Afghanistan sense, particularly not that much military-to-military dynamic between India and Pakistan, don't you have to go to the information or the intelligence side as is being advocated here to get any kind of change?

MR. JAISHANKAR: I mean, for Afghanistan, I mean, it is less pertinent. But I think, overall for India, Pakistan, you know, and to improve India-Pakistan relations, I think, I mean – you're right, outside the Afghan context.

DR. LYNCH: Yeah.

MR. JAISHANKAR: I mean, the one question I think I do want to address is really the question of transparency.

I'm trying to think really how India can be any more transparent than it currently is on Afghanistan. There's a lot of talk about the number of Indian consulates. I mean, I've looked into this and, if people actually know anything that conflicts I'd like to hear it – but to my knowledge there are no more than four Indian consulates in Afghanistan, which are quite understaffed and largely besieged. This is in addition to the embassy in Kabul, which is equally besieged.

So there are a number of development projects; India has now committed to \$2 billion of aid. These include roads, electricity, the parliament building. But beyond – much beyond that – I'm not quite sure of what it is India's doing that it's not being transparent, or what is the known-unknown, to use Donald Rumsfeld's –

DR. LYNCH: Let me ask Aparna to get a final comment in here, and then I want to leave a good 30 minutes for questions from the audience.

DR. PANDE: If I'm not mistaken, around the Commonwealth Games time in India (November 2010), Pakistan did share information with India via the United States about certain bomb threats. That's the impression I got from people, that there was some sharing.

MR. JAISHANKAR: This could have been true, yes.

DR. PANDE: So I mean it is a possibility. It can happen. It's just not going to be something which will come easily. I mean, there was a joint intelligence mechanism set up a couple of years ago. But it's something – I mean, again it's a lack of trust, but it can happen. It's still difficult.

DR. LYNCH: Great. Well, thank you.

It's now time for audience questions. I thank you for your patience. Let me ask here – since we have microphones on the side – if I could encourage your adherence to question-and-

answer protocol: One, wait for the microphone. Two, if you'd help us please by telling us your name and affiliation as you start your specific question.

And then if you would please – so we can have maximum number of questions – try to get to the question quickly and, if you would, identify those members of the panel you'd like to have it addressed to. Then, we'll quickly and expeditiously try to deal with it. I'll try to track everybody, as hands go up, in an order.

Let me start here with Barbara.

Q: Barbara Slavin, I'm a fellow here with the Atlantic Council. I was wondering if all of you could talk a little bit more about China and China's potential role, given its economic stake in Afghanistan, it's very close military and intelligence ties with Pakistan. Is there more that China could do to bring them to the table and to end the rivalry at least in Afghanistan? Thank you.

DR. LYNCH: Thank you.

MR. JAISHANKAR: Should we take a few questions, or –

DR. PANDE. Yes, maybe a couple before we start answering them.

MR. LYNCH: Let me do that then.

Thank you for that specific question, Barbara.

Let me take that one and then we'll get a couple more. I think I had one hand in the back, and then I have one here in the front. We'll gather those three up and then try to deal with them with the panel.

I'm sorry. It was – it was the lady behind you there. I'll take you in turn, sir. I have you as number four.

Yes, please.

Q: Tanvi Madan, Brookings. I have a question for Moeed and also for Dhruva and Aparna. Just to push you both, Dhruva and Aparna, on this idea that India doesn't like U.S. involvement: What India doesn't like is U.S. mediation. It depends on U.S. involvement to restrain Pakistan. So how do you know – how does India kind of stand on that thing that we don't want any U.S. involvement?

And on Moeed's point about U.S. involvement and Kashmir, basically putting them both in the conference room and locking the door, what – could you give us a few specific details about what incentives, positive or negative, especially with India that the U.S. could use that haven't been used before? Because they have tried this before and it hasn't worked. So what's different this time? What can be done differently?

DR. LYNCH: Thank you for those questions , and I'll take one more up here in front. Then we'll see if we can address some of the specifics.

Q: Stanley Kober. I'm not sure I agree with the trust deficit. That might have been the origin of the problem, but now it seems what we're dealing with is a fanaticism. Lashkar-e-Taiba, I don't think, has a trust deficit. The Taliban, I don't think, have a trust deficit. What if you are dealing now with a phenomenon that has gone on for, say, two generations in which people have been brought up in an ideology of fanaticism, and they believe it? Then what do you do?

DR. LYNCH: Good. Well, thank you for those. Let's see. I have us addressing the China-specific topic and let me just ask – and we'll start over here – Dhruva, in terms of the China factor.

MR. JAISHANKAR: I mean – I see huge limitations there for a few reasons. One is that China is not seen as an honest broker. Two, I mean, particularly on the nuclear side, its involvement with Pakistan displays bias. And it has outstanding territorial disputes with India as well. So that's a big concern.

Two, I'm not sure China actually wants to take that role. It's shown no indication of stepping up to the plate with regards to a number of issues in the region. This is certainly not something I think they want to get involved in. So – one person I think you could read, particularly from China-Pakistan relations – my colleague Andrew Small has a number of articles on Chinese foreign policy related to South Asia.

DR. LYNCH: Aparna?

DR. PANDE: While I agree with some of – with Dhruva's points, I also feel that there is one area, and that is that China is as concerned about the rise of radical Islamist movements as any other country, especially since it will affect China's own Muslim, especially Uighur in that region, in that territory. Therefore China would have an interest in actually talking with both India and Pakistan and discussing this issue because, from China's point of view, it affects Chinese interests.

DR. LATIF: I think that with the China dynamic though, given Aparna's point, I think that the Chinese see more benefit in having that close relationship with Pakistan as a hedge against India more than they are concerned about the extremism elements. So I think that when the Chinese do the cost-benefit analysis of their position in South Asia, they find that there's more benefit in a China-Pakistan relationship vis-à-vis India than perhaps being concerned about the radical threat.

DR. LYNCH: Moeed?

MR. YUSUF: I mean, I don't think anybody can replace the U.S. in the stick and carrot that can be put out, and while the U.S. may not be viewed as completely neutral, I think it, you

know, comes as close to neutral as possible, so at least you could put all three countries in the same room.

China, I think, is – what it's doing basically is, of course, the Pakistan relationship continues. But it's also not going to go on a limb to support Pakistani positions any longer. So I think it's somewhat of a connection, but the more the India-U.S. alliance, I think, grows, the more worried it gets in some ways.

DR. LYNCH: And let me just tag onto that, before we go to the next set of questions, because there are two things that strike me on that, Barbara.

First having just spent last week in Pakistan, I really see the dynamic right now in terms of Pakistani outreach to others who might assist it both with its problems right now and its potential deepening problems if U.S. assistance were to dissipate, by really pursuing places other than China much more vigorously. And that comes on the heels of a very vigorous pursuit of China that appeared to be going on in late May and early June.

I don't think that's surprising; I think what China offered during the period of May and June, from my read, was salutary, rhetorical and some economic assistance, but far short of what Pakistan would really have liked from that relationship. So I think there are limitations that are there already.

The second point I'd make is – Dhruva mentioned Andrew Small, who I highly commend on his writings on China and Pakistan. A former colleague of mine at National Defense University named Isaac Kardon wrote about four months ago on what he called the evidence of some initial fraying between Pakistan and China in some of the longstanding agreements between the two. And his point wasn't to be overdramatic about how there was any break here with China – there's not – but just that as China becomes more worldly and more interested in things, it still certainly plays a hedging role with Pakistan, but it's not a unequivocal or all-accepting role that it may have been at one time.

And so I think there's that factor that plays also in terms of how much China matters, how much Pakistan can get from China, and then how much commonality there may be in some of the interests between Western powers and China – not that that would necessarily produce collaborative action – but maybe parallel action that can help align the policy dimensions.

Let me then turn to that second cluster of questions, which had to do first with India and its appreciation or acceptance of U.S. involvement, how that's evolved, and then the question specific that was to you, Moeed, if we can start there, which had to do with the Kashmir question and how and what more U.S. could do there.

MR. YUSUF: Yeah, I mean, look, I mentioned the U.S. cannot just get any deal from anybody in the region. That's not necessarily what I'm saying. But what I'm saying is that, if you look back in history, there have been crucial moments where the U.S. has come in, into South Asia, even in the Pakistan-India dynamic, and stopped a disaster from happening. Let's

put it that way. If they haven't gotten them where they want to go, they haven't let them completely slide off the scale.

And if the two sides have an understanding on what that broad formula is going to be, I think that's all you need. You basically just want to make sure – because see, one has to understand that sometimes the discourse on this issue of Pakistan sort of becomes almost like you've decided that it's only about telling Pakistan, do something, and it'll do it. And if my point is taken, which is that I think capacity is not there. Will? We can decide once capacity happens, but perhaps that's not the rider. Then it's not about just telling Pakistan to do something.

So, may I, you know, hopefully wrongly, predict that the next Mumbai is not going to happen tomorrow; but it's going to happen when Pakistan and India seem close to another deal because that's what the vested interests want. At that point, you need somebody to say, "...OK, you just got to cross the finish line, and then we can deal with this better." And I understand it's very difficult and whatever. But what we know very clearly from the past 10 years is that the status quo option is not working.

DR. LYNCH: And the topic of India's willingness to augur some U.S. engagement and how that's evolving and what opportunities are there – start with Amer and then take the other two panelists. Would you like to?

DR. LATIF: OK. I note – Tanvi's point is actually spot on, and I – thank you for clarifying. I mean, India is not against U.S. involvement necessarily, even though it might say so. It's against U.S. mediation. And I think, I mean, there are four issues, I think, really, that when talking about the U.S. involvement in the Kashmir dispute – which I think need to be taken into consideration.

First, I mean, we're – we've got to a point where neither side really – and Moeed alluded to this – neither side perceives the U.S. to be an honest broker for very different reasons. Pakistanis I speak to are increasingly convinced of a permanent U.S. tilt towards India. Indians believe that Washington will press New Delhi to make concessions that go against Indian interests in favor of U.S. interests.

The second point is that the biggest hurdle really is domestic politics in both countries, both within Pakistan and within India. This is something where the U.S. actually has very little leverage.

Three, I mean, there are fears in India that U.S. intervention of any kind will unnecessarily embolden Kashmiri separatists who are today basically politically marginalized, and this would complicate ongoing bilateral negotiations.

And the fourth is that basically U.S. intervention would unintentionally justify the use of terrorism for political purposes, and that's not a signal that I imagine Washington wants to send. It's, I think, telling that some of the most headway in the Kashmir process was made when the U.S. was least involved.

DR. LYNCH: Thank you. Aparna – Dhruva, you're good? OK, all right.

Thank you very much for that. And then the final question in this cluster is about a trust deficit and the commentary about, it's not a matter of trust with LeT or the Taliban. I'm going to proffer a comment here as anybody else on the panel decides about a desire to jump in.

While I think I understand the question, it may misrepresent what some of the panelists were talking about. I understood them to talk about a trust deficit between the political and military leadership of the two countries; and that it is a matter of trust and building trust between them whereas some of the actors that you've named, the radicals, certainly as agents, don't have any trust, but that's not the level we're playing at. Maybe I misread....

MR. JAISHANKAR: But I'm actually in slight agreement with Mr. Kober. I mean given the ties between elements of the Pakistani state and security apparatus and some of these groups, I think this is a valid consideration.

I mean, another problem with talk of trust deficit is really that it falls prey to the mirror-imaging fallacy that I spoke about earlier, so I think that that is a valid concern as well.

DR. LYNCH: So, just to clarify: the concern that trust-building alone can be a serious way forward is one you see as still valid at least from the perspective of what you see in India's?

MR. JAISHANKAR: Right, right, that is – yeah.

DR. LYNCH: Other panel responses?

DR. PANDE: No.

DR. LYNCH: Thanks. All right, let's turn to another cluster of questions. I think I had – the gentleman in the back who I asked to defer from the last time, then I'll go here, and then the gentleman in the orange tie.

Q: Hi, Daryl Sng from the Singapore Embassy, and my question is related to Tanvi's question, which is, what is the actual leverage that the U.S. has in the India-Pakistan relationship? What are policy tools at its disposal in this era of foreign policy austerity?

DR. LYNCH: Very good. Thank you. And then we had the gentleman on the corner here.

Sir, I'm going to save you for a later round – are you good, sir? Did you have a hand? I had you first; I'm saving you until the next cluster. Sorry, you had the hand after the gentleman to your left – unless you're working in tandem? (Chuckles.)

All right, just hold on, sir. I'll go to you, and then we'll take a break, and I'll come to you in the start of the third round.

Q: Bill Lastreuse. I'm with the Marine Corps Command and Staff College. We just mentioned the concern in India about the extremist influence in Pakistan and in the Pakistani government. From the Pakistani point of view, is not Hindu nationalism in India a legitimate concern as well? Given their responsibility for national security, can Pakistani decision-makers ignore the possibility of the emergence of a durable Hindu nationalist government in India?

DR. LYNCH: Thank you. And then the gentlemen with the orange tie and, again, thanks for your patience. You'll be the start of the next round.

Q: Chris Bidwell from DTRA. My question was prompted by something Amer said, and then further prompted by something that Dhruva said.

With regards to the trust issues felt by the U.S. in Pakistan and India, it seems you're making a case that there's a trust deficit on long-term problems, but in short-term problems when crises erupt, the U.S. has sometimes come in and try to play a bit of an honest broker role.

What I'm concerned about as we go into a Cold Start and tactical nukes and maybe a new posture, is there a reliance that, well, we can walk up to the brink and the U.S. may intervene in a mediating role again? How real is that possibility? How dangerous is that possibility? If you could both comment on that, I'd appreciate it. Thank you.

DR. LYNCH: A very good set of questions. Let's see if we can get our panelists to take them on in the areas they're the most comfortable with.

First, I think, was this question about U.S. policy tools in an era of austerity because I think the panelists had addressed a number of approaches that might be possible, but not in the context of fiscal constraint. Let's start with that thought and see what panelists might like to mention on that.

Amer, would you like to take this on first?

DR. LATIF: I mean, I would go back to some of the points I made in my initial comments, which are first of all, there's always the issue of diplomacy and behind-the-scenes diplomacy, which could be used to be able to facilitate more dialogue between the two parties.

But beyond that, in terms of getting them to develop more habits of cooperation, I mean, I think that, you know, the U.S. military between Central Command and Pacific Command could be able to facilitate more confidence-building sorts of – I don't want to say, "exercises" – activities between India and Pakistan. The maritime security idea that I mentioned in my comments, I think, bears some investigation. Being able to have perhaps, you know, have either U.S. Navy Pacific Fleet (PACFLT) or U.S. Navy's Central Command (NAVCENT) facilitate naval passing exercises (PASSEXs) or exercises that would be trilateral in nature might be one area where, perhaps, the United States might be able to leverage some more productive cooperation between the two sides.

DR. LYNCH: Anyone else want to add to that? Super.

The next question had to do, and I think – I'd ask –

MR. JAISHANKAR: Sorry, this is this one the leverage question?

DR. PANDE: No, this is the –

MR. JAISHANKAR: Yeah, I mean –

DR. LYNCH: This was the one about U.S. policy tools and ability in an era of austerity.

MR. JAISHANKAR: I mean, just one thing, and I think you will see in terms of areas of leverage have been related to aid, and you've seen the suspension of some aid now. But I mean, that's one area of leverage. And Congress will be increasingly inclined to look there. The second is unilateral strikes, and particularly with David Petraeus now at the CIA, I think we can expect that that will be used as a point of leverage. And a third, which has not been looked at very much, is sanctions down the line.

On the Indian side, U.S. leverage is actually a lot less for a number of issues. I mean, one is – like Pakistan, there's the nuclear component. But, I mean – I think the quest for market access or the desire for U.S. corporations to access the Indian market will actually mean that the U.S. will be much less inclined towards any sort of coercive measures, certainly nothing drastic.

DR. LYNCH: Go ahead, Moeed.

MR. YUSUF: I just want to add one thing: I think we have to keep in mind why we are talking about this relationship and the U.S. role. And there are different reasons, of course, the interests. But Pakistan's stability is what – from what I hear – now the U.S. administration's number one priority. If that is the case, then you've got to look at what leverage the U.S. has in that light.

So what Dhruva mentioned – I think all of them are leverage points. You can go beyond the present downgrading in assistance to Pakistan as a leverage point as well. But is that in the U.S.'s interest? Now, on India, I can say that markets are certainly one. You know, downgrading the alliance is another one, et cetera, et cetera. Is that in the U.S. interest? No.

And so if you boil it down to what falls within the realm of U.S. interests, which you can do, the leverage is not much. That's why I say don't expect to get too much out of this. But make sure that you're involved enough to get the two sides continue – to continue to go in the direction that we desire they go in. So, you know, pushing them to do more on that bilateral front is the way forward.

MR. JAISHANKAR: The concern though is that while the U.S. has stated that it wants a stable Pakistan – and it has been trying to move in that direction now since 2001 and in some way, shape or form – an increasing concern that you sense here in Washington is frustration that

that durable stability is not the Pakistani government's interest, that Pakistan is not interested in a stable Pakistan. That is something that is causing a lot of frustration here in Washington. I mean, this –

MR. YUSUF: Well –

MR. JAISHANKAR: – is the sense – I don't, I'm not agreeing with that at all. But I do think that that's a legitimate concern. You actually alluded to this in a recent piece yourself, Moed. But –

MR. YUSUF: Look, I mean, the point is fairly simple. If we think that Pakistan is not interested in its own stability, then nothing is going to make Pakistan stable. So then, let's pack up the house and go home.

MR. JAISHANKAR: Let's – no – (chuckles) – this is I think where we need to push the conversation because this is, I think, a very, very serious concern.

MR. YUSUF: But I think there, of course, you know, the narrative also matters. We seem to have decided that's the case.

MR. JAISHANKAR: Agreed.

MR. YUSUF: You know, but I don't really see that narrative of self-accepted instability to be the situation in Pakistan.

MR. JAISHANKAR: I hope not.

MR. YUSUF: I don't know of any country which really wants to make itself unstable. They may be taking decisions which are pushing them in that direction, but to say that this is what Pakistan wants, you know –

There are certain decisions which one can put out, but can never think of too seriously as a policymaker. So, for instance, this debate about the U.S.-India nuclear deal and then this liability clause and whatever. It upset a lot of people in Washington, and I heard some people say, well, then the deal should not go through.

MR. JAISHANKAR: Right.

MR. YUSUF: I say, this is ridiculous. You know, you've got to find a way to work around that problem. You don't throw the baby out the bathwater just because you don't like something.

MR. JAISHANKAR: True.

MR. YUSUF: And so, I think the issue here is that Pakistan is making decisions which may or may not go in America's interest. This is absolutely clear. Pakistan is making decisions

which clearly are not working at this time. But to say that they're intentionally doing this so that they can go down the drain, I just don't know.

MR. JAISHANKAR: Maybe not to go down the drain, but instead to maintain a state of instability which allows certain elements in Pakistan to reap dividends such as increased aid packages from the United States.

MR. YUSUF: This is one great reason why these countries should talk because every time I'm in Delhi, quite honestly I hear that kind of talk which is not what I hear in Pakistan –

MR. JAISHANKAR: This is not a matter of New Delhi –

MR. YUSUF: No, I mean that every time I'm in Islamabad, I also hear things about New Delhi which, you know, are not true at all. So I think this is one of the reasons they need to meet together.

DR. LYNCH: Useful exchange. Let me press on from that, if I could, and bring in the other two panelists to address the question about the concern in Pakistan on Hindu nationalism.

Aparna, and then Amer, if you'd like.

DR. PANDE: Yeah, just a couple of points. One, I believe the gentleman is referring to the Hindu nationalist organizations and latent movements. I don't see the influence beyond that in certain militant organizations. Yes, the BJP, the Hindu nationalist party, did have this ideology traced to that intense Hindu nationalism. However, it was the BJP prime minister, Mr. Vajpayee, who inaugurated robust diplomacy with Pakistan. He actually went to Lahore and wrote in the *Minar-e-Pakistan* notebook that, "We accept partition and the creation of Pakistan."

So the political parties which have Hindu-leaning or let's say Hindu nationalist ideologies also believe in having good relations and dialogue with Pakistan, and in a stable Pakistan. There remain some Hindu organizations that believe in Akhand Bharat, an undivided India or an undoing of partition. However, I mean, we should look at reality and not what – and not minority rhetoric.

India is a status quo power. The initial reluctance of early Indian leaders with partition or the creation of Pakistan has never extended to actually reversing it, trying to reverse it, or now even wanting to reverse it. They have accepted Pakistan, accepted a stable Pakistan, and desire a stable Pakistan.

DR. LYNCH: Amer.

DR. LATIF: I think it's a very good question; what I would add to that is that I think that the Indian government, you know, we've been talking about Lashkar-e-Taiba (LeT) and some of the other extremist groups that might be – might be able to thwart an India-Pakistan deal at some point.

But I think that the Indians also have to watch for Hindu extremist groups as well as a spoiler in this regard. The Samjhauta Express blasts that were conducted back in 2007, I believe – initially there was suspicion that it might have been an Islamist-based group, but then subsequent investigations have shown that it might have been a Hindu extremist group that was responsible. So for the Indians, I think that they need to really kind of watch the Hindu extremist groups as well as potential spoilers in any sort of rapprochement between India and Pakistan.

DR. LYNCH: As we come to the end of our time, we had a last question in this cluster which had to do about U.S. involvement actually contributing to brinkmanship in terms of bilateral crisis moments in Kashmir, in terms of some inflammatory incidents, or in of the pursuit of weapons.

Thoughts on that one?

MR. YUSUF: I can just point to the June edition of the *Arms Control Today* has a piece by me on crisis behavior between India and Pakistan. I've been arguing for a long time what I call "contracted out" escalation control. These two sides have no direct, bilateral mechanism for escalation control. They escalate and then look around and see who's coming to make sure that the other side does what we want them to do, which is a very unstable situation.

In the next crisis, what is going to happen is that you will have India, which given the public sentiment or whatever – I hear that in New Delhi, you know, it may be very difficult for the government to restrain itself next time round; I think completely legitimate and understood. So there's going to be something that happens – I'm just hypothetically putting this out – Cold Start is there; maybe that's operationalized, or a surgical strike, or whatever it is. India would want the U.S. intervention after that strike to make sure that Pakistan doesn't respond. Pakistan would want a U.S. intervention right up front to make sure that India doesn't take the first shot. But after India does the first shot, they don't want the U.S. to intervene until Pakistan has responded.

So now as Washington – what Amer has put out – has this fragmented command picture of PACOM here, CENTCOM here, – et cetera: You've got about a 20-hour window to figure this out to perfection, and make sure you make both sides happy. How you do it? I leave that to you. (Laughter.)

MR. JAISHANKAR: I mean, I'm actually much more optimistic. I just don't think it'll get to that stage, for a variety of reasons that I've stated in my presentation. I think the danger really has passed. I mean, had there been a strike – another attack within weeks or even a few months after the Mumbai attacks, I think that it would have been almost impossible for the Indian government not to respond militarily in some way, and I suspect it would have been air strikes for a variety of reasons.

There's also a small cottage industry that's come up around Cold Start. But I don't think much thought has been given by analysts to, even if Cold Start were operationalized, what its objectives would be, what would, you know, Indian battalions, you know, which are sitting ducks in the Pakistani desert, want to do or be trying to do?.

So I really think this Cold Start business is greatly exaggerated. In addition there are the operational issues too. I mean, the Indian Air Force has not signed off on it; the Ministry of Defense has not signed off on it; the political leadership has certainly not signed off on it. So I mean –

DR. LATIF: The concerns with Cold Start, I think, are more psychological –

MR. JAISHANKAR: Of course.

DR. LATIF: – more than anything else.

MR. JAISHANKAR: Yeah, yeah.

DR. LATIF: And I think that that is critical when you look at it –

MR. JAISHANKAR : True.

DR. LATIF: – from Islamabad’s – or India’s perspective.

MR. JAISHANKAR: But I mean, I think if we’re gaming out different scenarios, I don’t think that’s a realistic one. Air strikes, I do think – limited air strikes, particularly against militant camps in – are something that India might contemplate.

DR. LYNCH: In our final two minutes, let me thank the gentleman for his forbearance, and give you the last question. Sir.

Q: I’m Jim Bernstein with Walkabout Development Solutions. I attended a meeting here several months ago about water. I’d just like to comment and then ask a question. If you’ve watched the World Cup – the Women’s World Cup or if you watch –

DR. LYNCH: Sir, if I could help you, we literally are in our last minute right now –

Q: I know –

DR. LYNCH: – so if you can cut to the question –

Q: – I know – if you watch the current negotiations, you’ll notice that everybody has a bottle of water next to them.

I think the greatest threat to what’s going on between India and Pakistan is the fact that they’re running out of water in Pakistan, and I haven’t heard anybody speak to that. I’d like to know what your plan is for dealing with that problem going forward? It’s existential; it’s not theater.

MR. YUSUF: Very quickly – let me just say a one-liner on what Dhruva said. If this is true, I think we have a great CBM (confidence building measure) right here. I think the Indian side should come out very clearly and say Cold Start –

MR. JAISHANKAR: Actually – the Indian Army made a statement actually a few weeks ago.

MR. YUSUF: Yeah, and I think just give up whatever Cold Start developments have been made and the Pakistanis should come out and say this tactical nuclear business, which is as dangerous, should go away. I think this is a great CBM.

MR. JAISHANKAR: The problem is – nobody believes – I mean – (chuckles) –

MR. YUSUF: Sure, but I think you can find a way to do that because there are – there's hardware which can disappear.

On this question of water, sir, I think you're absolutely right. The panel didn't really focus on that. But I think if you project forward, water is going to become a major issue. Right now, I think, the problem of water in terms of the bilateral conflict is exaggerated. I think it's more an internal problem for both sides, but it will become a bilateral problem. For me, all the more reason that you need to address these major issues in the interim, so that you have a trust buildup, so that you can work on water together.

DR. LYNCH: Good. Let me make that the final word. Please join me with thanks to each one of our panelists, Moeed, Amer, Aparna and Dhruva. (Applause)

And thanks to all of you for coming this morning and braving the picket lines outside to make your way up here. Thank you and have a wonderful day.

(END)