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A 'New' Pakistan: Implications for Indo-Pak Relations

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Pakistan's recently concluded general elections scored an important first. It was the first time that power had been transferred from one civilian government to another via popular elections. This has generated a predictable amount of optimism amongst certain sections, both within and outside Pakistan, about Pakistan and for its relations with the outside world. One of the keenest observers of Pakistan's recent elections was India. In the aftermath of the 2008 Mumbai attacks, India's relations with Pakistan have plummeted to a historical low. Pakistan's general elections provided an opportunity for India's political leaders to reassess the potential to improve this bilateral relationship.

The victory of Nawaz Sharif's Pakistan Muslim League – Nawaz, PML(N), in these elections was greeted with a mixture of both optimism and caution by India's political class. Despite the widespread optimism about a 'new' era in Pakistani politics, Sharif is anything but new to Pakistani politics. This is his third term as prime minister and his earlier two stints betray a mixed record at best in terms of relations with India. For this term, the prospects are similarly mixed for bilateral relations. Three major factors will determine the extent to which these elections will usher in a new, less hostile, phase in India-Pakistan relations.

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Sharif and the Military

The first and possibly the most important factor will be Sharif's relationship with the military in Pakistan. Sharif's unceremonious removal from power by the military during his previous stint as prime minister is a stark reminder of the task ahead. In this respect, Sharif and his party will have to decide, quite quickly, whether to try the ex-President, Pervez Musharraf, for treason. Doing so might very possibly infuriate the military establishment as well as potentially implicate other senior military and civilian figures during the course of a trial. Allowing Musharraf to go into exile as part of a Saudi Arabia- or United States-brokered deal might give the impression of Sharif taking the high ground and possibly heal, to a limited extent, his rift with the military. This has potentially important implications for relations with India, especially since several retired senior military commanders in Pakistan have denounced Musharraf's role in the Kargil conflict with India. With the military's support for his version of events that led to Kargil, Sharif might win some important goodwill in India. By getting off on the right foot with military, he could also start to demonstrate his ability to deliver on the issue of cross-border terrorism vis-à-vis India. The prospects of Sharif gaining full control over the Pakistani military are limited, to say the least, but an improvement in the civilian-military relationship in comparison to his last tenure will definitely give India's political leadership some hope of less hostile relations between the two states.

Extremism Issue

The second factor will be Sharif's ability to deal with the rising levels of Islamic extremism within Pakistan. The PML(N)'s own links with organisations with a strong anti-India agenda like the Lashkar-e-Taiba and the Sipah-e-Sahaba are a major cause of concern in India. In this respect, while Sharif has promised to restrain the activities of Hafiz Saeed (leader of the Lashkar-e-Taiba and alleged mastermind of the 2008 Mumbai attacks), it is not clear how consistently Sharif will carry out this undertaking. More ominously, Saeed has repeated his warning to Pakistan's newly elected leadership not to renew friendly ties with India. The fact that this warning came on the eve of Sharif's swearing-in as prime minister once again renewed Indian anxieties about Sharif's ability and willingness to prevent Saeed from negatively impacting bilateral relations. There has also been no indication from Sharif about if and how he intends to expedite the trial of those implicated in the 2008 Mumbai attacks. More broadly, there are doubts in India about Sharif, the seasoned politician, being able to resist the temptation to cosy up to such anti-India elements in Pakistan in specific circumstances to consolidate his own political legitimacy domestically. This is especially so since the PML(N)'s margin of victory has not given it the kind of overwhelming mandate which will allow it to ignore such political compulsions from time to time.

Indo-Pak Trade

The third factor is improving economic ties with India. The first likely positive development will be Sharif operationalising the previous cabinet's approval to accord India the Most Favoured Nation (MFN) status. Broadly, Sharif, from his previous tenure, is viewed as being pro-business and will thus encourage closer economic ties between the two countries. However, for economic ties to deepen, influential voices within Pakistan believe that India's complex web of non-tariff barriers needs to be eased. Such appeals need to be understood within the context of the large bilateral trade imbalance in India's favour. A veteran politician like Sharif will be aware that pushing for greater trade liberalisation cannot be done in a political vacuum and domestic constituencies in Pakistan need to be assuaged in such a project. In this regard, Sharif might look to India's leaders for upfront concessions which he can leverage domestically to push for closer trade and broader economic links with India. Recent events indicate that India's leaders appreciate this imperative. The Indian government announced that it will send a delegation to Lahore on 9 June to discuss an Indian offer to supply natural gas to Pakistan through a pipeline that currently extends till Jalandhar. Indian officials have indicated that they are willing to extend the pipeline to the Wagah border, from where Pakistan can extend it to users within the country. One other economic link that has been under discussion for some time is a trade and transit agreement that will allow India to dispatch goods through Pakistan to Afghanistan via the Wagah border. This agreement, which India is very keen to sign, will bring significant economic benefits to Pakistan, boosting the latter's revenue and its wider economy. The prospects of Sharif finalising this agreement, though, are slim. This would require a considerable shift in Pakistani strategic thinking. At the moment, conventional wisdom in Pakistan views such a potential agreement as an instrument for India to expand its economic and political influence into Afghanistan and further into central Asia, with perceived deeply negative implications for Pakistan's own interests in this sub-region.

In terms of the prospects for bilateral relations, the third tenure of Nawaz Sharif has commenced relatively well. The rhetoric from both him and India's political leaders is fairly reassuring. The visit of Manmohan Singh's special envoy, S K Lambah, to Lahore to meet Sharif after his electoral victory demonstrated the eagerness of the Indian government to improve bilateral relations with Pakistan's new administration. It was also significant that they discussed the possibility of restarting the stalled composite dialogue. It revealed that an improvement in bilateral relations during Sharif's tenure would need to involve progress on a varied number of issues, the three most significant of which have been sketched out above.

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