

CHALLENGER: India

India is a nation of extremes – a nuclear power with 700 million rural population living in 550,000 traditional villages; the world's largest democracy; the world's second largest population; one of the most religious of populations; one of the most secular of nations; a nation that many regard as a friend but a nation aligned with none. India, now growing almost as quickly as **China**, is on the brink of becoming a world power but with a population facing poverty and disease, environmental degradation, localized ethnic and religious strife including terrorism, and an acrimonious dispute with **Pakistan**.

Civilization

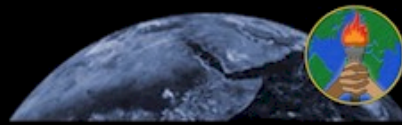
Cultural overlays began in India at least 3,500 years ago when mysterious, probably *Dravidian*, highly organized

urban civilizations such as the *Indus Valley* civilization were supplanted by warlike herd-based *Aryans*. Earliest decipherable records show old gods alongside new Aryan gods, a multiplicity of gods that converged as a singular Godhead. Waves of foreigners -- *Muslim Arabs* from the 8th century and *Ottomans* from the 12th century, *Europeans* (mainly **British**, **French**) from the late 16th century -- all left their traces in India but were ultimately assimilated by Indian culture. Only **China** and **Iran** have comparable cultural longevity, but it is India that has been most tested by forces that obliterated indigenous civilizations elsewhere. This *resilience* is a key to appreciating India's possible future.

People and Public Health

The population of around 1,100 million, about 15% of the world's population, has a median age of 25 years and a mean life expectancy of 65 years. Its broad ethnicity is **Indo-Aryan** 72%, **Dravidian** 25%, and 3% other ethnic groups including **Mongol**, but this conceals a great cultural diversity of a multitude of ancient cultures. Although **Hindi** is the official national language, it is the first language of only 30% of the population and there are 14 other official languages including *Bengali*, *Tamil*, *Urdu*, *Gujarati*, *Punjabi*, *Kashmiri*, *Sindhi*, and *Sanskrit*. *Hindustani*, a widely-spoken vernacular throughout northern India, is not an official language. **English** also is not an official language but is the *lingua franca* of the elites and is used for international and much national communication; Indian English is one of the richest and most literate English variants in the world. The predominant religion is **Hindu** (81%). The 13% **Muslim** population of around 145 million is the third largest Islamic population in the world after





Indonesia (200 million) and **Pakistan** (165 million). Two religious minorities, **Sikh** (around 2%) and **Parsi** (a negligible 70,000) have played an inordinately important role throughout Indian public affairs. The first field marshal of India, *Sam Manekshaw*, and India's greatest industrialist, *J. R. D. Tata* (not to mention *Zubin Mehta* and *Freddie Mercury*) are examples of prominent Parsis.

People's Assembly (May 2004) - party	seats	
Indian National Congress (INC)	145	27%
Bharatiya Janata Party (BJP)	138	25%
Communist Party of India – Marxist (CPI-M)	43	8%
Samajwadi Party (SP)	36	7%
Rashtriya Janata Dal (RJD)	24	4%
Bahujan Samaj Party (BSP)	19	3%
Dravida Munnetra Kazagham (DMK)	16	3%
Shiv Sena (SS)	12	2%
Biju Janata Dal (BJD)	11	2%
Communist Party of India (CPI)	10	2%
other – all parties with less than 10 seats	89	16%

About 65% of the population live in traditional rural villages. The *average GDP* per capita (parity adjusted) of \$3,300 is virtually meaningless because there is a wide and widening disparity between a prosperous urban middle-class in over 200 major cities and towns and the poorest of subsistence villagers who rely partly on *barter* trade outside the formal economy. Similarly, the declared *unemployment* rate of 9% does not capture high *underemployment* rates throughout the country or the nature of subsistence activities. The estimate of 25% below the poverty line – significant by any standards – does not capture that in some regions this means village life that is slowly improving and in other places means life-threatening food shortage and endemic disease. *Disease* is a ubiquitous challenge in India where hot climate and poor sanitation brings an almost universal high risk from infectious diseases (such as *bacterial diarrhea*, *hepatitis A*, *hepatitis E*, *typhoid*) and vector diseases (largely mosquito transmitted, such as *dengue*, *malaria*, *encephalitis*). With the lack of advanced *medical facilities* in most parts of India, most of these diseases have high *mortality*. The vast rural population of India living among animals in relatively unsanitary conditions leaves it particularly vulnerable to global pandemics such as mutated **H5N1**.

Government

Under its constitution, India is a "*sovereign, socialist, secular, democratic republic*". The interests of the states is represented in the *Rajya Sabha* but the authority of government rests, Westminster-style, with the Prime Minister in the *Lok Sabha* (People's House). Voter involvement in India is moderately high, at about 66% election turnout. The secular *center-left Congress Party (INC)* has ruled most of the years since Independence in 1947. The INC regained power in 2004 by forging a coalition of 12 parties, the *United Progressive Alliance (UPA)*. The victory was attributed to impatience among the rural poor with lack of development, and eventual rejection of the Hindu *Bharatiya Janata Party BJP's* nationalist agenda. The Congress and BJP are still the two largest parties but it is likely neither can again rule without support of several smaller parties, which will be a moderating factor. **Manmohan Singh** – an Oxford-educated economist and a *Sikh* is the UPA elected Prime Minister. The BJP is by no means a spent force in Indian politics but its fortunes will depend on how convincingly it balances the main planks of its agenda as a Hindu religious party with a power-base in the "Hindi Belt" in the north and west states and as a *center-right* modernizing party of economic and political reform.

Opposition

The main parliamentary opposition is the Hindu **BJP**. The BJP had tacitly supported the destruction of the **Ayodhya mosque** in Uttar Pradesh in 1992 prompting the death of over 2,000 in the worst bout of nationwide religious rioting between Hindus and Muslim since Partition.¹ It also presided over nuclear tests in 1998 which led to the **US** imposing sanctions which were fully relaxed only in 2006. Also it presided over the *Kargil conflict* with **Pakistan** in 1999 which led to a battle and almost full-scale war. The BJP became seen as an extreme and divisive force, and after several failed coalitions, it lost power in May 2004 back to the INC-led UPA. Also in opposition but with little in common with the BJP is the "Left Front" -- a grouping of four Communist and Marxist parties which control 59 seats. The grouping

rules *West Bengal* and shares power in *Kerala*. Although the Front has not joined the UPA coalition it often supports the government in parliament. Smaller parties include regional interest groups such as the *All Parties Hurriyat Conference* a coalition of over 20 parties in **Kashmir** seeking independence or accession to Pakistan, and *National Socialist Council of Nagaland* which is struggling for independence for **Nagaland** in the extreme north-east.

Social Stability

There have been numerous forces of instability in India throughout its history; waves of invasion and endless rivalry between kingdoms and dynasties served to define and reinforce rather than weaken the social fabric. Most forces of instability today are readily identified and localized and unable to challenge the central administration. Today there are two major persistent security issues built upon social weak-spots -- Muslim separatism in **Kashmir** which is linked to historical Hindu-Muslim tensions in the north-west, and the radical Maoist **Naxalites** insurgency in several Indian states. India accuses **Pakistan** and **China** respectively of supporting these conflicts. Although insurgents crossing the Kashmir Line of Control into India are responsible for most deaths, the **Naxalite** insurgency has an almost daily low-level death toll and makes it unsafe for landowners, government forces and outsiders in several pockets in the west.

The **caste system** is synonymous with India. For millennia it was the basis of a stable, if inequitable, social system. The original Sanskrit **varna** (castes) of *Brahmin* (priests), *Kshatriya* (warriors, officials), *Vaishya* (merchants) and *Shudra* (farmers) -- and those beyond these castes, the *Dalits* (out-caste, the “untouchables”) – is a simplistic expression of an immensely complex system of thousands of **jatis** (*birth*; echoed in English terms such as “well born”). Ghandi condemned the inequities of the caste system but interestingly has much to say on the social cohesiveness that the complex *varna-jati* system brought to Indo-Aryan society. In modern India the government has legislated against caste-based discrimination and has implemented positive discrimination policies in government employment. One measure of success was the election of K. R. Narayanan, a *dalit*, as that the President of India 1997-2002. The force that is eroding unjust aspects of *varna-jati* more than legislation is the process of urbanization where skills, merit and money form new dominant hierarchies. In a recent development, *dalits* discontented with the pace of improvement in their lot have publicly repudiated *Hinduism* and converted to *Buddhism* or *Christianity*. This move seems unremarkable given the *dalit* is “beyond caste”, but public apostasy in this way would likely be seen by conservative Hindus of the **BJP** as a deep erosion of Indian society.

Sikhs

Sikhism originates in the early 16th century in the *Punjab* with the *guru* Nanak Dev. It is a devoutly deist philosophy built on the proposition “*There is no Hindu, there is no Muslim*”. Sikhism is a warrior culture, particularly in defense of the religion, and calls for a conspicuously high level of integrity in its adherents which has led to Sikhs to be employed in trust occupations throughout India. The present Prime Minister, *Dr. Manmohan Singh*, is a Sikh. A **Sikh** separatist movement in modern times dates from April 1983 when the Sikhs declared the free state of **Khalistan** (a union of **Punjab** and **Haryana**). A standoff continued for about 10 years, culminating in the storming of the Sikh’s holiest place, the *Harmandir Sahib* (*Golden Temple*) in **Amritsar**, by Indian forces in June 1984, followed by an exchange of concessions. Four months later, the Prime Minister, *Indira Gandhi*, was killed by two of her own Sikh bodyguard. Years later, the Indian government apologized for the affront on the temple. Future agitation for greater *Punjabi* or Sikh autonomy is possible but it will be in the form of direct political (or armed) confrontation rather than terrorist attacks.



Naxalites

Naxalites arose in the late 1960s as a radical Maoist land reform movement led by middle-class students asserting the rights of casteless and landless labourers.ⁱⁱ Today's Beijing denies any association with "Maoism" in India or other parts of the world but historically there probably was fraternal encouragement for the student/peasant struggle against land-owners. The Naxalites continue to operate in **Jharkhand** and surrounding states. They operate with deadly force, sometimes mining roads or deploying claymore mines against government forces. Their activities have prompted landlords to form local militias – the most active of these, *Ranvir Sena*, are as ruthless and lethal as the Naxalites and often kill landless laborers they suspect of collaborating with the insurgents.ⁱⁱⁱ The Naxalites are active in *Andhra Pradesh, Bihar, Jharkhand, and Chhattisgarh* and to a lesser extent in *Madhya Pradesh, Maharashtra, Orissa, Uttar Pradesh* and *West Bengal*.^{iv} The Naxalite cause is based on the palpable truth of grinding poverty and a feudal land system. Only development and a government attack on social inequity in the eastern regions is likely to defuse the movement.

Separatism

The provinces in the far east beyond **Bangladesh, Assam, Nagaland, Tripura, Manipur**, have been the source of varying types of separatist dissent and inter-tribal conflict for decades that -- visitors to these areas face a high risk of robbery, extortion and terrorism related violence. India accuses **Bangladesh** for fomenting some of these conflicts, but others believe much of the conflict is a cover for drug trafficking from **Myanmar** (Burma) and claim some of the killing results from feuding between *drug gangs*.

The Tamils

India has from time to time tried to use its influence to resolve the bitter *Tamil* independence insurgency in **Sri Lanka** but has also tried to avoid being embroiled in the conflict. Some sensitivity to the insurgency is unavoidable because the Tamils of *Tamil Nadu* in southern India see themselves as an undivided group with the Tamils of Sri Lanka. One legacy of this *de facto* involvement in the Sri Lanka was the assassination in 1991 of **Rajiv Gandhi** by a female suicide bomber during a political campaign in Tamil Nadu in retribution for sending Indian peace-keeping troops to Sri Lanka while he was Prime Minister.

Islamic Militancy

There was serious Muslim/Hindu inter-ethnic violence before and after the partition that created Pakistan, but the Muslim population of India (around 13%), approximately equal to the population of Pakistan, has generally lived in peace among the predominantly Hindu population. Incidents such as the 1992 destruction of the Babri mosque in *Ayodhya*, while the conservative Hindu **BJP** was in government, threw this peaceful coexistence into serious inter-religious conflict and, in that case, over 2,000 deaths. As a sequel to that incident in February 2002 more than 50 Hindus died in a fire on a train returning to Gujarat from Ayodhya. Although the fire may have been an accident, Hindus blamed Muslims and 1,000 to 2,000 people (mainly Muslim) were killed in retribution in ensuing riots. A court later found the BJP government culpable in not limiting the fatalities. But these incidents are the exception to relative religious stability throughout India. By contrast, politically-motivated Islamic violence is a daily occurrence in Indian *Kashmir*.

"Global" Islamic insurgency such as seen in **Indonesia, the US, Spain, and the UK** have been rare in India until recently. Bombings in October 2005 in *Delhi* which killed over 60 and injured 200 were blamed on **Lashkar-e-Toiba** (Lashkar-e-Taiba), a group in the *al Qaeda* mould that has the goal of Muslim domination of all India. Similarly the attack on *Mumbai* trains at rush-hour with seven well-coordinated high-explosive bombs in July 2006 was the sort of attack until then foreign to India. A bombing attack, presumably by Hindu militants, on Muslims leaving prayers in Maharashtra later in the year in September was, at minimum, unhelpful. Although India has a wealth of experience of acting against insurgent groups -- in Kashmir, against the Naxalites, and separatists in the far east – these *al Qaeda* type of attacks pose a new dimension of threat. India has already taken action to ban web content

that is an incitement to violence but is aware that any draconian action against the Muslim minority will drive more young men to *jihād* in defense of Islam with groups such as *al-Qaeda* and *Lashkar-e-Toiba*.

The first major policy initiative of the **Singh** government after assuming power in 2004 was the repeal of the *Prevention of Terrorism Act (POTA)* promulgated by the previous BJP-led coalition. Singh's government claims that existing criminal laws are sufficient to control terrorism, particularly when used along with the *Foreign Exchange Management Act (FEMA)* which monitors money transfers. FEMA however has no insight into terrorists monies moving around in the *hawala* (underground) money transfers network.^v The state with most arrests under POTA was *Jharkhand* with over 250 people detained, mainly for involvement in *Naxalite* (Maoist) activities, rather than *al Qaeda* associated activities.

Economy

India has the fifth largest economy in the world (\$3.6T PPP), behind the **US**, the **EU**, **China**, **Japan**. The three Asian economies, China, Japan, India, have a larger combined GDP than the US and India's growth is now closing in on China's rate of 10%. India is battling a huge and growing population, water shortage, an energy deficit, and a decrepit infrastructure. **China** shares many of these problems but has the advantage of constructing much of its capital infrastructure newly in the last decade or two, whereas India is beset with factories, railways, electricity and water reticulation and drainage systems that in some cases date back over a century. India has run an intensive birth control program for several decades with some success but there is still an immense development deficit in basic services in both urban and rural areas. Against all of this, India is poised to become a key player in the new globalized world. Some say this will be the "Century of India" (eclipsing the Chinese Century) based on India's *soft power*.^{vi} India's soft power resides in its history of non-aggression, the pervasive value-based nature of its culture, its high reputation for education and intellectual achievement and, importantly, its *English-speaking* elite. Some of this character gives it an intrinsic trading advantage over China. It is well positioned to offer competitive education and health-care services to a world market, and to compete in high-technology areas such as *software* and *biotechnology*. The software industry is already worth around \$17.2 billion in exports and is set to play an increasingly important part in India's balance of trade.

In its immediate area, India is a key member of the *South Asia Association for Regional Cooperation (SAARC)*, which recently agreed to establish a *South Asia Free Trade Area (SAFTA)*. In recent years India has also reached out to the **ASEAN** region and into east Asia with trade agreements with **Japan** and **South Korea**. Although India and **Japan** are pursuing genuine détente with **China**, old diplomatic positions (and enmities) die hard. Japan has increased development assistance to India (at the expense of China), has supported India's admission to the new **East Asian Community**, and plans to establish free-trade with India two years ahead of free-trade with China.^{vii}

There are calls to liberalize labor laws in the formal economy to permit greater worker mobility and reduce "too much *job security*" that is thought to be hampering growth.^{viii} Similarly there are calls to further reduce the remaining tight restrictions on private and foreign investment in utilities and other "strategic" industries such as coal.^{ix} Indian *socialism* runs deep, as in the **UK** and much of **Europe**. As a **US** trade official says – "You find more socialism in India than in China. You don't find someone arguing against you on the basis of Marxism in China."

India's *environmental* problems in some places are already emergencies of a macro-economic scale. India, like **China**, has the burden in implementing maximum possible development and improvement in the standard of living without continued negative impact on its environmental systems. Due to water shortages (both within and beyond India's control), land degradation, and poor support for the agricultural sector, India is compelled now to import food grain for the first time. This and the volatile cost of imported crude oil ensures India's continued development is under a shadow of precarious *food, water* and *energy security*. Monetarists insist that continued deregulation throughout the economy would attract additional foreign capital and better loan arrangements necessary for massive infrastructure investment. The national *poverty level* has been reduced by only about 1% in the last decade. Basic government

programs are clearly not enough to achieve the gains necessary and the World Bank is providing annual aid of around \$3B for infrastructure, education, health, and rural livelihoods. India's impressive growth figures come with the caveat that economic growth is almost exclusively in the *cities* with few comparable benefits reaching the majority rural poor.

Energy

India uses about 3% of total world energy consumption, the same amount as **Germany**. It has the fourth largest *coal* reserves in the world, and has substantial reserves of both oil and gas but these petroleum reserves are not being substantially exploited. As India undertakes industrial development and improvement in the standard of living, it is becoming increasingly energy hungry, as is **China** and the two countries are increasingly competing in the world market for primary energy sources. *Nuclear energy* may be an effective answer to these energy needs and both **France** and the **US** have committed to assist India with domestic **nuclear energy** needs within non-proliferation frameworks to reduce the nexus between its high rate of industrial development and greenhouse gases.^x One reason behind the US nuclear accord with India (yet to be ratified) is to obviate the need for India to take part in the **Iranian gas** project that would bring gas through **Pakistan** into India. However, both India and Pakistan are aware that gas is a uniquely useful portable energy source for an under-developed rural population. Electricity, nuclear or coal-fired, only has value if reticulated through capital-intensive works, whereas *bottled gas* can be distributed to the remotest village for cooking, lighting, heating or refrigeration. India is also looking to a future when present energy modalities will be insufficient and it has joined an elite group of nations involved with the **ITER** project (*International Thermonuclear Experimental Reactor*) comprising the **EU's EURATOM, Japan, China, India, South Korea, Russia, USA**. Seemingly at the other end of the technology spectrum is India's involvement in "low technology" energy solutions for its rural population. One famous example from decades ago is the cow-dung radio which uses burning cow-dung to run a village radio. Many research institutes such as the *Appropriate Rural Technology Institute* in Puna has designed a range of systems that produce energy in a low-tech environment.

India – Energy Report Card	
<i>Electricity</i>	
production	556.8 billion kWh
consumption	519 billion kWh
exports	187 million kWh
imports	1.4 billion kWh
<i>Oil</i>	
production	785,000 bbl/day
consumption	2.32 million bbl/day
exports	350,000 bbl/day
imports	2.09 million bbl/day
proved reserves	5.7 billion bbl
<i>Natural gas</i>	
production	27.1 billion cu m
consumption	27.1 billion cu m
exports	nil
imports	nil
proved reserves	853.5 billion cu m

Water and Environment

Severe *overpopulation* and land over-use in many areas has led to deforestation and *desertification*, and air and water *pollution* from industrial effluent, untreated *sewage*, and agricultural runoff. India is the greatest user of water in the world in absolute terms, but has a below world average use per capita. India is already in a more precarious situation than **China**. The average minimum diet is very close to the level necessary to sustain life. *Grain* harvests are still increasing but water supply for irrigation is at high stress levels. As elsewhere, farmers have augmented surface water irrigation by pumping groundwater from under their own land. There are no restrictions in India on this use of groundwater but the farmers are depleting everyone's water not just their own. Village wells must go deeper and deeper each year to supply drinking water. But for India's 1,100 million there may be lifesaving hidden capacity. India's water handling infrastructure is so severely inefficient that capital upgrades anywhere in the vast archaic irrigation and reticulation system will conserve the water presently being wasted. Large cities such as *New Delhi* have water shortages but at least 40% of water brought into New Delhi is lost through *leaking pipes*. Immense capital intensive projects on water supply are easier said than done in India where World Banks full of capital could be spent in every direction but the situation does afford India some hope of staying just behind the disaster curve through refurbishment. Drinking water, not just irrigation water, is a severe problem in India. Only about 10% of sewage is treated and both urban and industrial pollutants

(and corpses) are commonly dumped directly into waterways which in turn severely contaminates ground water. This is a classic demonstration that *sanitation* is an inseparable aspect of water supply.

The *Ganges*, running across India to the sea to the east in **Bangladesh**, is so depleted and polluted that coastal mangroves are dying. Global warming is disrupting the annual freeze and thaw cycle that feeds the river threatening an ever diminishing flow. To the west, **Pakistan** accuses India of depleting the flow of the *Chenab* (a major tributary of the *Indus*) and threatening to deplete it further by building a US\$1B dam at Baglihar in disputed Indian-controlled Kashmir.

The *Bhopal Disaster* of 1984, which killed around 20,000, can be partly attributed to shortcomings in regulatory and inspection systems. If India is to avoid more Bhopals – or the environmental disasters now almost commonplace in China – it will be necessary to find the correct middle way between prudent oversight and the “regulation” that is anathema to monetarists and the World Bank.

Transnational Crime

India is the world's largest producer of licensed *opium* for pharmaceuticals, but some quantities of top-grade product is diverted to international illicit drug markets. India is also an historical transit point for the eastward movement of opium from **Afghanistan**. It is also a producer of illicit *methaqualone* (a sedative barbiturate-like recreational drug since the 1960s) and large quantities of *ephedrine*, precursor to *methamphetamine* (a stimulant sweeping Western countries as *ice* or *crystal meth*, and south-east Asia as *shabu*). Money-laundering for transnational trade in black-market drugs is generally through the age-old *hawala* underground money transfer system that spans the world.

Foreign Relations

India has 14,103 km of borders with six countries -- **China** (3,380 km), **Bangladesh** (4,053 km), **Pakistan** (2,912 km), **Nepal** (1,690 km), **Myanmar-Burma** (1,463 km), **Bhutan** (605 km). India faces a fortunate time in its history. It is being courted by Japan and USA as an ally in Asia and is seen as a friendly power by the ASEAN grouping. It is suddenly seen as a key player in Asia and on the brink of becoming a world power in the *anglophone world*. India has been an active member of the **United Nations** and UN *peacekeeping* missions and is now lobbying for a *permanent* seat on the UN Security Council. It is a leading member of the *Non-Aligned Movement* (NAM) and of the *South Asia Association for Regional Cooperation* (SAARC). SAARC was established in 1985 comprising **Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, Sri Lanka**. It takes pains to be a cooperation forum for technical, cultural, and law enforcement matters rather than a “political” forum; however political business is now often done on the sidelines of SAARC meetings. In January 2004 SAARC agreed to establish a *South Asia Free Trade Area* (SAFTA) but this is still to be ratified by all members. Of late, India has been strengthening ties with the ASEAN grouping, **Japan**, and **USA**. It has long-standing close relations with **Russia** which continues to be the largest supplier of military systems. The **US** imposed sanctions on India for breaches of nuclear proliferation after the nuclear tests of 1998 but these policies have been reversed in recent years since the issue of **Iran's** nuclear program gained prominence. Prime Minister Singh visited the US in July 2005 and President Bush reciprocated in March 2006. The two nations have completed a range of agreements including the supply of US nuclear technology to boost India's domestic nuclear energy programs. India is increasingly seen in several quarters as a counterweight to **China's** influence in *East Asia* and in the *Indian Ocean* region and, for this reason among others, **Japan** and the **US** are anxious to establish closer relations.

Pakistan

Since *Partition* in 1947, India and Pakistan have disputed *Kashmir*, whose Hindu Maharaja at that time chose to join India, although a majority of his subjects were Muslim. India maintains that his decision and the subsequent elections in Kashmir have made it an integral part of India; Pakistan says it is the choice of the 947 population to join Pakistan that should prevail. This dispute erupted into war in 1947, 1965, 1971 (that led to the creation of **Bangladesh** from East Pakistan) and the *Kargil conflict* in 1999. A border

standoff along the *Line of Control* agreed in 1972 with almost daily insurgent attacks continues to the present day. Kashmir has been the main, but not only, reason for difficult relations with **Pakistan** since Partition. India accuses Pakistan of fomenting the separatism in Kashmir and **Sikh** separatism in **Indian Punjab**, and for terrorist incidents in India such as the attack on the Indian Parliament in December 2001.

Following years of negotiation, diplomatic and trade relations were re-established in 1976. But the 1979 **Soviet** invasion of **Afghanistan** imposed a new polarization -- Pakistan had strong ethnic links with the Afghans and supported the Afghan resistance which left India almost by default to support the Soviets. The **US** supplied the **Taliban** fighting the Soviets through Pakistan and, to India's consternation, also supplied Pakistan's armed forces. The next attempt at détente was in 1998 when the form of dialogue was agreed – a *Composite Dialogue* embracing eight issues but it was not until February 2004 that India and Pakistan restarted talks using the agreed framework. *Jammu and Kashmir* was certainly the key topic and deal-breaker but close behind was the **Siachen Glacier** (where India, Pakistan and China meet) and various water sharing issues. A cease-fire established in Kashmir in 2004 is still in place over a year later and, of both symbolic and practical value, a bus service across the Line of Control was commenced in 2005. Pakistan has taken the issue of India building the *Baglihar Dam* on the *Chenab* River in Kashmir to World Bank arbitration. The *Chenab* is a major tributary of the *Indus* and its waters are vital to Pakistan's agricultural heartland in the Punjab.

With the present leaders, *Pervez Musharraf* and *Manmohan Singh*, India and Pakistan have the best chance in 60 years of progressing the Kashmir issue or, at minimum, of maintaining a peaceful *status quo*. Both have extremist electorates which would relish a full-scale fight to the death over Kashmir but on this and other issues the leaders have been able to sideline the extremists. The rapid and unprecedented cooperation between the two countries in the relief effort after the October 2005 *earthquake* in Kashmir left a lasting impression on both governments that constructive joint endeavors were possible. As with similar long-standing border disputes throughout the world, the issue has been cast as a **zero-sum game** for so long that imaginative solutions elude all parties. More significantly, Jammu-Kashmir is not simply a matter of principle – control of the area is about control of the headwaters of vast rivers. **Water**, rather than principle, is something both India and Pakistan would fight a war for.

China

India had a serious border conflict with **China** in 1962 but relations have slowly improved over the subsequent 40 years. India and **China** are the *two fat kids in the canoe* (to re-use a phrase of Dean Rusk) – if they argue, all of Asia, and beyond, ends up wet. Unfortunately geography, rather than intrinsic rivalry, placed them at loggerheads. By 1988, both countries sought to put the border issues aside and move towards normalized relations. Of late this has progressed quickly; the Indian Prime Minister visited China in June 2003 and in 2005 China and India launched a foreign policy dialogue on the border issue, regional nuclear proliferation, and India's concerns over supply of Chinese missiles to **Pakistan**. Evidence of new thinking on both sides was the reopening in July 2006 of the ancient *Southern Silk Road* border pass between Indian **Sikkim** and Chinese Tibet that had been closed for 44 years. Despite current warming relations, in different times and different circumstances, China and India and the nuclear weapons capability of both are a worrying mix. It is an open secret that China began installing nuclear ICBMs along the **Nepal** border (in annexed **Tibet**) in 1961. As a major gateway to China, Tibet is of crucial strategic importance, to China or India, but it is also unsurpassed as a location for forward-deployed ICBMs. This adds to the risk that a future misunderstanding could lead either India or China to a pre-emptive first strike.

Russia (USSR, CIS)

In 1971 Russia and India agreed not to renew the *Indo-Soviet Peace and Friendship Treaty*. India sought a “less ideological”, more practical, relationship. President Yeltsin's visit to India in January 1993, and subsequent high-level exchanges, have confirmed Russia as equal partners in a relationship valuable to both. Russia remains a major military supplier to India.

Refugees

India is host to refugees from nearby conflicts or displacements, over 92,000 from **China's** annexation of **Tibet**, 60,000 from the **Sri Lanka Tamil** conflict, and 10,000 from the war in **Afghanistan**. The *Jammu and Kashmir* conflict has brought the arrival of about 500,000 Internally Displaced Persons (**IDPs**).

International Disputes

Apart from profound disagreement with Pakistan over Kashmir, India has minor disagreements with several other of its neighbors; with **Bangladesh** over the border with *West Bengal* and the maritime boundary in the Bay of Bengal, with **Bhutan** and **Burma** over better policing of *Assam* and *Nagaland* separatists operating from areas in their territory, with **Nepal** over sections of the border and assistance with better border control of *Maoist* insurgents.

Projection Capability

The Indian Army and Air Force are large and in the process of modernization. Russia has been a ready supplier of weaponry but India is making efforts to develop an indigenous armaments industry that already produces a light helicopter and some types of missile. But, unsurprisingly given India's geography, India sees its **Navy** as a major part of its strategic future. It relies on the navy to protect sea-lanes which carry 90% of its energy imports (oil and gas) and most of its other foreign trade. In past conflicts with **Pakistan**, India was able to successfully *blockade* Pakistan's ports, something Pakistan seeks to avoid again with new facilities to the west at *Gwadar* (a joint venture with **China**). It currently has one carrier group and is ordering two more carriers. It has at least 14 submarines and 15 capital ships, and is rumored to be negotiating the lease of *nuclear submarines* from **Russia**. It routinely exercises in the *Indian Ocean* and the *Arabian Gulf (Persian Gulf)*, and as far afield as the *South China Sea*, and the *Mediterranean*. The new navy chief (August 2006) insists that India will have a fully capable blue water navy "*technologically modern, fighting fit, all purpose maritime force to be reckoned with*". Probably due to India's "soft diplomacy", offers to ASEAN countries to assist with security of the *Malacca Strait* have been received far more favorably than similar US offers.^{xi}

Proliferation

India's development of a nuclear capability culminating in the first test in 1974 was probably motivated by serious border conflict and standoff with **China** during the 1960's and China's first nuclear test in 1964. **Pakistan** is thought to have developed a capability in secret by the late 1980s and went public with its first nuclear test in 1998 in *Balochistan* a few days after India first tested nuclear weapons warheads. Neither India nor Pakistan is a signatory to the *Non-Proliferation Treaty (NPT)*. With the 2005 accord on civilian nuclear technology proposed by the **US**, India's nuclear status was in some sense legitimized. **Pakistan's** status was conspicuously not legitimized; presumably Pakistan will spend more time in nuclear Coventry until it has paid the penalty for *Dr Abdul Qadeer Khan's* "network" that is alleged to have passed nuclear weapons know-how between Pakistan, **Iran**, **Libya** and **DPR Korea**. If the US-Pakistan nuclear accord is ratified, it will place uranium exporters such as **Australia** in an interesting position. It is official Australian government policy not to sell uranium to countries that are not signatory to the NPT; however, in the interest of export revenue and its own good relations with India, Australia is now approaching the Jesuitical position that it would be appropriate to sell uranium to a country who behaved *as if it were a signatory to NPT*. Again, Pakistan would be conspicuously absent -- for the present -- from that qualification.

US-India Relations

The US recognizes that India is a necessary partner in its foreign policy in the Gulf region and in Asia. In September 2001 the US lifted sanctions that had been imposed since India's *nuclear tests* in 1998. Following Prime Minister Singh's visit to Washington in July 2005 the US announced a range of cooperation agreements including, controversially, in civil nuclear technology. The nuclear agreement

was questioned and delayed in Congress. The delay brought something of a chill to the accord. Congress disputed whether it was really in US national interest – India responded that no “dilution” of the arrangement would be tolerated. With slight embarrassment to the Administration, the accord was not ratified when Congress adjourned in October 2006.

The Great Game

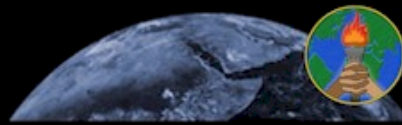
The Great Game – the wrestling for comprehensive access to the vast resources of **Central Asia**, first played between the Tsar and Queen Victoria – continues today. In the west the hotspot was the **Crimea** and Sevastapol (modern Ukraine), in the east it was **Afghanistan** and Kabul – where **British** influence and **Russian** influence met. In this strategically-vital east, Afghanistan was the link between British India and Central Asia; whoever held Afghanistan, by fair means or foul, had control over Central Asia’s access to India and the Indian Ocean. The Russians had Tashkent (modern **Uzbekistan**), the British had the north-west Frontier Provinces (under a tenuous agreement with tribal chiefs). The humiliating and costly British *Retreat from Kabul* in 1842 decimated by local tribesmen says it all, or would say it all if it weren’t for the humiliating and costly British *Retreat from Kabul* in 1881 decimated by local tribesmen. The elapse of 40 years had not made the British wiser or the Afghan tribal fighters less formidable. It should not be lost how relevant this is to the NATO forces struggling in Afghanistan today or Pakistan’s reticence to embark on an historic invasion of its own North-west. Also the **Russian** occupation of Afghanistan – and costly retreat decimated by local tribesmen – must be seen in this context. *Al Qaeda Arabs* are the new kids on the block and doubtless will also need make a costly retreat when it suits tribal interests.

The Great Game also makes strategic sense of the Kashmir conflict; an otherwise petty border disagreement is about control of the headwaters of great rivers and about Indian access to Central Asia. If Indian held a northern swath of Jammu-Kashmir – a logically possible settlement -- it would have uninterrupted access to **Tajikistan** except for a slim finger of Afghan territory. Geopolitics is for the long-term and one hope held in Indian map rooms would be that a beleaguered secular Pakistani government of the future may yield such concessions for India’s help, cooperation or non-interference. For these strategic reasons, Indian and Pakistan each take a deep interest in the affairs of its neighbor. During 2006 there were tit-for-tat diplomatic expulsions for espionage, the first since 2003, and at least two cases of Pakistani agents caught with sensitive Indian documents. Fairly soon after the July 2006 bombings in Bombay, Indian authorities were able to say that *Lashkar-e-Toiba* was behind the attack, and the Pakistan intelligence service (**ISI**) had an ultimate hand in the plot. Much of the Indian press does not need a lot of evidence to believe ISI is behind anything evil that befalls India. Whether events like the Mumbai bombing are ISI operations, or are deniable black-bag operations, or simply involve elements within ISI acting ideologically on their own behalf is not clear from open-source literature. Some open sources which are difficult to confirm (or negate) indicate that Pakistan’s ISI may be simply playing a game of counter-disruption for India’s activities in Pakistan, particularly in the Achilles heel of **Balochistan**. The *Balochistan Liberation Army* (BLA) formed in 1973 was the brainchild of the **KGB** and built upon the *Baloch Students Organization* (BSO) in *Quetta*. The Soviets intended the BLA to disrupt and distract Pakistan which was instrumental in forwarding **US** support to the anti-Soviet **Taliban**. BLA funding dried up when the Soviets withdrew from Afghanistan and the movement went dormant but there is credible evidence that it was reactivated around January 2002 with Russian and US assistance, and the blessing of the Indian intelligence agency RAW (Research and Analysis Wing) which has an effective network in the area. Passage to the Balochi coast is of strategic importance to **China** and the **Central Asian** republics; however, this is against the perceived interests of Russia, India, and the US.^{xii} Although a highly autonomous (or independent) Balochistan would be a mixed blessing to these powers, it would be certainly undesirable to **Iran** which would face pressure from its southern Balochi areas to join a **Greater Balochistan**. These claims indicate that the last piece in *The Great Game* is Balochistan, coastal Pakistan. The *Gwadar deep-sea port* development project is indicative of these interlocking territorial “games”. Commenced in 2002 with Chinese expertise and money Gwadar will provide both

Pakistan and China with modern naval, container and tanker-facilities^{xiii}. Stage-I was completed in January 2005. Pipelines from Gwadar could pipe oil or gas directly into southern China and would bypass the long voyage through the *Malacca Strait* and the *South China Sea*.

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... / Forecast



Near-term	Mid-term	Long-term
<p>India has few enemies and none with whom it does not have a dialogue. It remained resolutely non-aligned, although this was difficult in past decades when arrangements with any one of Russia, China, or the US put it on the outer with the others. Although history has left it with closer ties to Russia than China, India's resolute broad-based approach demonstrates future foreign affairs is more likely to reside in a multitude of bilateral (and multilateral) agreements than "us-and-them" blocs. Only a nation of the size and complexity of India could sustain relative stability in the face of so many enduring internal conflicts. <i>Naxalites, Maoists, separatists Nagas, Islamist and Hindu extremists, Tamils, and restive Sikhs</i> all seek to take something from India and India can do little but endure the cost while solutions to each of the conflicts are found. India may be able to share lessons in the politics and security intelligence of counter-insurgency with hard-pressed nations such as Iraq.</p>	<p>India and Pakistan are involved in geo-political <i>great games</i> that Britain has largely withdrawn from and the US has rarely done well. In choosing "winners" or friends -- the <i>Shah, Saddam Hussein, the Taliban</i> -- the US has frequently confined its thinking to the next 3 to 5 years, not the time horizon of geopolitics. In playing India as a favorite, and a dangerous double game with Pakistan, it fails to see India, Pakistan and Afghanistan (and Sri Lanka) as a stable unit. If the US seeks to play on any <u>differences</u> between India and Pakistan, the strategy will ultimately come to tears. India and Pakistan can endure daily killings in Kashmir for another 40 or 140 years if they must but world powers such as the US are well-placed to work towards a resolution that would give India the access to Central Asia it needs (and once had). Indian political coherence, economic climate and social stability are likely to remain within the present limits while the present identities hold government. Electoral whim may put new regimes in power in India (and Pakistan) as early as 2009 or earlier. This could put massive ground wars – or nuclear first strikes – again on the table. Time is short.</p>	<p>India is a nuclear power with the <i>Agni III</i> missile (or its successor), nuclear submarines, modest carrier battle-groups, and a determination to be a blue water navy. This will within a decade bring it into geopolitical contact with China. As a side-issue to a breakdown in Pakistan, India may be brought toe-to-toe with the Chinese navy protecting its energy supply through <i>Gwadar</i> port or across the <i>Indian ocean</i>. Water is the <i>casus bellum</i> within the sub-continent; energy the <i>casus</i> in sea corridors and in the corridors to Central Asia. These are complex matters and matters of life and death for India and its neighbors. India's westward looking non-Islamic population has already attracted the attention of outside terrorists or indigenous Muslim youth that believe Islam everywhere under attack. The Mumbai train bombings is in that sense India's 9/11. Close, equal and open cooperation with India <u>and</u> Pakistan may be the key to unraveling the riddle of "global jihad".</p>

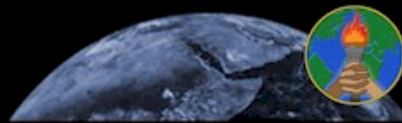
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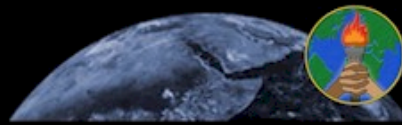
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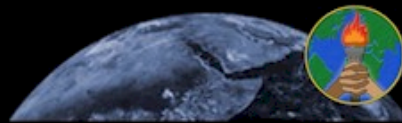
Hazard Level

Change Codes
↓ Deteriorated
• Steady
↑ Improved
↗ Alert

week-ended	See daily list of news items
2007 Jul 01	<p>↓ A spate of <i>bombings</i> and <i>killings</i> this week in the state of <i>Assam</i> are reminders of continuing actions by the separatist "terrorist" organization <i>United Liberation Front of Asom</i> (ULFA).</p> <p>India has signed up to the <i>Trans-Asian Railway Network Agreement</i> -- "<i>The total Trans-Asian Railway Network as finalised by the agreement has 80,900 Kms of Railway line in 28 countries including 22,600 Kms in South Asia, Islamic Republic of Iran and Turkey.</i>"</p> <p>India will soon announce its decision on a huge <i>fighter jet</i> contract from a short-list of <i>Russian MiG-35 and MiG-29</i>, and <i>US Lockheed Martin F-16 and Boeing F-18</i>.</p> <p>In four states across India, <i>Naxalite [Maoist] insurgents</i> caused chaos -- "<i>This is the first-ever coordinated lethal action by the Maoists over a very wide area.</i>"</p> <p>Discussions are now at an advanced stage for India's participation in the <i>US-led Container Security Initiative</i> (CSI).</p> <p>Increasing unrest over <i>Special Economic Zones</i> is verging on <i>civil war</i> in the <i>Nandigram</i> district of <i>West Bengal</i>.</p> <p>The <i>Mujahideen Islam-ul-Hind</i> (MIUH) is back "<i>after two decades of remaining inactive</i>".</p>
2007 Jun 24	<ul style="list-style-type: none"> • The biography of former US Ambassador Ellsworth <i>Bunker</i> documents events of 1957 -- How CIA ousted Left govt in Kerala. <p>India continues to upgrade its <i>armaments</i> – it is in discussions to transfer the technology for the <i>Enhanced Paveway-II Dual Mode GPS/Laser Guided Bombs</i>.</p> <p>Significant <i>counter-insurgency</i> operations are almost a daily occurrence in India – this week two suspected <i>Pakistan</i>-trained terrorists were apprehended in <i>Lucknow</i> with <i>7kg RDX</i>.</p> <p>India is becoming conscious of its world role and reiterates its commitment to ensuring a "peaceful periphery" in Asia -- India says it is a linchpin for Asian security not just economy.</p> <p>"<i>Chinese infrastructure building along the Line of Actual Control has forced India to hasten its own development process along the borders ...</i>" -- India's riposte to Chinese activity along the border. India stresses that even the several abiding <i>boundary issues</i> with <i>China</i> cannot be allowed to stall development of relations between the two countries -- Boundary issue not to affect ties with China: Mukherjee. But India makes clear it is no-one's lap-dog -- "<i>India last week signaled that it had diplomatic options for Taiwan that might not be comfortable for Beijing</i>".</p>
2007 Jun 17	<ul style="list-style-type: none"> • <i>Pakistan</i> hastens with its '<i>Babur</i>' cruise missile as India prepares for commissioning of the <i>Indian-Russian 'BrahMos'</i> during June 2007. <p>"<i>Beijing</i> claims 90,000 sq km of land in the eastern Indian state of <i>Arunachal Pradesh</i>, which borders <i>Bhutan</i> and <i>Tibet</i>" -- China raises tension in India border</p>



	<p><i>dispute.</i></p> <p>Detailed discussion of the significance of the new <i>aircraft carrier</i> for India -- Indian Navy Aircraft Carrier INS Vikramaditya To Be Inducted By December 2008.</p>
2007 Jun 10	<ul style="list-style-type: none">India's first <i>dedicated military satellite</i> to be launched in August 2007 will give the capability to monitor <i>missile launches</i> in the region. <p>"A top-level Israeli military delegation will be in India next week on a hush-hush visit to discuss <i>counter-terrorism</i> and <i>anti-infiltration</i> strategies in Jammu and Kashmir." -- Fighting terror: Israeli army team to visit J&K. Probably not unrelated, India is for the first time explicitly on the hit-list: 'Al-Qaeda video' declares jihad against India, targets valley leaders -- "Al-Qaeda today declares 'jihad' against India and Jammu and Kashmir shall be the gateway for this jihad."</p> <p>The US gets the Gang-of-Eight to increase pressure on India: "We note the commitments India has made... We look forward to reinforcing our partnership with India" -- G-8 for civil nuclear partnership with India. But India struggles with what it now sees as an assault on its <i>sovereignty</i>: "India is demanding the right to be given prior approval for <i>reprocessing</i> the <i>US-origin spent fuel</i> to run its <i>fast-breeder programme</i>" -- India proposes dedicated facility for spent nuclear fuel.</p>
2007 Jun 03	<ul style="list-style-type: none">The Rajasthan state imposed the <i>National Security Act</i> after deadly clashes between Meena and Gurjar ethnic groups; Gurjars are demanding <i>Scheduled Tribe</i> status. <p>The once blue-sky US-India nuclear deal is becoming increasingly bogged down -- "The deal has been delayed by disagreements over clauses that India says could limit its nuclear weapons program and, in the process, impinge on its <i>sovereignty.</i>"</p> <p>India now joins US, Japan, Germany, China, UK, France, Italy, Spain, Canada, Brazil and Russia in the <i>trillion-dollar GDP</i> club.</p> <p><i>Metro stations</i> across Delhi now have a <i>green, yellow</i> and <i>red</i> channel -- Passenger profiling on Delhi Metros?</p> <p>Eleven were killed in clashes in <i>northwest</i> India by poor villagers who believe government <i>positive discrimination</i> programs are leaving them unemployed -- "Nearly 20,000 villagers blocked the roads to press officials to classify them as being on the <i>lowest rung of India's complex social ladder</i> so they could get government jobs reserved for such groups ... "</p>
2007 May 27	<ul style="list-style-type: none">A <i>high-intensity bomb</i>, "one of the ghastliest Guwahati has ever witnessed", was probably the work of Assamese separatists. [Guwahati in Assam is the "gateway" to the remote <i>north-east</i> provinces.] <u>10 kg</u> of <i>explosives</i> were recovered from Faizabad rail station during routine checks. <p>India is to buy 350 main <i>battle tanks</i> from Russia -- "As a result of the tank deals India will have two divisions fully equipped with latest Russian T-90 tanks."</p> <p>India is building <i>strategic roads</i> in the <i>north-west</i> -- 45 yrs after China conflict, Delhi to build roads linking Ladakh outposts.</p> <p>Sikh hardliners have threatened to form <i>suicide squads</i> to attack a Sikh sect Sacha Sauda – the head of the sect, Baba Gurmeet Ram Raheem Singh, triggered a controversy by appearing in the attire of 10th Sikh Guru Gobind Singh in an advertisement [a <i>blasphemy</i>].</p>
2007 May 20	<ul style="list-style-type: none">Brazil will help India in <i>civilian nuclear energy</i> -- "We understand India's growing need for energy and appreciate its emergence as an important world power". A not unrelated story: All's not well with Indo-US N-deal -- "the US Under-Secretary of State has reportedly postponed his proposed visit, a sign perhaps that the nuclear



deal is not quite on track as Indian and US officials may have hoped".

A large **bomb** containing 1kg of **RDX** planted in a market, probably by **ULFA Assamese separatists**, was discovered 30 minutes before it was set to detonate.

"Intelligence inputs indicate that **Bangladesh** territory has been used, in some cases, for launching operations against India by terrorist groups based in **Pakistan** and **Pakistan Occupied Kashmir** ...".



Also: **RDX imported from Bangladesh?**-- "**Harkat-ul-Jehad-i-Islami's (HuJI)** pawmarks are becoming increasingly visible in major terror attacks in India." The **Mecca Masjid** mosque in **Hyderabad** was **bombed**.

The **UN General Assembly** has elected India and 13 other new countries to the year-old **Human Rights Council**.

A brief survey of Indian in-country inter-state **border disputes** -- **Nearly a dozen border disputes within India alone!**

"Four months ago a company of tough, experienced Indian policewomen landed in **Liberia**." - their presence is bringing social benefits beyond policing -- **Female Police in Liberia Hope to Empower Women**.

The government is encouraging **renewable energy** investment with a range of **tax** and other incentives.

An "outcaste" has been elected as leader of India's most populous state; "**Uttar Pradesh** ... saw a surprising voter alliance between **Dalits** and high-caste **Brahmins**, which led the **BSP** to its biggest-ever win" -- **India's caste system turned on its head as 'lowest of low' win right to govern 170M**. [With a tutorial on the caste system.]

2007 May 13

- The Indian Army plans to induct the **BrahMos missile** ahead of schedule – this coincides with "American **satellite images** showed that Pakistan was in the process of deploying its next generation **Shaheen II missiles** ..."

In north-west **Rajasthan**, **water scarcity** is forcing people to drink **dirty water**; but this is only a sad portent -- by 2020 availability will be reduced to a third from the current level of 6,500 cubic meters of water per person per annum.

State authorities say there is a **Naxalite [Maoist insurgent]** game plan to penetrate major cities like **Mumbai**, **Pune**, and **Nashik** and have asked the **federal** authority for assistance.

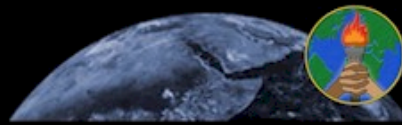
"It is possible to put up with the shortage of **petrol** and **diesel** for some time, with some inconvenience. But it is impossible to do without **LPG** or **kerosene**." -- **Geopolitics and oil supply disruption: Is India prepared?**. [LPG and kerosene are the staple **cooking** (and lighting) fuels of village India.]

Following surprise air attacks by the **LTTE [Tamil Tigers]** on a **Sri Lanka** oil facility, India has reviewed its preparedness for attacks on **nuclear installations**.

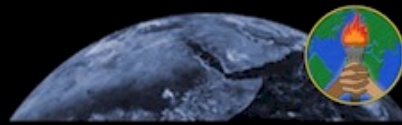
2007 May 06

- Work has begun on two **IGW light water reactors** in Jaitapur (**Maharashtra**); several more will follow.

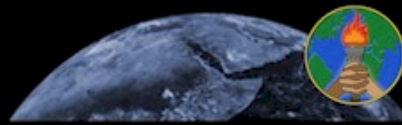
"If we do not modify our strategy to **asymmetrical** challenges, we will end up like



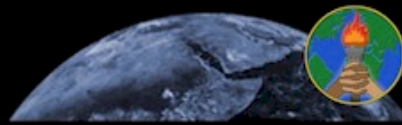
	<p>other countries who recently suffered setbacks. [meaning the US] “ -- <i>Indian Army Ready for Counter Terrorism, Asymmetrical Warfare Challenges: General J.J. Singh.</i></p> <p>India is the <u>biggest arms buyer</u> in the developing world, \$15B in the last 3 years, but some doubt it is getting the best bang for the bucks -- <i>India buying arms but with no long-term vision [opinion].</i></p>
2007 Apr 29	<ul style="list-style-type: none">• India has launched its first commercial satellite (for Italy), joining France, Russia, US, China, Japan in the <i>commercial launch market</i>. <p>More allegations that Pakistan and Bangladesh are radicalizing <i>dissident groups</i> in north-east India -- <i>'ISI creating trouble in India'</i>.</p> <p>India will give training to the Afghan Army -- <i>"the Indian move is sure to ruffle feathers in Pakistan and further complicate India's situation in Afghanistan ..."</i> -- <i>India's 'Great Game' in Afghanistan</i>.</p>
2007 Apr 22	<ul style="list-style-type: none">• The <i>Peoples Daily</i> indicates the regime's cool view of the first <i>joint naval drill</i> between the US and India, off Japan's eastern coast -- <i>"It is absolutely not new for Japan and the U.S. to sit down and plot conspiracies together but it is rather intriguing to get India involved."</i> The US recognizes India's role as a rising <i>naval power</i> is important to the US vision of <i>global thousand-ship Navy</i> coordinating <i>"the collective capabilities of free nations"</i>. [Whatever free nation means this season ...] <p>Two more members of parliament have been named in <i>human trafficking</i> racket -- <i>"at the heart of the racket that involved sending people abroad on passports of politicians' family or forged documents provided they coughed up big money."</i></p> <p>The 1.5-million-strong Indian <i>armed forces</i> are seeking a <i>pay increase</i> of up to 400%.</p> <p>Finland, a key member of Nuclear Suppliers' Group (NSG), has promised to support India's integration with international civil nuclear commerce.</p> <p>Pakistan's President Musharraf has claimed the 'best ever' ties with India at present -- <i>"there is positive movement in resolution of issues of conflict, especially Kashmir"</i>.</p> <p>India will clear <i>debts</i> with Russia in kind with the supply of <i>titanium</i>.</p>
2007 Apr 15	<ul style="list-style-type: none">• <i>"It isn't a question of if, but when drug product breakthroughs will start arriving from India."</i> -- <i>India: Biotech world innovator and competitor.</i> <p>The US-India nuclear agreement is still far from settled -- <i>"a fair degree of frustration in Washington that the Indian government has not engaged seriously enough or quickly enough with both the United States and the IAEA"</i></p> <p>India successfully test fired its indigenous <i>nuclear capable Agni -III missile</i>. [China has missiles with a longer reach than Agni-III.] Following an MoU last year, India and China enact some important symbolism in a <i>joint naval exercise</i>.</p>
2007 Apr 08	<ul style="list-style-type: none">• Maoists ("<i>Naxalites</i>") attacked a train in Bihar and stole arms. <i>Naxalite</i> attacks killed over ten in several attacks in Jharkhand. <i>Naxalites</i> in Bihar and Jharkhand have repeatedly mounted surprise operations involving over a 100 fighters -- are they good, or are the authorities flying blind? <p>India is considering several alternative routes for a <i>railway</i> to Nepal -- India must make a strategic counter to the Chinese link into Tibet and a rumored extension from Tibet to Nepal.</p> <p>Planning discussions of <i>Iran-Pakistan-India (IPI) pipeline</i> continue with India asking Pakistan to waive <i>transit fees</i> -- the <i>IPI</i> will be more an achievement of <i>politics</i> than</p>



	<p><i>engineering.</i></p> <p>Intimation by Jharkhand police that they will withdraw Z-category security [high-grade close personal security] from some former politicians brought controversy -- withdrawal of Z-category is in some cases tantamount to a death-sentence.</p> <p>India estimates militants in Kashmir now at around 1,400, <u>one-tenth</u> the strength of 10 years ago, and may now decrease its troop numbers from <u>600,000</u> to 100,000.</p>
2007 Apr 01	<ul style="list-style-type: none">• India says it would welcome Iran as an <i>observer</i> to the <i>South Asian Association for Regional Cooperation (SAARC)</i>. [SAARC comprises India, Pakistan, Bangladesh, Sri Lanka, Nepal, Maldives, Bhutan, and Afghanistan will join from 03 April 2007. US, China, Japan, South Korea, EU have observer status.] An example of <i>South-South</i> high-tech aid -- India will offer <i>telemedicine</i> services to two hospitals in each SAARC member country. <p>India has been invited as an <i>observer</i> to the Arab League summit this week in <i>Riyadh</i>.</p> <p><i>Naxalites (Maoists)</i> are active in several regions across India, but in the central state of Chhattisgarh the conflict is reaching the scale of a minor war greatly afflicting the local population-- "<i>The Naxalites take away our food. The police come and harass us.</i>"</p> <p>India and Pakistan have been developing a framework for <i>counter-terrorism cooperation</i> – India seeks to exclude Jammu-Kashmir from any framework; Pakistan says that is absurd.</p>
2007 Mar 26	<ul style="list-style-type: none">• India plans to launch its first <i>nuclear submarine</i> later this year.
2007 Mar 19	<ul style="list-style-type: none">• In ongoing resistance, <i>farmers</i> fought police with rocks, machetes and pickaxes over plans to resume farmland for a <i>Special Economic Zone</i>. <p><i>Maoists</i> executed a pre-dawn attack on a police post in Chhattisgarh state, killing at least 49 <i>police</i>.</p> <p>While the great Ganges dies, corruption and impotence continue to prevent the government of "high tech" India addressing the crisis.</p>
2007 Mar 12	<ul style="list-style-type: none">• India again signals that it regards <i>southeast Asia</i> as part of its strategic neighborhood. [Southeast Asian nations have often signaled acceptance of this.] India says <i>maritime terrorism, gunrunning, drug trafficking and piracy</i> are threats that India faces at its <i>sea borders</i>. In April, Indian, Japanese and US navies will conduct, for the first time ever, trilateral exercises in the <i>Pacific Ocean</i>. <p>The first meeting of the Pakistani-Indian <i>counter- terrorism panel</i> has ended after a frank exchange of recriminations but may reduce tensions over of fomenting insurgencies in each other's neighbor.</p> <p>A comprehensive checklist of Indian insurgent groups -- Terror Groups in India.</p> <p>A <u>female</u> squad of <i>Maoist</i> rebels (<i>Naxalites</i>) shot an Indian MP in Jharkhand state.</p>
2007 Mar 05	<ul style="list-style-type: none">• India is planning to export <i>low-cost nuclear reactors</i> -- "the Kaiga-3 nuclear power reactor in Karnataka, developed by <u>Indian engineers</u>, achieved criticality early this week". India's <i>defense spending</i> has increased almost 8% over last year to around \$20B, almost half of that as <i>capital outlay</i> on new systems. The <i>telemedicine</i> sector poised for a big growth in India; and may become a growth Indian <i>export</i> throughout the world, of particular benefit to the <i>developing</i> world. India moves to get depth in its <i>IT industry</i> by encouraging <i>chip fabrication</i>. <p>Signifying an impasse with solving the recent <i>train bombing</i>, police have increased the <i>bounty</i> for information -- "<i>the bombs used appeared to be of low-intensity but</i></p>



	<p>they were <i>'highly sophisticated in their circuitry'</i>."</p>
2007 Feb 26	<p>↓ Indicative of several <i>insurgencies</i> across India, an ambush in remote northeastern <i>Manipur</i> state, presumably by separatists, killed fourteen <i>police</i>.</p> <p>The <i>Samjhauta Express</i> [a regular train between <i>Delhi</i> and <i>Lahore</i>] was struck by crude <i>fire-bombs</i> that killed over 66; critics blamed a failure in basic security at New Delhi station. "<i>It was the blaze that killed.... scores of people can be killed even without using sophisticated explosives.</i>" To the probable <i>chagrin</i> of the perpetrators, India and Pakistan were quick to say the bombing would not derail the <i>peace process</i> between the two countries.</p> <p>There is an <i>electricity crisis</i> in the <i>Punjab</i> -- due to reduction in generation of <i>hydro power</i> at the <i>Bhakra dam</i>, the Punjab is being forced to shed <u>400MW</u> of demand. <i>Gas shortages</i> have also hit India's power sector -- India's 43 gas-fired power plants projects are running <u>below capacity</u> or <u>lying idle</u> due to lack of gas. [This highlights India's interest in the <i>Iran-Pakistan gas pipeline</i> project.] India finds industrial <i>growth</i> brings the same problems it has brought to China and elsewhere -- 150,000 tonnes of <i>electronic waste</i> each year.</p> <p>India punctually banned relevant exports to Iran in compliance with UN Security Council sanctions arrangements. A senior army commander confirmed that India is working to build an indigenous <i>military-industrial base</i> -- <i>the aims of the armed forces and industry are co-terminus</i>. A <i>strategic air-base</i> at <i>Ayni</i> in Tajikistan is now ready for use -- "<i>Under the trilateral agreement, India, Russia and Tajikistan will have command and control of the air base by rotation ...</i>"</p>
2007 Feb 19	<ul style="list-style-type: none">• India will launch the indigenously built <i>INSAT-3D</i> and <i>Oceansat-2</i> satellites in 2008. India will start to produce Russian engines for <i>MiG-29</i> jets -- "<i>licensed production of these thrust vectoring engines will be done by state-owned Hindustan Aeronautics Limited ...</i>"
2007 Feb 12	<ul style="list-style-type: none">• India opened new links to <i>petroleum sources</i> in Yemen and Libya. India is about to join the "<i>trillion-dollar club</i>", in dollars of <i>GDP</i>. <p>India will increase <i>maritime security</i> in the <i>Persian Gulf</i> -- India regards the Gulf as part of its "<i>strategic neighborhood</i>" [as does Iran and the US].</p> <p>India says it will establish an institute to tackle <i>climate change</i> -- "<i>not only set up new technologies but also disseminate information on how to fight this global menace.</i>"</p>
2007 Feb 05	<ul style="list-style-type: none">• <i>Standard & Poor</i> has raised India's <i>Sovereign Rating</i> to <u>BB+/B</u>. <p>India's <i>BrahMos supersonic cruise missile</i>, jointly produced by the <i>Defence Research and Development Organisation</i> (DRDO) and Russia's <i>NPO Mashnistroyemias</i>, was successfully test fired. Google Earth has agreed to blur pictures of key Indian sites -- "<i>images of these locations will not be of more than 25-50 metre resolution</i>". The US, through <i>Lockheed Martin</i>, has offered India sale of the <i>Aegis</i> missile system. After lengthy investigation. India has opted to use the Russian GPS system -- European <i>Galileo</i> which China uses was rejected because it was unclear whether it was "<i>adequately firewalled</i>".</p> <p>India may invest in the development of the port of <i>Sittwe</i> in Myanmar to benefit India's landlocked <i>northeast</i> -- development may thwart <i>insurgencies</i> in these remote states; also it bypasses dependence on the Bangladesh port of <i>Chittagong</i>. <i>Asian Tribune</i> published a checklist of the <i>conflicts</i> that thoroughly surround India -- India's Unstable Neighborhood.</p>



2007 Jan 29

- *NewKerala.com* published a backgrounder on [Assam's ULFA "Hindu terrorists"](#) **Punjab** police on high alert after the identity cards of 90 **army** officers disappeared under mysterious circumstances. Police used teargas to end a procession by Shi'ites in Kashmir and detained over 100.

At the start of a week of high-level cooperation announcements culminating in a visit by President **Putin, Russia** said it backs India bid for permanent **Security Council** seat -- "*We are natural allies. We have serious, long-term plans in major sectors, including high technology.*" *India Times / Economic Times* wrote about why "*the US sees itself as the international advocate for India*" -- [Making sense of US tilt towards India](#)

India has received \$45.4M from the **World Bank** for rehabilitation of **coal-fired power generation plants** in a move towards **cleaner energy** generation; also – under **GEF** (*Global Environment Facility*) – India has received \$29.6M development of **biodiversity** and \$74.9 million for projects under **climate change** initiatives.

As the first deal with the **US** for **military aircraft**, India will buy six *C-130J Super Hercules* transport planes for its *Special Forces*.

India is ready to test the **BrahMos** missile from **undersea** launch, possibly in **Russian** waters on a Russian naval platform – India and Russia expect to export 1,000 *BrahMos* cruise missiles in the coming decade for about \$10B but are yet to agree on **suitable clients**. India has made clear it has a strategic interest in **space** -- "*We are an aerospace power having trans-oceanic reach and we have started training a core group of people for the aerospace command.*"

2007 Jan 22

- In Bangalore, **Hindu** fundamentalist *Rashtriya Swayamsewak Sangh* activists attacked **Muslim** properties two days after a Muslim protest on the Saddam hanging.

Five more Maoists were killed in **Chhattisgarh** -- 48% of the casualties in **Naxalite/Maoist** insurgencies throughout India are in Chhattisgarh. The Maoists are "a major challenge to the Indian state". In one action, seven security forces personnel were killed in Chhattisgarh -- "*It was a well planned trap by the outlawed Maoist ultras.... rebels exploded a string of landmines that blew up four motorcycles.*"

50 companies of **paramilitaries** have now been sent in recent weeks to **Assam** to stem **separatist** violence.

Four were arrested in **Mumbai** with 6.5kg of **TNT** -- "*This is the first time that TNT ... has been recovered from any person in such high quantity in the city.*"

India's 3.8 million hectares under **biotech** [**GM**] crops exceeded **China's** 3.5 million hectares in 2006.

India will manufacture **engines** for **MIG-29 aircraft** -- "The engines will be manufactured by *Hindustan Aeronautics Limited* (HAL) under license from the **Russian** government." The 17,000-tonne landing platform dock *USS Trenton* has now been handed over to India and commissioned as *INS Jalashva*.

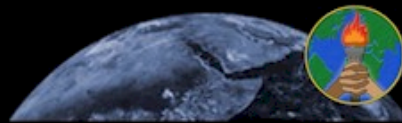
India is sending an **all-women CRPF** [*Central Reserve Police Force*] **peacekeeping** team to **Liberia**, the first time an all-female peace-keeping contingent has been used.

Hindus protest the proposed **German** bans on symbols such as the **swastika**, a propitious symbol which Hindus have owned for some 5,000 years.

2007 Jan 15

- Misgivings are growing on the restrictive provisions of the **US-India nuclear deal** -- India's Special Envoy on the Nuclear issue says India will not accept any legally-binding provision on future nuclear **testing**.

Some the detainees in the 7/11 **Mumbai bombing** were already on the **FBI's** terrorist



list.

India envisages five new **petro-chemical hubs** across the country as part of the new **energy infrastructure**. India successfully launched four **satellites**, including one for **Indonesia** and one for **Argentina**.

Following the killing of 68 people in three days - mostly **Hindi**-speaking migrants from **Bihar** – by the *United Liberation Front of Asom (ULFA)*, the Army launched a major offensive against ULFA bases in jungles of **Assam** and **Arunachal Pradesh**. **Tamil Nadu**[India] is setting up 12 Marine Police stations as part of heightened coastal security to check **smuggling** of **weapons** and **explosives** to **Sri Lanka**.

The **Army** is about to launch its **doctrine** on **sub-conventional** operations -- "... **low intensity conflicts**, **counter terrorism** and **counter insurgency** operations...."

2007 Jan 08

- From next year, India will have two **aircraft carriers** and Chief of the Naval Staff says the Indian Navy will thenceforth "always have" two aircraft carriers. India is sending its *Madras Regiment* -- the oldest infantry regiment of the Indian Army -- to the **Congo** on a **UN mission**. The government will soon start recruiting retired army officers with expertise to defuse **landmines** laid by **Maoists**.

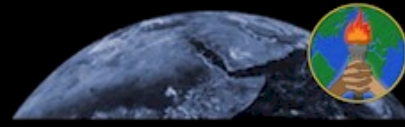
In **Assam**, separatist rebels have killed 48 "foreign" Hindu workers in multiple attacks -- "*Guerrillas wearing army uniforms bound the hands of 13 kiln workers and fishermen and killed them in a pre-dawn raid.*" Also in **Assam**, the *Rajdhani express train* missed a **bomb** on a bridge by a split-second. India says the **Taj Mahal** is third on Muslim **terrorist** hit list -- "...they said that striking the **Taj** would help them target a large number of **tourists** in one stroke and also send out a global fear perception about India."

Seventy-nine **Maoists** were said to have surrendered in **Chhattisgarh** state -- "...they had lost faith in their comrades' ideology..." – but days later the opposition revealed that the "surrender" was a fake set up by the **BJP** state government. In **Bengal** violence re-erupted over a land acquisition dispute -- villagers blocked roads with boulders and destroyed a bridge to prevent police access to their areas. Protesting the **Saddam execution**, Muslims in **Agra** stoned a tourist bus -- "*Protestors burning the effigy of US President George Bush mistook the Australian and other tourists for Americans and started pelting the bus with stones...*"

India says **Chinese dams** are a threat to India -- "*the building of the **Parechu dam** and other dams on the **Sutlej** and its tributaries bordering **Himachal Pradesh** can be used as **weapons of war** ...*" The Prime Minister has told India's scientists that success in **eco-sustainable energy** initiatives is integral to the country's future -- "this is a major development challenge facing us." Indian **leftists** groups say they will campaign against the **US nuclear** deal -- "*the Central Committee calls upon the party to launch a campaign against the dangers inherent in the Indo-U.S. nuclear agreement.*"

2007 Jan 01

- Two alleged **Lashkar-e-Toiba** men were detained at Delhi railway station -- "*The LeT operatives were planning to plant the explosives in the busy market, next to the railway station, and leave by the same train to Chennai The **IEDs** were in the form of **toy cars**.[and a duck]" India's **Intelligence Bureau** warns of an "influx from West Asia" of activists to **Mumbai** and rural **Maharashtra**. A **Naga** rebel leader will get "Z-plus" **close personal security** as he returns to Nagaland from peace talks in New Delhi -- "*The violent insurgency in Nagaland has claimed around 25,000 lives since Independence in 1947.*" Police have killed a leader of the **Maoist** movement in **Andhra Pradesh** the most active of the 13 of India's 28 states where Communists have an ongoing insurgency. Indian authorities claim "huge success" against Maoists*



in 2006 in Andhra Pradesh.

Indian Americans are trying to stop a **US missile** sale to **Pakistan** -- "Another Indian American warned that even if a small percentage of these weapons fall into the hands of the Taliban, it can wreak havoc"

A **Hindu nationalist** -- one of the two intransigent sides in the dispute -- says "Back channel diplomacy with *Islamabad* [**Pakistan**] is going to be disastrous for us".

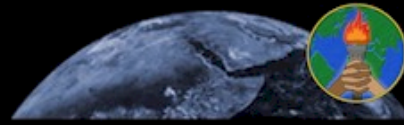
The *Tehran Times* [**Iran**] ran an item saying the **US** is using **India** to keep **China** at bay -- "Washington's willingness to jeopardize other important relationships indicates just how central the containment of China is to U.S. strategic policy."

2006 Dec 25

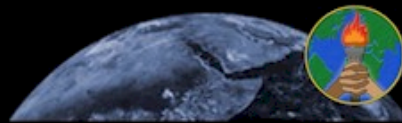
- **Pakistan** and India held *maritime border* talks on the *Sir Creek estuary* on the Sindh - Gujarat border which has been one of the abiding disputes between the two countries. **Russia** has offered to set up in-country *service centers* for its frontline *weapon* systems in use with India's armed forces. Coinciding with divisive controversy over secular moves against *caste* discrimination, India appoints the first *low-caste Chief Justice*. President of the **Hindu** nationalist *Bharatiya Janata Party* (**BJP**) says the *Congress*-led coalition has taken the wrong path on several crucial Indian issues which may lead to the further *partition* of India [politically and religiously rather than physically]. The **Dalai Lama** has called on low-caste Indians (*dalits*, "untouchables") to resist discrimination -- "Religion cannot be allowed to be the source of further divisions." **Salahuddin**, head of *Mutahida Jihad Council* and *Hizb-Ul- Mujahideen*, is confident India will not render him to **Pakistan**, because he is an Indian (*Kashmiri*) citizen, "not some foreign element". Members of the *International Sikh Youth Federation* and significant munitions, including 11kg RDX, believed smuggled from Pakistan have been apprehended in north-west *Punjab*. Three *Lashkar* operatives were arrested near *Red Fort* [Agra, near New Delhi] with 2kg RDX -- "...the first instance of the **Pakistan**-based terror group recruiting cadres from a northeastern state." Maoist *Naxalites* in *Andhra Pradesh* [eastern Deccan] are forming smaller "action teams" of two or three due to the depredations of government action against them. India is still formulating its *Counter Terror Doctrine*. As a counter-terrorism measure, India will sharpen its *PSYOPS* programs -- "*The Psy Ops will be more focused in terms of de-glamourising terrorism and sensitising people about terror threats.*"

2006 Dec 18

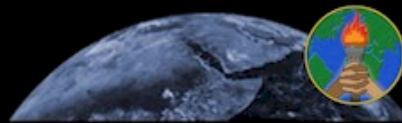
- Upper castes **Hindus** have strenuously protested against court orders allowing "outcaste" Hindus -- *Dalits* -- into a particularly holy temple -- "We will not go to the temple until it is purified through chanting of mantras" [*Analysis*: This "local" dispute is one that strikes at the heart of Hindu India.] India needs \$60B for *housing* in *urban* areas -- "...not much efforts were made in providing services in the past 50 years to enable the nation cope up with growing urbanisation." In releasing the "*India Rural Infrastructure Report*", Prime Minister **Singh** warns that one of India's developmental challenges is the neglected *rural* sector. **India** seeks **Japan** cooperation in *nuclear energy* -- "Both countries have a stake in promoting economic security and defense cooperation, which could help stabilize the region, **Singh** said." India is looking to acquire an interest eyes in overseas *coal* mines -- "We have short listed **Mozambique**, **Zimbabwe**, **Indonesia** and **Bangladesh** for acquiring coal mines." India is on the **US** 'major list' for drug trafficking -- countries on the list have "failed demonstrably" to adhere to international *counter-narcotics agreements*. **Pakistan** warns that the current independent arbitration on India's damming of the *Chenab* [major tributary of the *Indus*] must give a verdict within the scope of *Indus Treaty* --



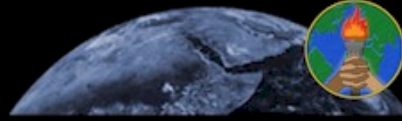
	<p>the ruling is of <i>strategic</i> importance to Pakistan. India's <i>counter-terror doctrine</i> (still under development) may call for <i>training</i> facilities on uninhabited coastal islands, and a <i>littoral</i> capability. The government is taking steps to coordinate the work of federal and state <i>intelligence</i> agencies. Two <i>Kashmiris</i> are arrested in New Delhi with <i>explosives</i> and cash. <i>Cellular phones</i> are a growing method of choice in detonating <i>IEDs</i> in India.</p>
2006 Dec 11	<ul style="list-style-type: none">• Future soldiers need to be <i>knowledge workers</i> -- India acknowledges the new soldier enters a <i>network centric warfare</i>, a whole war environment from deep sea to space to cyberspace. India plans 300 new battalions -- "To combat <i>terrorism</i> and <i>Naxalism</i> [Marxist insurgents], the government intends to provide para-military forces with modern weapons and night-vision facilities." The opposition Hindu nationalist BJP Party has rejected the provisions of the US-India nuclear bill that seriously curtails Indian sovereignty. An Indian expert favors <i>thorium</i> for producing electricity -- thorium is abundantly available in India and would make India independent of <i>uranium</i> supplies. Reflecting Indian concern over recent <i>dalit</i> ["Untouchables"] riots, authorities in Orissa state are using the law to force a key temple to allow entry to out-castes. India says the death toll in Kashmir is now over 41,000 other sources put the death toll as high as 100,000. It took 13 years to try those accused of the 1993 Mumbai bombings; 12 died waiting; now 100 have been found guilty.
2006 Dec 04	<ul style="list-style-type: none">• India is facing an unprecedented agrarian crisis as it goes from net <i>grain</i> exporter to net importer. The King of Jordan visited, the first state visit by Jordan. India's <i>economy</i> beat expectations by growing at a rate of 9.2% in the July-September quarter of 2006. India plans to source more <i>oil</i> and <i>gas</i> from Russia, a tenuous alternative to the Middle East - "<i>Sakhalin</i> to <i>Mangalore</i>, a new silk route, a route of more than 5700 nautical miles." <i>India's space odyssey - from bullock cart to moon rocket</i> -- a good backgrounder on India's ambitions in <i>space</i>. http://www.indianmuslims.info/news/2006/november/28/features/indias_space_odyssey_from_bullock_cart_to_moon_rocket.html <i>E-learning</i> [computer literacy] <i>kiosks</i> are planned -- 'By the end of 2007 we will set up more than 5,000 kiosks in <i>villages</i>.' The Indian authorities in Jammu and Kashmir will recover 100,000 hectares of <i>unlawfully occupied land</i> starting in January 2007. India is certain that Pakistan-based groups (with official or unofficial assistance of the ISI) are using Bangladesh and Nepal to train operatives for attacks in India. India continues (as does Pakistan) <i>missile-on-missile</i> development -- "The aim of the exercise is to test the missile's ability to provide an <i>air-shield</i> cover to important Indian metros against hostile attacks." There have been deaths in <i>rioting</i> by <i>dalits</i>. [If the protests are handled badly, disaffection among <i>dalits</i> ("<i>outcaste</i>" people) could have serious social consequences.] The serious <i>insurgency</i> continues in the eastern state of Jharkhand (part of Bihar until 2000) with 14 policemen killed by a <i>bomb</i>. Repeating moves of <i>dalits</i> in other parts of India, and immensely confronting to <i>Hindu nationalists</i>, 600 alienated poor villagers in Jharkhand are rejecting traditional religion and converting <i>Christianity</i>. Bihar's Chief Minister expressed little confidence in <i>state security</i> agencies; they are "zero". The Indo-Bhutan border was sealed after a bombing in Bhutan set by the <i>United Liberation Front of Asom</i> (ULFA), or another group. A <i>bomb</i> hidden in a hollowed



	<p>out piece of bamboo was found at Jagiroad railway station in Assam's Morigaon district. Two alleged Jaish-e-Mohammed terrorists have been arrested at Old Delhi Railway Station with 2kg RDX and cash. There are increasing pockets of "terrorist" activity in Uttar Pradesh -- "<i>recent trend demonstrated involvement of technically qualified or tech savvy youth for terrorists activities.</i>" A range of groups in Tamil Nadu have protested against the five-day visit to India by Sri Lankan President Mahinda Rajapakse's. India releases two senior Nepalese insurgents from jail following an improving situation in neighboring Nepal.</p> <p>[Assessment: ↓ For any other country; • business-as-usual for India]</p>
<p>2006 Nov 27</p>	<ul style="list-style-type: none"> India has closed down mobile signals along the Bangladesh border to deny cellular support to trans-border criminals and militants. <p>Chief of Army Staff has announced the intention to modernize the Indian Army of 1.1 million "in all dimensions".</p> <p>India acknowledges the dangerous nexus terrorists and proliferation -- "National capacities will have to be built up to better anticipate 'the crises of tomorrow'."</p> <p>The bombing of an Indian train that kills 8 and injures 60 is the work of communist rebels or Assam separatists [or someone else].</p> <p>The first visit by a Chinese head of state in 10 years signifies China and India are trying hard to normalize relations.</p>
<p>2006 Nov 20</p>	<ul style="list-style-type: none"> India test-fired a Prithvi nuclear-capable 180 mile missile into the Bay of Bengal. <p>Sonia Gandhi, the "ideological lodestar" of the ruling coalition says India should not seek to be a superpower -- "Why shouldn't we be looking at ourselves as a global force for peace, progress and stability."</p> <p>India is 11GW short on its target of an extra 41GW electricity generating capacity in the 10th 2002-2007 Five-Year Plan but hopes to add 70GW by 2012.</p> <p>A senior Indian officer confirms the military's desire to "clearly demarcate" present positions before any demilitarization of the Siachen Glacier.</p>
<p>2006 Nov 13</p>	<ul style="list-style-type: none"> Despite high hope on settling differences, days before talks India says Siachen -- the world's highest battleground, where China, India, Pakistan meet -- is not negotiable. <p>India puts its airports on high alert after a note was discovered in a bin -- "the note, written in Tamil, warned that al Qaeda militants would attack airports with car bombs or strike at individual passenger planes." [Analysis: A Tamil – al Qaeda link is dubious.] Presumably following different leads, the US embassy has warned US citizens living in India of possible attacks in New Delhi and Mumbai 11-16 November 2006.</p> <p>India will require an estimated \$320B in borrowings for "sprucing up and creating infrastructure" during the Eleventh Five Year Plan (2007 to 2012). "</p>
<p>2006 Nov 06</p>	<ul style="list-style-type: none"> The United Liberation Front of Assam has been linked to two deadly bombings in India's isolated far north-east; 15 were killed. <p>The Government has specific intelligence on Bali-style bombing in Goa and has "rushed" paramilitary personnel to the state, but the local government is trying not to scare away tourists.</p> <p>India's new naval chief wants improved surveillance capability and the ability to operate in waters far away from home.</p>
<p>2006 Oct 30</p>	<ul style="list-style-type: none"> [nothing significant to report]
<p>2006 Oct 23</p>	<ul style="list-style-type: none"> [nothing significant to report]



2006 Oct 16	<ul style="list-style-type: none"> In a move likely to lead to violence, Hindu "<i>untouchable</i>" Dalits are committing apostasy and converting to Buddhism or Christianity. <p>India adopts tough <i>cybersecurity</i> measures prohibiting the use of personal laptops, Palm Pilots, electronic notebooks and Internet or <i>Bluetooth</i>-enabled mobile phones in any government office.</p>
2006 Oct 09	<ul style="list-style-type: none"> Two Pakistani ISI agents were arrested in Delhi with "documents related to India's defence and some sketches of defence installations." <i>Transparency International</i> has rated India as the worst performer on its global corruption (bribe payers) index. Militant groups in northeast India claim they are fighting for a separate homeland, but some analyst say it is a cover for <i>drugs</i> flowing in from Burma. The Senate failed to pass the US-India <i>nuclear</i> deal before recess, a rebuff to White House perception of the deal's foreign relations importance.
2006 Oct 02	<p>↑ Although not a rare type of accusation, India says Pakistan's ISI backed Lashkar-e-Taiba in perpetrating the <i>Mumbai bombings</i>.</p> <p>India's <i>growth</i> now closes in on China -- "These are intoxicating times for India".</p>
2006 Sep 25	<ul style="list-style-type: none"> [nothing significant to report]
2006 Sep 18	<ul style="list-style-type: none"> The IMF raised the growth forecast for India to 8.3% in 2006.
2006 Sep 11	<ul style="list-style-type: none"> There was a <i>Hindu</i> bomb attack on <i>Muslims</i> in Maharashtra [western India] — Russia will help India make modernized <i>engines</i> for the MiG-29 fighters of the Indian Air Force under a USD 250 million deal.
2006 Sep 04	<ul style="list-style-type: none"> India has launched a new <i>arms procurement</i> policy that will "boost indigenous research development and production facilities"—India need now to import <i>wheat</i> offends its policy of <i>food security</i> but it may be an opportunity to exploit globalization sensibly.
2006 Aug 28	<ul style="list-style-type: none"> [nothing significant to report]
2006 Aug 21	<ul style="list-style-type: none"> The World Bank noted India's development is impressive as number aggregates but improvement in standards is largely in <i>cities</i> — a former senior intelligence officer presented a detailed critique of why India's Intelligence Bureau is not an equal of Pakistan's SIS and a range of modern challenges.
2006 Aug 14	<ul style="list-style-type: none"> The Navy Chief expressed his vision for an <i>Navy</i> to be "technologically modern, fighting fit, all purpose maritime force to be reckoned with" within 10 years.
2006 Aug 07	<ul style="list-style-type: none"> India and Pakistan ordered tit-for-tat expulsions, the first since 2003, when a Pakistani diplomat was caught "red handed" with sensitive documents.
2006 Jul 31	<ul style="list-style-type: none"> [nothing significant to report – investigations into the Mumbai bombing continue with no definite results yet]
2006 Jul 24	<ul style="list-style-type: none"> The Indian <i>navy</i> is significantly upgrading its projection capability; in the aftermath of the Mumbai bombings, India is banning internet sites prone to religious vilification; also in wake of Mumbai, India is asking what kind of internal threat the massive Indian Islamic population may pose.
2006 Jul 17	<p>↓ India – not new to bombings – had its "Madrid" when multiple coordinated bombs struck trains in Mumbai (colonial: Bombay); as days went by India increasingly suspected a Pakistani connection but no firm facts came to light.</p>



2006 Jul 10

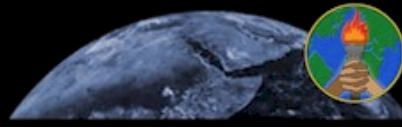
- With the **US-India** deal now done, India successfully tested a nuclear-capable *Agni-III* missile.

2006 Jul 03

- India the world power in-waiting has almost achieved the nuclear cooperation agreement with the **US** but remains highly vulnerable to realities such as world grain supply.

Commencement of Service

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Notes to Focus Paper

- ⁱ Ayodhya (Uttar Pradesh) -- Hindus zealots - supporters of **Vishwa Hindu Parishad (VHP, World Hindu Council)**, the **Shiv Sena** party, and the **BJP**- demolished the 16th-century Babri mosque in 1992, vowing to replace it with a Hindu temple to Rama. They say the mosque was built on top of an ancient Hindu temple marking the birth-place of the God Rama.
- ⁱⁱ **Naxalite** – The name derives from an incident in May 1967 at Naxalbari village in Darjeeling district in the north of West Bengal. Landlords unlawfully dispossessed some tenants and local tribal people attacked the landlords and returned the tenants' rights. See "Who are the Naxalites?", Rediff - India, 20031002.
<http://in.rediff.com/news/2003/oct/02spec.htm>
- ⁱⁱⁱ Some sources claim that **Ranvir Sena**, probably erroneously, is working *with* the Naxalites.
- ^{iv} "Special force to tackle Naxal menace", *Rediff* – India, 20031117. <http://in.rediff.com/news/2003/nov/17george.htm>
- ^v *Hawala* is a traditional system of transfer of cash by note. Typically a drawing of, say, an elephant on a scrap of paper might be carried from the Middle East to India and be cashed by the Indian *hawala* banker for whatever the note signifies, US\$100,000 or more perhaps. This method, built upon trust and secret signs between *hawala* bankers considerably predate Western types of cash-transfer arrangements.
- ^{vi} "Soft power" was coined by Harvard political scientist Joseph Nye
- ^{vii} The East Asian Community was envisioned at the inaugural **East Asian Summit** in December 2005 in Kuala Lumpur
- ^{viii} "Crying need for labour reforms", *Financial Express* – India, 20060227.
http://www.financialexpress.com/fe_full_story.php?content_id=118934
- ^{ix} See "The danger for coal", Rediff - India, 20050819. <http://in.rediff.com/news/2005/aug/19flip.htm>
- ^x "India needs help with civilian nuclear power, says Chirac", *The Hindu* - India, 20060220. <http://www.ipcs.org>
- ^{xi} "India's Soft Power", IPCS.Article nr 1933. <http://www.ipcs.org>
- ^{xii} "The Stunning Investigative Story on the Birth of Balochistan Liberation Army", *South Asia Tribune* - USA , 20050301.
http://www.satribune.com/archives/200503/P1_bla.htm ; also see "The Balochistan Crisis – Part Two" [The Present Day], *News Central Asia* - USA, 20060205.
<http://www.newscentralasia.com/modules.php?name=News&file=print&sid=1670>
- ^{xiii} For a detailed technical description of the Gwadar project see the Pakistan Government's Board of Investment site
http://www.pakboi.gov.pk/News_Event/Gawadar.html