

Executive Summary

- The geopolitical salience of Central Asia for India was never in doubt in the past and is not in doubt at present. With escalating threats and challenges posed by religious extremism, terrorism and aggressive nationalism to the integrity of the Indian nation, the strategic significance of Central Asia has increased considerably.
- In Indian strategic thinking, Central Asia is considered part of its extended/strategic neighborhood. What is of prime importance for India is the stability and security of the region. Inextricably linked with India's concerns in Central Asia is Afghanistan, for the latter is part of the Central Asian geopolitical construct as it shares boundaries with Tajikistan, Uzbekistan and Turkmenistan.
- Central Asia's rich natural resources, including significant reserves of oil and natural gas, and its location in the center of Eurasia have attracted immense global attention. In the changed strategic scenario, India seeks to reconnect with Central Asia and to play a constructive role there.
- At the global level, two noticeable trends are evident; cooperation and competition. In this evolving pattern of international relations, the broad alignment is that the US and the European Union are on one side, while Russia and China are on the other side. The divide is due to either geopolitical considerations, civilizational differences or a combination of the two. In Eurasia, including Central Asia, both these trends are visible. Since India has a limited presence in the region, Indian policy makers were attracted towards a cooperative strategy with Russia in the past. With increasing Chinese presence in the region, India will also be more willing to cooperate with the US.
- The presence of major powers in Central Asia constrains India as a late-comer to the region. It also shares the Central Asians' own interest that no single power should dominate the region. However, the interests of

the major powers are balanced and Central Asia is not likely to be the arena where these balanced relations turn hostile. Consequently, India may not be required to make the difficult choice of choosing among the competing powers. India has strategic partnerships with the US and Russia. It is evident that India would have to reckon with the Russian factor in the region. Indian and Russian perceptions about the future role of China in Central Asia are likely to coincide. Though India is highly cautious about Chinese aims in Central Asia, its more immediate concerns are the stability and security of Central Asia.

- In the immediate context, Indian concerns are related to the volatile security scenario that is emerging in the neighborhood. The dangers arising from non-traditional threats pose a serious danger not only to the integrity of India and the Central Asian States, but also to the very existence of democracy and open societies. These forces are well entrenched in the common neighborhood, i.e. the Afghan-Pakistan borderlands. The heinous act of killing innocent people at Mumbai (2008) demonstrates the danger and the barbarism of the attackers. India has formalized its security relations by establishing Joint Working Groups on counterterrorism and has signed defense cooperation agreements with some of the Central Asian States. The compatibility of security interests between India and Kazakhstan was evident when the two countries signed a Declaration of Strategic Partnership in 2009. India's policy towards Central Asia is becoming energized and proactive, unlike in the past, when it was reactive.
- Crucial to the security of the region is the issue of peace and stability in Afghanistan. Important issues such as drug trafficking, proliferation of small arms, the fate of Afghan refugees, resolution of the Afghanistan-Pakistan border, the arms culture, and the modest level of economic activity all affect Afghanistan's security and stability.
- Intertwined with Indian concerns is the security of Afghanistan. India has traditionally enjoyed close and friendly ties with Afghanistan. After the Taliban aberration, India is vigorously involved in the reconstruction effort. Reconstruction requires a collective and a collaborative effort. In view of the growing strategic understanding between India and the US,

the possibility of cooperating in various aspects of the reconstruction effort is strong.

- The situation in the Afghan-Pakistan borderlands is highly precarious. A decisive push by NATO forces in the coming months could trigger an influx of refugees and terrorist elements into both India and Central Asia. The rugged mountains in eastern Tajikistan and that area's proximity to the Afghan-Pakistan borderlands makes it a perfect hiding place for extremist and terrorist elements. Such a prospect would only add to the vulnerability of Tajikistan and, by extension, of the Fergana Valley, the heart of Central Asia. It also implies a shift of terrorist and extremist bases from the Afghan-Pakistan borderlands to Central Asia. Ethnic tensions, unsettled borders in the Fergana Valley, illegal migration, and poor economic conditions could erupt into a conflagration, disrupting the aspiration to build a democratic, modern, and secular polity.
- From an Indian perspective, the regional scenario is becoming increasingly unstable and uncontrollable. The horror perpetrated in Mumbai by Pakistan-based militant groups such as Lashkar-e-Taiba and the International Islamic Front, with active support of Pakistani state entities, has driven Indo-Pakistan relations to an inconceivable low, beyond immediate redemption. Unless tangible proof of sincerity is provided by Pakistan, the situation is not likely to improve.
- The Obama Administration is devising a dual strategy of outwitting the Taliban while ensuring Indo-Pakistan peace by attempting to link Afghanistan, Pakistan and India together in the same security equation. Even if this means that the Pakistan-based masterminds of the Mumbai terrorist strike are brought to minimal justice, this is seen in India as a renewed attempt at Indo-Pak hyphenation. However, this strategy is likely to complicate matters for India, both by reinforcing US dependence on the Pakistani military and by seeking to co-opt the Taliban behind the cover of a US surge.
- The driving force behind India's objective of enhanced engagement with Central Asia is economics. India has the ability to help build Central Asians' capacities in areas such as information technology, science and

technology, knowledge industries and soft power. Conversely, India's increasing need for energy can be addressed by the energy-rich Central Asian countries.

- In the energy sector, there have been missed opportunities in the past, but India can revitalize its interaction, preferably in cooperation with third countries. Areas such as energy, non-conventional sources of energy and agro-based industries are promising spheres for trilateral cooperation. Joint ventures in cotton and agriculture can be established which could benefit the entire region. However, lack of direct connectivity and difficult market conditions in some parts of the region hamper interaction. Still, increasing linkages between India and Kazakhstan, Afghanistan's membership to the SAARC, and its emergence as a potentially important player in facilitating regional economic cooperation is shaping India's "Look West Policy".
- At this juncture, the concept of a "Greater Central Asia" offers opportunities to connect India with Central Asia, particularly in the transport and trade sectors. In a sense, it recreates the past history of the region when robust trading activity was a dominating feature. Afghanistan was the fulcrum on which such activities were carried out in various directions.
- It is expected that by 2015 India's trade with Europe, CIS, Iran, Afghanistan and Pakistan could reach US \$500 to 600 billion annually. Even if twenty per cent of this trade were to pass by overland route through Afghanistan and Central Asia, it would still be worth US \$ 100-120 billion, a phenomenal amount. By denying access through its territory to India, Pakistan may have harmed some Indian economic interest in Central Asia. However, in the process it has lost substantial sums in transit revenues. At the moment, both India and Pakistan are marginal economic players in Central Asia. In cooperation with each other, both can become significant players.
- Some of the northern Indian states, including Jammu and Kashmir, would find it easier to transport goods through Pakistan and Afghanistan. If the transport and trade activities as envisaged by the Greater Central

Asia concept are operationalized, the proposed Turkmenistan-Afghanistan-Pakistan-India pipeline project could also see the light of the day. Indeed, transport and natural gas pipelines could run parallel to one another.

- A Greater Central Asia (GCA) makes economic sense, but it is politically dependent on two major imponderables. First, Afghanistan is not yet stable. Second, acrimonious relations between Afghanistan and Pakistan, on the one hand, and India-Pakistan relations on the other pose a quandary to the GCA concept. At the moment, resumption of the stalled composite dialogue between India and Pakistan seems a distant possibility. However, when the countries of the region realize the overall cost of non-cooperation, the feasibility and relevance of GCA will become apparent. It is hoped that the people of this region realize that the three great fertile valleys of the Ganges (India), Indus (Pakistan) and Amu Darya (Central Asia) hold immense agricultural potential that needs to be harnessed for the benefit of all.

From these broader visible trends, it is likely that Indian policy makers will be formulating their responses within the following framework:

- India has endeavored to raise its profile in the region in order to establish mutually beneficial security and economic relationship and to exploit the region's energy reserves. In this context, India would like to seek direct transport access to Central Asia and will consequently be willing to invest in peace and stability both in Pakistan and Afghanistan.
- Integrating South and Central Asia would result in vast economic benefits to all the stakeholders involved, leading to a positive outcome for stability and security in the region. In strategic and contextual terms, both India and the US will continue to subscribe to this concept.
- The success of this concept will turn on the establishment of stability in Afghanistan and particularly in Pakistan. The current situation in Afghanistan and Pakistan suggests that such integration is unlikely to take

place, at least in the near future. Until the United States take tangible steps to convince Pakistan to realize the inefficacy and destabilizing effect of this policy, South Asia will continue to simmer.

- In view of the Strategic Partnership between India and the US, the possibility of trilateral cooperation in Afghanistan's reconstruction effort will be further energized. Such cooperation could also be extended to Central Asia. This will address India's concern about the emergence of a strategic integrated region dominated by forces of religious extremism.
- There is a possibility of India, the US and Russia cooperating in areas such as energy, non-conventional sources of energy, thus containing the dangers of drug trafficking and other negative activities. This will go a long way towards stabilizing the region, as well as ensuring the interests of all partners.
- In the coming years Tajikistan, which has a similar topography to the FATA and NWFP of Pakistan, will need greater attention. Mounting discontent and social tensions in Tajikistan will make an ideal hideout for the Taliban and Al Qaeda elements. Tajikistan will also need a more focused Afghanistan-Pakistan Policy.
- India will focus its attention on the youth and the new elite that is gradually emerging in Central Asia and Afghanistan.
- To improve its role in the emerging Asian economic architecture, India should actively participate in all regional economic trade and infrastructural initiatives aimed at linking Central Asian economies with those of India and South Asia. High economic growth in Central and South Asia will push policy makers in both regions to embrace strategies of regional integration.
- Since Afghanistan is crucial for India's linkages with Central Asia, India would be willing to support any initiative by Kabul to improve Afghanistan's capacity to play a meaningful role in regional economic cooperation.
- In the coming years, India will encourage some of Central Asian states to become partners in the South Asian Free Trade Area. With Afghani-

stan's membership in the SAARC, Tajikistan and Uzbekistan could also be potential members of the organization.

The overall, long-term Indian objective will be to use some of the historical land routes in Central Asia for its continental trade. The shortest route will be via Pakistan and Afghanistan. However, Indian policy makers will not surrender the option of using Iranian ports and its rail-road system either as an alternative or as an addition to the Pakistan-Afghanistan route.

