



---

# SANDNet Weekly Update, June 20, 2001

---

## Recommended Citation

SANDNet, "SANDNet Weekly Update, June 20, 2001", SANDNet, June 20, 2001,  
<https://nautilus.org/sandnet/sandnet-weekly-update-june-20-2001/>

---

## CONTENTS

**June 20, 2001**

**Volume 2, #25**

### Nuclear Issues

1. India-Russia Cruise Missile Program

### India

1. Overview
2. India-Iran Pipeline
3. India-Pakistan Summit
4. Kashmir Issue in Summit
5. Missile Defense Commentary
6. Shanghai Cooperation Organization
7. India-Russia
8. India-PRC Relations
9. India-Bangladesh Border Dispute
10. Nepalese Regicide

### Pakistan

1. Defense Budget
2. World Bank
3. India-Pakistan Summit
4. PRC Development Assistance
5. Pakistan-Russia Relations
6. Pakistan-Canada Relations
7. Sattar Visit to US

### Kashmir

1. India-Pakistan Talks
2. Summit Commentary
3. All-Parties Hurriyat Conference

## **Sri Lanka**

### **1. Peace Process**

---

## **Nuclear Issues**

### **1. India-Russia Cruise Missile Program**

Indian and Russian defense scientists successfully tested the jointly produced PJ-10 medium-range cruise missile. The anti-ship weapon has a range of 280 km.

---

## **India**

### **1. Overview**

An Indian Ministry of External Affairs spokesman stated that Canada's receiving the visit of a Ministry Secretary, R.S. Kalha, suggests that Canada intends to ease economic sanctions against India imposed after the 1998 Pokhran nuclear tests. Kalha has met with Canadian officials as well as the Indian community there.

### **2. India-Iran Pipeline**

The Jang cited a report in which an Indian official said that India was ready to consider a natural gas pipeline from Iran that ran either underwater or overland across Pakistan, and that India had dropped its objections to a link through Pakistan. Pakistan supports the overland route because it would bring much needed revenues, as well as savings in energy costs. A feasibility report is due to be completed on the issue in July.

The Hindu reports that India has decided to allow Iran to cope with the issues raised by passing the pipeline through Pakistan. Analysts, states the article, are waiting to see what sort of effect cooperation over energy resources between India, Iran and Pakistan would have on the Muslim world.

### **3. India-Pakistan Summit**

An external affairs ministry spokesman brushed off remarks by Pakistan Foreign Minister Abdul Sattar, who said that it was time for Pakistan and India to move towards normalization of relations by moving out of the "time warp" of the last five decades. The spokesman said India had not been in a time warp and had always been prepared for productive dialogue.

The Times of India reports that it will be Indian Prime Minister A.B. Vajpayee who picks the dates of the visit by Pakistan Chief Executive Pervez Musharraf. Vajpayee is apparently looking for a date after July 9 but before parliament returns on July 23.

K. Subrahmanyam argues in the Times of India that the Pakistani corps commanders who are the real power in Pakistan now have no doubt determined that the reason India has extended an invitation to Pakistan Chief Executive Pervez Musharraf to visit is because international conditions are now supportive of an Indian initiative. Pakistan has accomplished little under Musharraf because

of the international isolation, but the Indian offer creates the opportunity to rejoin the international community.

#### **4. Kashmir Issue in Summit**

A Ministry of External Affairs spokesman stated the Jammu and Kashmir was an integral part of India. The spokesman said, "The external affairs minister was not giving his personal views or simply making a statement. He was reiterating the provisions of the Constitution of India." On May 28, External Affairs Minister Jaswant Singh had said, "The whole of Jammu and Kashmir is an integral component of India." Pakistan has described Singh's statement as "regrettable."

#### **5. Missile Defense Commentary**

Steve LaMontagne, with the US-based Council for a Livable World, argues in *The Hindu* that any benefits India may see from a stronger relationship with the US would be eroded by the long-term consequences of a US missile defense system. He argues that the PRC would increase the size and capability of its nuclear arsenal and would be less likely to keep its promises on non-proliferation agreements. LaMontagne argues that these PRC policy choices would undermine India-PRC relations and force increased Indian spending on defense.

Madhavan K. Palat writes in an editorial in the *Times of India* that the PRC joined Russian opposition to US missile defense, which reinforced the Russian position without the PRC receiving anything in return. Palat argues that neither Russia nor the PRC can afford to enter into an arms race. Therefore, while Russia may be in slow decline, India-Russia economic and defense relations will continue to improve as Russia has little alternative. Palat states that a PRC arms race could force India to recalculate its minimum deterrent, but any increased proliferation to Pakistan will result in increased US pressure upon the Pakistani military, which also benefits India.

An editorial in the *Times of India* argues that the end of the Cold War has made it possible for India to both obtain weapons systems from Russia and have a growing political relationship with the US. The editorial also argues that India's reaction to US President Bush's speech on missile defense did not mention missile defense, and that India remains opposed to abrogation of the 1972 ABM Treaty.

#### **6. Shanghai Cooperation Organization**

The six members of the Shanghai Cooperation Organization, formerly known as the Shanghai-Five grouping of China and four Central Asian states and now joined by Russia, agreed in a statement signed by the six countries' foreign ministers that the 1972 ABM Treaty was the "cornerstone of global stability and disarmament." The members also agreed to establish a joint anti-terrorism center in Kyrgyz. PRC President Jiang Zemin stated that the joint statement, "lays a legal foundation for the joint efforts to combat forces of separatism, terrorism and extremism."

#### **7. India-Russia**

Indian Foreign Secretary Chokila Iyer will lead an Indian delegation that will meet with Russian officials in Moscow on June 25 for intensive talks on the situation in Afghanistan.

#### **8. India-PRC Relations**

PRC Ambassador to India Zhou Gang stated that India and the PRC do not have a fundamental difference of opinion, but do have differences on some issues. Zhou also stressed that "neither poses any threat to the other."

## **9. India-Bangladesh Border Dispute**

Delegations from India and Bangladesh met to discuss the recent border incident. They decided that one working group would focus on the 6 km of undemarcated border while a second would focus on the 53 Bangladeshi enclaves in India and the 111 Indian enclaves in Bangladesh.

## **10. Nepalese Regicide**

The government of Nepal and the Indian embassy there both denied that Nepalese Prime Minister Koirala had called Indian Prime Minister A.B. Vajpayee and informed him that he was worried that the Nepalese regicide was a military coup. Reports had earlier indicated, states the Times of India, that Vajpayee had offered Koirala military assistance.

---

## **Pakistan**

### **1. Defense Budget**

The Hindu reports that the Pakistan's budget for FY2001-2002 unveiled by Pakistan Finance Minister Shaukat Aziz keeps spending flat for defense-related expenditures, an effective cut considering Pakistan inflation of 4.5 percent. Aziz stated that the "sovereignty" and the "credible deterrence" of Pakistan would not be compromised.

### **2. World Bank**

The World Bank's board of directors approved a \$350 million structural adjustment credit for Pakistan. This loan will be made under the softer criteria of the Agency for International Development, has a ten-year grace period and will be repaid over 30 to 35 years. A World Bank official was quoted by the Times of India as stating that additional loans could be granted this year if Pakistan "stays on course towards political, social and economic recovery."

### **3. India-Pakistan Summit**

A senior Pakistani official stated that Pakistan Chief Executive Pervez Musharraf would be conducting consultations with political groups, religious leaders and intellectuals before his upcoming summit with Indian Prime Minister A.B. Vajpayee in India. The officials said that Musharraf wanted to develop a consensus about the summit before going.

Pakistan Major General Rashid Qureshi, press secretary to Chief Executive Pervez Musharraf, stated that Pakistan was prepared to show flexibility over Kashmir, but argued that looking to the Lahore agreement would be analogous to taking two steps backward. Qureshi stated that the Indian government appears sincere in its offer of talks, but that neither side should say something that will make the other's stance rigid.

Pakistan Foreign Minister Abdul Sattar said the government and the people of Pakistan "will be very content... if the two leaders have a meeting of minds with regard to the destination and the directions and the modalities of reaching that direction." Sattar stated that he did not think they would achieve an agreement in two days.

Pakistan Chief Executive Pervez Musharraf spoke positively about the summit and stated to the media in Pakistan that he was going to India with "an open mind" to "change history." He said, "The chances of moving forward have never been brighter than they are now." He also said, "Kashmir is

---

my agenda. Discussions on the eight other points without Kashmir is not acceptable." He also referred to the summit as "the unfinished agenda of partition." He also said that it was "regrettable" that Indian External Affairs Minister Jaswant Singh stated that the whole of Jammu and Kashmir was an inseparable part of India. He has often reiterated that no solution to Kashmir will be acceptable unless it fulfills the aspirations of the Kashmiri people.

#### **4. PRC Development Assistance**

A PRC delegation led by Communications Minister Huang Zhedang is visiting Pakistan and will study the feasibility of constructing a port at Gwadar and a coastal highway to link Karachi with Iran. Huang was deputed by PRC leader Zhu Rongji to assess the level of PRC financial and technical assistance to offer for these projects.

#### **5. Pakistan-Russia Relations**

Sergei Yastrshembsky, Russia's envoy to Pakistan for an evaluation visit last September, stated that while he had expressed cautious optimism eight months ago about Russian relations with Pakistan, little had changed regarding Russia's concerns about Pakistan's support for the Taliban and Chechen terrorists.

#### **6. Pakistan-Canada Relations**

Abdul Sattar said that talks with Canadian External Affairs Minister John Manley focused on Kashmir, the revival of democracy in Pakistan, Afghanistan and the upcoming Commonwealth meeting in Australia.

#### **7. Sattar Visit to US**

The Times of India reports that when Pakistan Foreign Minister Abdul Sattar visits the US, he will not receive a warm welcome. Pakistan is seen in the US as supporting the Taliban and religious extremism. Despite statements by US officials affirming the importance of Pakistan, the Times of India reports that this is the first high-level contact between the two countries while there have already been three such contacts between Indian and US officials. Stephen Cohen, with the Brookings Institution, recently warned, "While America should pursue an 'India first' policy... this should not become an 'India only' policy." Talks with US officials are expected to focus on Afghanistan, religious tolerance, Pakistani economic and political reform, and regional tensions.

The Times of India reported that, in an embarrassment to Pakistan ahead of Foreign Minister Abdul Sattar's visit to the US, US federal agents arrested two Pakistanis seeking to illegally acquire advanced weaponry.

US President George Bush signed a waiver requested by the UN that allows Pakistani peacekeeping troops in Sierra Leone to receive specific military equipment. Pakistani troops will work alongside Bangladeshi troops under Kenyan and Nigerian command.

---

### **Kashmir**

#### **1. India-Pakistan Talks**

Jawed Naqvi writes in The Dawn that the creation of nuclear risk reduction center is likely to be a topic of discussion at the Musharraf-Vajpayee summit. The daily The Pioneer reported that a

"Nuclear and Ballistic Missile Stabilization Regime" was also sought at the 1999 Lahore Declaration.

A senior Indian official stated that Pakistan Chief Executive Pervez Musharraf would visit by mid-July, not July 7-8, and that only once the dates are announced will final details be worked out. The Times of India reports that officials in both countries agree that expectations should not be raised.

The Times of India reported that the two countries exchanged notes to analyze and compare each other's positions on the eight issues to be discussed. India High Commissioner to Pakistan Vijay Nambiar flew to New Delhi for discussions with government officials regarding the summit. Nambiar has stated that India would not shy away from discussing Kashmir. He said, "We know Pakistan will insist on the core issue." A Pakistani delegation is expected to soon leave for India to arrange details of the visit.

The Indian Express daily has reported that the summit talks would run July 14 to July 16, and that the venue would be New Delhi for security reasons.

## **2. Summit Commentary**

Seema Guha writes in the Times of India that India and Pakistan are beginning to publicly lay out their positions ahead of the summit through the media. Guha states that so far, Pakistan has rejected Kashmir as an integral part of India and India has rejected Pakistani claims to flexibility. An editorial in the Times of India challenges Pakistan Chief Executive Pervez Musharraf's need to stress Kashmir and India's crackdown on the All-Parties Hurriyat Conference as distracting, and possibly unnecessary, gestures.

Jamaat-e-Islami chief Qazi Hussain Ahmed has reportedly changed the Jamaat's stance on the proposed Musharraf-Vajpayee summit from a positive one to one critical. Ahmed has, according to The Hindu, argued that Pakistan Chief Executive Pervez Musharraf does not have a mandate to go to India because his route to power does not give him the right to decide issues of national concern.

Jammu and Kashmir Liberation Front chairman Amanullah Khan is urging both India and Pakistan to recognize the possibility of creating an independent Kashmir, the so-called "third option."

## **3. All-Parties Hurriyat Conference**

The executive committee of the All-Parties Hurriyat Conference met, but failed to come to a consensus on Abdul Ghani Lone's statement suspending political activities, on Lone's statement advising militants to not take shelter in religious places, and on the Vajpayee-Musharraf summit.

All-Parties Hurriyat Conference chairman Abdul Ghani Bhat reiterated that the APHC could not be sidelined in any discussion of the future of Kashmir.

All-Parties Hurriyat Conference leader Mirwaiz Umar Farooq stated that the body was considering requesting that militants declare a ceasefire if the summit make headway towards resolution of the Kashmir issue.

Police in Jammu and Kashmir arrested seven All-Parties Hurriyat Conference leaders, including Abdul Gani Bhat and Syed Ali Shah Geelani, in what the police described as a "precautionary measure." Protests erupted after their arrest.

## 1. Peace Process

The government-owned Sunday Observer, as part of continued testing by the government of the idea, floated the possibility that the government would lift the ban on the Liberation Tigers of Tamil Eelam (LTTE) in an attempt to rescue the Norwegian-backed peace talks. The government may be seeking to put talks back on track after the LTTE protested the marginalization of Norwegian envoy Erik Solheim caused by an upgrading of Norway's role by Sri Lanka.

---

View this online at: <https://nautilus.org/sandnet/sandnet-weekly-update-june-20-2001/>

Nautilus Institute

608 San Miguel Ave., Berkeley, CA 94707-1535 | Phone: (510) 423-0372 | Email:

[nautilus@nautilus.org](mailto:nautilus@nautilus.org)