

The Indus Waters Treaty: Prospects for India-Pakistan Peace

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Summary

For the 116th time, the Indian and Pakistani Indus Waters Commissioners met to exchange views under the Indus Waters Treaty (IWT) on 23 and 24 March 2021 in New Delhi. The meeting, held after a hiatus of two-and-a-half years, was greeted as a step forward in normalising strained bilateral relations, and coincided with Pakistan Republic Day, when Indian Prime Minister Narendra Modi wrote to his Pakistani counterpart Imran Khan conveying India's desire to see "cordial relations with the people of Pakistan." Significantly, the meeting of the Permanent Indus Commission occurred only a week after Chief of Army Staff General Qamar Javed Bajwa announced at the Islamabad Security Dialogue that it was time for India and Pakistan to "bury the past and move forward". He particularly emphasised water and climate change in view of the impending multi-dimensional challenges facing the region, which he stressed developing countries like Pakistan could not navigate alone.

This statement has elicited speculation about whether Pakistan is moving away from its long-time foreign policy of anti-Indianism towards a more pragmatic, geo-economical approach. This paper seeks to examine the contemporary relevance of the IWT within the broader framework of Pakistan's prospective geo-economic shift, while also taking into consideration how "unsettled issues" like Kashmir and cross-border terror will become increasingly difficult for the countries to navigate. In overviewing India and Pakistan's approaches towards water-sharing and internal water management, it also assesses the costs of their "go-it-alone" developmental nationalism, which is rapidly becoming the norm. To build confidence in this unexpected but timely re-engagement – and lay the foundations for bolder trade and peace-related measures in future – both countries should foster an enabling environment by jointly addressing water scarcity and its destabilising effects on the region.

Introduction

The Indus Waters Treaty (IWT) is a nearly 60-year-old water-distribution treaty that delimits the rights and obligations of India and Pakistan for the use of waters on the Indus Rivers.¹ Then Indian Prime Minister Jawaharlal Nehru and then Pakistani President Ayub Khan signed the treaty in 1960, with the World Bank acting as its third-party guarantor. The World Bank's role is to appoint a neutral expert in case of 'technical' differences, failing which the differences are escalated to a dispute for international arbitration. Over its half century of existence, the IWT has been hailed as an example of successful third-party mediation and conflict prevention. The sharing of the Indus waters has continued unabated, despite four

¹ Ministry of External Affairs, Government of India, "Indus Waters Treaty", Media Center, 19 September 1960, <https://mea.gov.in/bilateral-documents.htm?dtl/6439/Indus>.

wars between India and Pakistan, and has lately received additional attention as the issue of water scarcity in both nations intensifies.

The Permanent Indus Commission (PIC) is a communication channel created by the IWT for the governments to gather and resolve questions about the treaty's implementation. The treaty requires India and Pakistan to meet at least once a year, alternatively in each other's territories. This year, Pakistan raised concerns and sought information about several hydropower projects being built in the new Union Territory of Ladakh. The parties were unable to meet in 2020, because of the COVID-19 pandemic, and India's visit to Pakistan in 2019 was earlier postponed due to a sharp downturn in relations following the Pulwama terrorist attack. Their last official meeting was thus held nearly two years ago in Lahore in August 2018. As a result of the long interlude, when taken together with the silencing of guns on the border after lengthy back channel negotiations, this year's meeting was welcomed as a return to a seemingly mundane exchange of technocratic details, contributing to hopes of wider diplomatic re-engagement.

Of the "multidimensional challenges" mentioned in Pakistan Chief of Army Staff General Qamar Javed Bajwa's security dialogue address,² water scarcity and climate change are critical ones with significant ramifications for the regional economy. Agriculture, which is heavily dependent on the Indus system and uses a preponderant amount of the countries' fresh water resources, is an economic bulwark for both nations, employing close to half their workforces while also promoting important sectors like manufacturing. South Asia as a region is particularly susceptible to global climate change, whose effects could cost both economies billions. Concurrently, the Taliban's return to power in Afghanistan is also expected to foment regional unrest, emboldening extremist militancies which, presently, the Pakistani military is struggling to contain. If left unchecked, fundamentalists could tighten their hold on the State, denting Pakistan's credibility and bandwidth to cooperate with India on shared issues.

Thus, if even a small window for cooperation opens, it comes none too soon, because, as water politics scholar Ashok Swain argues, "The Indus Waters Treaty doesn't cut it anymore, if it ever did."³ Indeed, much of the planet is headed for clean water scarcity by 2050; some prognosticate that instabilities will emerge as competition over water access sharpens, especially as food shortages and economic disruptions enhance the allure of extremist ideologies. The National Aeronautics and Space Administration has already designated the Indus Basin the world's second-most over-stressed aquifer;⁴ and collectively, the demands of the basin's 270 million population; the alarming pace of farmers' withdrawals; and water transport to thirsty provinces place it amongst the highest water risk hotspots in the world.

² "Read: Full text of Gen Bajwa's speech at the Islamabad Security Dialogue", *Dawn*, 18 March 2021, <https://www.dawn.com/news/1613207>.

³ Lou Del Bello, "One year After Losing Special Status, Where is Kashmir's Hydropower Boom?", *The Wire*, 8 July 2020, <https://science.thewire.in/environment/jammu-and-kashmir-article-370-abrogation-hydropower-boom-indus-water-treaty/>.

⁴ "Water conflict and cooperation between India and Pakistan", Climate Diplomacy, <https://climate-diplomacy.org/case-studies/water-conflict-and-cooperation-between-india-and-pakistan#:~:text=For%20almost%20sixty%20years%20the,threatens%20to%20undermine%20the%20treaty.>

Meanwhile, the world grows warmer. By the middle of the century, global warming will cause the glaciers feeding the basin in the Himalayas, Karakoram, Hindu Kush and Western Tibet to recede. Although the meltwaters from these glaciers may increase India's water supply in the short term, and hold steady for Pakistan, the peak flow of the Indus Rivers will eventually diminish.⁵ Changing monsoons and extreme patterns of rainfall will stir unpredictable behaviour on the rivers, precipitating flash floods that could displace communities and impel migrations. A combination of these factors risk exacerbating pre-existing tensions between India and Pakistan as well as Afghanistan and China, non-IWT neighbours that share in this 1,165,000 kilometre-wide basin geography.

Reassessing the relevance of the IWT for the 21st century and encouraging efficient management of the Indus Basin's resources thus deserves fresh political impetus. The treaty's founding spirit encouraged cooperative transboundary development and smart resource allocation. However, this rationale became subordinated by the unfinished business of Partition. While historical fault lines will be subject to more pressure, given changing facts on the ground and the redrawing of maps, new border solutions and opportunities for water management could also emerge. Finally, outdated clauses of the treaty and their workarounds yielded policy solutions that do not fully resolve either rival's water needs. India and Pakistan should therefore fulfil not just the technical stipulations of the treaty but also its underlying spirit: to foster a subcontinental community of peace and prosperity.

The Indus Waters Treaty

The Indus Basin, rising from southwestern Tibet and winding through Kashmir before entering into the Punjab and emptying into the Arabian Sea, is one of the world's most homogenous physiographic regions. The treaty partitioned the basin by allotting the unrestricted use of the three eastern rivers – the Ravi, Beas, and Sutlej – to India, and the three Western rivers – the Indus, Chenab, and Jhelum – to Pakistan. A little over half of the basin's total irrigated area lies within Pakistan, which supplies 90 per cent of its agricultural production. Pakistan, whose West Punjab province was extensively irrigated by the British, leveraged its historical claims to secure roughly 80 per cent of the Indus waters' distribution. Around 20 per cent was reserved for India. However, India also gained limited rights of 'non-consumptive' use on the Western rivers, such as in irrigation, water storage and hydropower.

While seemingly skewed on the surface, India secured other strategic advantages. India is located upstream to Pakistan on all six rivers. Pakistan's lower geographical position – not only to the Indus Rivers in India, but also to the Kabul River in Afghanistan – makes it reliant on both neighbours for its waters. Pakistan is especially vulnerable to changes in water supply, and is likely to become South Asia's most water-stressed nation in the next two decades.⁶ Beyond irrigation and basic sustenance, the treaty thus also carries national security implications: Pakistan fears India will use its upper-riparian geography to

⁵ Sarang Shidore, "Climate Change and the India-Pakistan Rivalry", Council on Strategic Risks, Briefer No. 4, 23 January 2020, <https://councilonstrategicrisks.org/wp-content/uploads/2020/02/ShidoreJan23ClimatePakistan.pdf>.

⁶ Huma Yusuf, "The Biggest Problem", *Dawn*, 30 November 2020, <https://www.dawn.com/news/1593187>.

manipulate the flow of waters through diversion or built-up storage in dams, flooding Pakistan during the rainy season or cutting water during the dry season. This is why Pakistan watches Indian hydropower designs closely.

During the 2021 PIC visit, the eight-member Pakistan delegation raised objections to the hydropower developments of the Pakal Dul on the Marusadar River (a tributary of the Chenab) and Lower Kalnai, on another tributary of the same river. The delegation also requested information on Durbuk Shyok and Nimu Chilling, two of four projects cleared in Leh.⁷ While Pakistan accuses India of “continuously violating the treaty by building dams on the western rivers”,⁸ India maintains that these are ‘run-of-the-river’ projects’ permitted under the treaty. In 2016, Pakistan brought its concerns to the World Bank, which announced a pause in mediation to resolve differences regarding separate projects. Since then, it was speculated Pakistan might invoke dispute resolution on Pakal Dul and Lower Kalnai, but it has not yet done so. This could be due to its precarious international financial position, or because of the unfavourable rulings it has received in the past.

In 2008, Pakistan objected to its gated spillway on India’s Baglihar dam. However, the World Bank acknowledged India’s right to construct it and allowed storage of 32.58 million cubic metres, barring some flow control capabilities.⁹ Then, in 2013, the Hague International Arbitration Court sided with India on the Kishanganga hydroelectric project on the Jhelum, which Pakistan had argued diverted water from one tributary to another, in conflict with the treaty. The court said India could “divert water...for power generation” but also had to maintain a “minimum flow...in the river.”¹⁰ Pakistan’s obstructions have been interpreted by India as an attempt to thwart development in Kashmir by politicising ‘water harm’ and running up the costs of construction.¹¹ Pakistan complains the treaty provides legal cover for India to build controversial infrastructure and jeopardise its water security.

The Indus Basin Approach

While Partition is often viewed through the Hindu-Muslim divide, the vivisection of the Indus Basin also divided a natural, integrated geography, with implications for both countries’ development. Before Partition, the Indus was the most extensive irrigation system in the world. Recognising irrigation’s economic potential, the British adopted a basin-wide approach to turn Punjab into a commercial agricultural centre. As early as the 19th century, lower riparian provinces already protested water diversion by upper riparian states and impeded development projects. The central government, which had made

⁷ Ministry of Foreign Affairs, Government of Pakistan, “116th Meeting of the India-Pakistan Permanent Indus Commission”, Press Releases, 25 March 2021, <http://mofa.gov.pk/116th-meeting-of-the-india-pakistan-permanent-indus-commission/>.

⁸ Naveed Siddiqui, “Pakistan, India agree to make efforts to resolve Indus Water issues, conduct inspection tours”, *Dawn*, 25 March 2021, <https://www.dawn.com/news/1614554>.

⁹ Embassy Islamabad, “2008: ‘Illegal’ filling of Baglihar Dam led to water scarcity in Pakistan”, *Dawn*, 2 July 2011, <https://www.dawn.com/news/640990/2008-illegal-filling-of-baglihar-dam-led-to-water-scarcity-in-pakistan>.

¹⁰ Anwar Iqbal, “Explainer: What is the Kishanga Water Dispute”, *Dawn*, 20 May 2018, <https://www.dawn.com/news/1408795>.

¹¹ Uttam Kumar Sinha, “India must leverage the Indus Water Treaty for progress”, *The Northlines*, 23 March 2021, <https://www.thenorthlines.com/india-must-leverage-the-indus-water-treaty-for-progress/>.

irrigation a provincial subject, coordinated, advised on and settled disagreements on inter-provincial water disputes. Through the Government of India Act 1935, it “laid down the principle that no province could be given an entirely free hand in respect of a common source of water.”¹²

Partition upended these safeguards by pitting sovereignty against rivers’ transnational flow. As early as 1947, Pakistan feared that India would halt its water supply or seize its canals through invasion. In fact, during the first war over Kashmir, India did cut off the flow of the Eastern Rivers, causing one million acres in Pakistan to go into drought.¹³ It has been argued that this was not out of military connivance but rather India’s need to establish rights over its then-still disputed rivers, and channel resources towards national development.¹⁴ The April 1948 water stoppage has thus been referred to as the “foundational violence”,¹⁵ and then Prime Minister Liaquat Ali Khan declared water as a “new front of tension”.¹⁶

Nehru, seeing how water conflict could derail peace, pursued the IWT to allay Pakistan’s fears. The whole of the basin, as a unit for consideration, came front-and-centre, with the IWT proposing joint technical management for the most effective apportionment of its complex hydrology. Such cooperation and technology infusion would, in turn, maximise water availability and spur development. However, emotional politics trumped rationality; and as internal opposition mounted, the World Bank, after eight years of negotiation, was forced to salvage the deal by leaving internal water development to the States. Thus, while the treaty has been hailed as “a model for future regional cooperation”, it has also been criticised for offering “thin support to the integrated or joint development of the Indus Rivers Basin.”¹⁷

Water Nationalism

Perceptions of the IWT today fluctuate according to the overall bilateral relations. While the March PIC meeting has been counted as one of many small steps towards peace, the IWT has also frequently been assaulted as an “unfair deal”, especially in India whenever terrorism causes the relationship to sour. Touting massive national hydropower projects to one’s constituencies, meanwhile, has also become more attractive to political leaders on both sides of the border, especially as a means of asserting control during moments of crisis and framing a development agenda.

Following the 2016 Uri terrorist attack, Indian Prime Minister Narendra Modi proclaimed that “blood and water can’t flow together”, and temporarily suspended the PIC while setting up a high-level task force to evaluate the treaty. During his meeting with the water ministry officials, they also called for fully exploiting the Eastern Rivers. India expedited

¹² Uttam Kumar Sinha, *Indus Basin Uninterrupted: A History of Territory & Politics from Alexander to Nehru* (New Delhi: Penguin Random House India, 2021).

¹³ Daniel Haines, “Introduction”, *Indus Divided: India, Pakistan and the River Basin Dispute* (New Delhi: Penguin Random House India, 2018).

¹⁴ Sinha, *Indus Basin Uninterrupted*, op. cit.

¹⁵ M Akther, as quoted in “Water conflict and cooperation between India and Pakistan”, op. cit.

¹⁶ Sinha, *Indus Basin Uninterrupted*, op. cit.

¹⁷ Daniel Haines, also quoting Stephen Cohen, “Introduction”, op. cit.

several hydropower projects like the Shahpurkandi dam, Ujh Multipurpose project and Ravi-Beas Link to prevent excess water from flowing into Pakistan. Later, in February 2019, Water Resources Minister Nitin Gadkari also threatened to stop the flow of rivers to Pakistan after Pulwama; and Modi, during a general election rally that same month, boasted that the waters would be diverted to farmers of Haryana. Although what India does with the Eastern waters does not greatly affect Pakistan, Islamabad retorted that any attempt to divert the flow of the Western rivers would be considered an “act of aggression”. Analysts have gone further to argue that the treaty should be abrogated to deter terrorism.

Nationalism also helps deflect attention away from failures of internal water management, which for Pakistan span inefficiencies in water delivery, lack of perennial storage as well as flooding and poisoned groundwater. Just as the Indian media has questioned the treaty, Pakistan media has blamed floods, such as the devastating one in 2010, on India. While hydropower projects have thus helped the Bharatiya Janata Party (BJP) push its narrative of economic development in Kashmir, Pakistani Prime Minister Imran Khan has praised the developmental potential and ability of dams to solve the country’s mounting water woes. He has labelled dam sceptics as either “unpatriotic” or suspected “foreign agents”.¹⁸

Such nationalist posturing is unfolding amid the twin challenges of water scarcity and economic frustration. Khan has called water an existential problem. At the inauguration of the Mohmand Dam, his Federal Minister for Water Resources, Faisal Vadwa, couched the dam’s benefits in terms of job creation. Khan also praised the foresight of Pakistan’s former leaders in building dams and China’s far-sighted economic model. Modi, too, in a 2019 election speech, presaged that his next five years would be dedicated to water. He launched the new Jal Shakti (Water Power) Ministry after taking office and, in 2021, launched the programme ‘Catch the rain where it falls, when it falls’ for 734 districts, which includes the geo-tagging of all national water bodies. He also signed an a memorandum of understanding to implement the “national” Ken Beta Link Project, which will interlink rivers in Uttar Pradesh and Madhya Pradesh to irrigate parched lands.¹⁹

Before renouncing Kashmir’s special status, India allegedly showed relatively little urgency on Indus Basin projects, instead displaying a “zigzag” approach according to political convenience.²⁰ Since 2019, however, 33 projects on the Chenab, Jhelum and Ravi rivers have been fast-tracked. In 2020, ₹11,024.47 crore (roughly S\$2 billion) was infused as a part of the *Atmanirbhar Bharat Abhiyan* (Self-reliant India)²¹ to enable Jammu and Kashmir to clear outstanding power purchase payments. In the long-term, the government hopes to

¹⁸ Usmaan Farooqui, “The Cost of Pakistan’s Dam Obsession”, *The Diplomat*, 4 March 2021, <https://thediplomat.com/2021/03/the-cost-of-pakistans-dam-obsession/>.

¹⁹ “PM Modi to launch Jal Shakti Abhiyan Today: All You Need to Know”, *Hindustan Times*, 22 March 2021, <https://www.hindustantimes.com/india-news/pm-modi-to-launch-jal-shakti-abhiyan-today-all-you-need-to-know-101616386849149.html>.

²⁰ Brahma Chellaney, “Only by asserting its Indus leverage can India hope to end Pakistan’s unconventional war”, *Hindustan Times*, 14 September 2018, <https://www.hindustantimes.com/analysis/only-by-asserting-its-indus-leverage-can-india-hope-to-end-pakistan-s-unconventional-war/story-BHA6ut5HVXBMJa7rYAs8kM.html>.

²¹ IANS, “Atmanirbhar Bharat: Loan assistance! Power sector of this state to receive Rs 11,000 cr financial aid”, *ZeeBusiness*, 13 Dec 2020, <https://www.zeebiz.com/india/news-atmanirbhar-bharat-loan-assistance-power-sector-of-this-state-to-receive-rs-11000-cr-financial-aid-143622>.

turn the region into a net energy exporter, while leveraging hydropower for employment and skills development. Such projects are identified as an important “thrust area” to integrate Kashmir with the rest of the country.²² As explained by a high-ranking power ministry official, hydropower is not merely about development but also strategic water and border management.²³

Pakistan, too, is not unfamiliar with hydropower’s geostrategic application, having integrated a part of Kashmir in the 1950s and 1960s through the Mangla Dam projects. Pakistan is now building major hydroelectric projects in Khyber Pakhtunkhwa and Gilgit Baltistan, the latter belonging to the erstwhile state of Jammu and Kashmir. However, when compared to India, Pakistan has struggled with funding, which led a Supreme Court justice to launch a dam fund requesting donations. China stepped in to fund the Diamer-Bhasha Dam in 2020, and is supporting four other dams through the Belt and Road Initiative, against which India registered “concerns”.²⁴ Just as Pakistan worries that India could strangle its waters or wrest away Kashmir, India also worries China, in support of Pakistan, could cut off or slow the flow of the Indus or Brahmaputra Rivers from their origins in Tibet, or keep building dams in Ladakh to expand its presence.

The Problem with Dams

Dams, for their multipurpose benefits, are being turned to as a fortification against approaching water woes and geopolitical headwinds. They are also ‘spectacular’ in that they manifest the government’s concerns for the people. However, they are not all that is advertised in official reports. Delays are frequent, and because responsibilities are distributed across multiple levels, obstructions abound. They are also criticised for ecological harm: Kashmir’s ecosystem is delicate and the Chenab river, in particular, is subject to landslides, flash floods and earthquakes. After clearances are obtained, additional impact assessments are sometimes required; and low tariffs, high up-front costs and inflation over long time-lines contribute towards their reputations as cost-prohibitive, loss making ventures.²⁵

In Kashmir, the promised ‘hydropower boom’ has also fizzled,²⁶ partially due to the COVID-19 pandemic and likely stymieing effects of the security situation. Most projects are, unsurprisingly, still at their early stages, and work, as of 2020, proceeded slowly, stoking concerns about employment even as bottlenecks are removed. Kashmir only receives 20 per cent of the energy it produces, while the remainder is diverted to Punjab, Himachal Pradesh

²² Rashme Sehgal, “Why Hydropower is a Pipe Dream in Kashmir’s Development”, *NewsClick*, 30 August 2019, <https://www.newsclick.in/Hydropower-Pipe-Dream-Kashmir-Development>.

²³ Neha Dasgupta and Sanjeev Miglani, “Troubled waters? India fast-tracks hydro projects in disputed Kashmir”, *Reuters*, 16 March 2017, <https://www.reuters.com/article/india-pakistan-water-idINKBN16N0XE>.

²⁴ Ministry of External Affairs, Government of India, “Transcript of Media Briefing by Official Spokesperson (May 14, 2020)”, Media Center, <https://mea.gov.in/media-briefings.htm?dtl/32696/transcript+of+media+briefing+by+official+spokesperson+may+14+2020>.

²⁵ Usmaan Farooqui, op. cit.

²⁶ Lou Del Bello, op. cit.

and Delhi. Scholars also anticipate developmental unevenness, speculating that “Ladakh will surge ahead” while “the valley will remain deadlocked”.²⁷

For Pakistan, too, dams may not be a cure-all. The IWT favours run-of-the-river designs rather than dams with heavy storage; not only are these less efficient at storing electricity, but they also cannot conserve water during the monsoon, causing runoff into the Arabian Sea and shortages during the summers. Tubewells proliferate to make up the difference, since the IWT only regulates surface waters. While the IWT limits storage, worsening Kashmir’s energy woes, run-of-the-river dams arrest silt, depriving Pakistani fields of vital nutrients and lowering their productivity.²⁸

As India’s recent attempts at agricultural reform shows efficient resource management and boosting farmers’ incomes are critical for unleashing demand-led growth and promoting industry. However, as these reforms propose changing subsidies that have allowed a certain class of farmers to thrive, they have also become sites of political contestation. Green revolution policy-makers supported flood irrigation and subsidised cheap energy and fertilisers to maximise output; but this was at the cost of water efficiency and environmental sustainability. Thirsty cash crops, cheap energy and open procurement have incentivised deep tubewells, which could desertify Punjab. Across the border, extraction has also been described as a “free for all” due to a creaking system of distribution rights.²⁹

The farmers’ protests, which emerged as one symptom of efforts to improve water efficiency, have magnified ideological resentments. In response to the protests, the government labelled some participants in the farmers’ movements as Khalistani separatists and anti-nationals incited by foreign hands. In Pakistan, too, water scarcity has proved ready fodder for terrorist propaganda while load shedding in urban areas, linked to insufficient energy, has fed frustration with the political establishment. Conflicts parsed through ideology often originate in bases of material conflict, which is one reason why, along with the danger of another terrorist attack, the United States Intelligence has projected that India and Pakistan may stumble into war within the next five years.³⁰

Conclusion

As a result of India and Pakistan’s contentious relations, water has become subjected to developmental nationalism and geostrategic calculation. This “go-it-alone approach” fosters mistrust and feeds a security spiral. Originally, the IWT was envisioned as a technical solution to the subcontinent’s political problems, but it is clear that only a political breakthrough will lead to the technical interventions required. Certain clauses in the treaty allow for the IWT to be updated or replaced. However as Uttam Kumar Sinha argues, full

²⁷ Aparna Pande, Stephen Tankel, Ashutosh Varshney and James Astill, “The Future of Kashmir”, Council on Foreign Relations, 19 November 2019, <https://www.cfr.org/event/future-kashmir>.

²⁸ Harwant Singh, “Rebuild Indo-Pak Ties with Indus Waters Treaty”, *The Tribune*, 2 April 2021, <https://www.tribuneindia.com/news/comment/rebuild-indo-pak-ties-with-indus-water-treaty-233484#:~:text=The%20Indus%20Water%20Treaty%20was,the%20waters%20of%20these%20rivers>.

²⁹ Usmaan Farooqui, op. cit.

³⁰ “Global Trends: Five-Year Regional Outlook: South Asia”, A Publication of the National Intelligence Council.

abrogation or replacement of the treaty “does not stand to logic”.³¹ What is needed is for the countries to come together to tackle 21st century challenges in the Indus Basin, which, along with climate change, arise from what Bajwa has called the key drivers of “demography, technology and economy”.

Rational cooperation around shared concerns may not surmount historical animosities. Indeed, the détente for now has been termed a mere “reengagement” and “basic management of tensions”;³² and even simple re-engagement has shown strain, with trade promises being revoked within days and Pakistan reviving its refrain that no dialogue can take place until India addresses the situation in Kashmir. Modi also reiterated in his letter that “freedom from terror is a prerequisite to trust”. As such, the obstacles of Kashmir and terrorism remain deeply entrenched.

Yet, there are some reasons for why this time back channel dialogues may yield progress. Facts on the ground for disputed territories are changing. Pakistan’s economy is struggling and it realises that a tactile foreign policy is needed to manage the region’s complex security dynamics. Modi’s popularity, too, has taken a drubbing with the recent pandemic outbreak. His underestimation of Nature and prioritisation of politicking in the West Bengal elections precipitated the first real setback to the BJP’s hegemony. So, while combative nationalist rhetoric has previously served well in polls, perhaps a different deflection from the ravages of the recent outbreak is in order. If the stars align, Modi could aspire in his second term to settling India-Pakistan borders.

During the Islamabad Security Dialogue, Bajwa’s wording about improving the status of Kashmir was vague, perhaps opening diplomatic legroom about what a “conducive environment” in Kashmir might look like. While finally resolving the Kashmir dispute remains uncertain, the short-term approach, amidst political opposition within Pakistan, would be to influence Pakistan’s geo-economic debate.³³ Pakistan, it seems, still fears being flooded by goods from India and overwhelmed by its larger economy; but cooperating on water management through the sharing of resources and technology (such as through inroads on drip irrigation technology) or studies of the socio-political impacts of agricultural reform (as many of the land and water productivity problems on both sides of the border are geographically shared) could be a pill less bitter to swallow. It might also build goodwill amongst farmers and the business community to nudge the geo-economic debate in the right direction.³⁴

Lower-riparian and upper-riparian disputes have long been a part of the Indus Basin, but neither geography nor politics are immutable. India can answer Khan’s call to take the “first step” by recognising Pakistan’s water crisis, which, on conditions of suppressing terrorism, could open further dialogue. As an act of goodwill, India could work with Pakistan to

³¹ Sinha, *Indus Basin Uninterrupted*, op. cit.

³² Ayesha Siddiq, as quoted in “Pakistani, Indian officials held talks in Dubai over Kashmir”, *Dawn*, 15 April 2021, <https://www.dawn.com/news/1618328>.

³³ C Raja Mohan, “For Pakistani army chief, it’s the economy, stupid”, *Indian Express*, 31 March 2021, <https://indianexpress.com/article/opinion/columns/india-pakistan-ceasefire-army-general-qamar-javed-bajwa-foreign-policy-7251915/>.

³⁴ Sinha, “India must leverage the Indus Waters Treaty for Progress”, op. cit.

prioritise water scarcity at the South Asian Association for Regional Cooperation Summit. While India will be reluctant to budge on Kashmir, perhaps one day, an 'open border status' for Kashmir Valley could be negotiated with formal recognition of the respective ownership of Gilgit Baltistan and Ladakh. Amid the region's myriad fault lines, water cooperation could be more than just a low hanging fruit, but rather, a seed that branches and flourishes in neighbouring fields.

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