## **ISAS Brief**

No. 21 - Date: 29 August 2007

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## Hyderabad Burning – A Domestic Challenge with Regional Implications

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The twin explosions that rocked the city of Hyderabad on 25 August 2007 are a chilling reminder that terrorism continues to thrive and that India remains as vulnerable as ever in combating this challenge. India has suffered a series of bombings and attacks in the last two years, including incidents in New Delhi (October 2005), Varanasi (March 2006), Old Delhi (April 2006), Mumbai (July 2006), Malegaon, Maharashtra (September 2006) and the train bombing in February 2007. Hyderabad itself had already been struck just three months earlier when a bomb exploded at Mecca Mosque in May 2007. All these events have claimed the lives of around 500 people and injured scores more. While different groups may have been responsible for these incidents, the incidents are bound together in one way – all of the attacks have targeted civilians in public spaces and can be linked ostensibly to communal/religious conflict.

The recent Hyderabad explosions took place within minutes of each other. The first blast was at the Lumbini Amusement Park and the second was at an eatery in a crowded Koti area of central Hyderabad. By targeting crowded areas, there was no doubt that the attacks were aimed at causing a high casualty rate – they left more 40 dead and over 70 injured. Hours after the twin blasts, at least one unexploded bomb was discovered in Dilsukh Nagar and defused in time to avert what could have potentially been an even bigger disaster. The incidents raise some serious questions. Is Hyderabad emerging both as a new target and recruiting ground for terrorist activities? What are the possible ramifications of these events regionally and domestically for India?

Hyderabad is a city on the move. It is a hub of information technology, pharmaceuticals and business process outsourcing, often referred to as the second Silicon Valley of India after Bangalore. A shining symbol of India's economic boom, it was chosen over Bangalore for the second United States consulate in South India, the first being in Chennai. It is home to numerous multinationals, including several fortune 500 companies. Its success is, thus, its own millstone as its rising international profile makes it an attractive target for terrorists who want maximum international impact and publicity. Unlike Bangalore, Hyderabad has a sizeable Muslim population and heritage, allowing it in some ways to be exploited by jihadi elements. The movement of part-time labour from Hyderabad to Bangladesh, from which

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Islamic fundamentalist organisations are increasingly operating, adds to Hyderabad's vulnerability.

While no group has taken responsibility for the blasts, Indian fingers are pointed at the usual suspects of Pakistan-based terrorist outfits such as Jaish-e Mohammad and Lashkar-e-Taiba, as well as the Harkat-ul-Jihad-al-Islami (HuJI), a Bangladesh-based organisation. HuJI, which came into existence at the end of the Afghan War, largely comprises returning Mujahideen fighters and supported by Pakistan's Inter-Services Intelligence. If indeed the blasts are the work of HuJI, the international relations dimension of these events has the propensity to take a frightening turn as India's neighbours, Bangladesh and Pakistan, may find themselves implicated, albeit indirectly. Andhra Pradesh's Chief Minister, Y. S. Rajasekhara Reddy has already gone public, alleging Pakistani and Bangladeshi connections to the blasts.

India's relations with Pakistan are at present relatively peaceful, and given the domestic crises each government is facing, the last thing either needs is an escalation of tension. President Pervez Musharraf's woes are well known and Prime Minister Singh is facing his toughest political challenge with the Indo-US nuclear deal. Both sides will not want the progress made in bilateral relations, since the Composite Dialogue of 2004, to deteriorate. India's relations with Bangladesh, while largely spared the historical hostility that characterized India-Pakistan relations, is certainly not one without its challenges. Some of the contentious issues include the sharing of river waters, boundary disputes and influx of illegal Bangladeshi migrants into India. Any evidence of cross-border terrorism would force India-Bangladesh relations into a downward cycle as border security would have to intensify, migration further scrutinised and negotiations on ongoing issues compromised.

Domestically, these attacks are a test for the Congress-led governments at both the state and the central level. Manmohan Singh's government, already facing a crisis with the nuclear issue, now has to deal with the Bharatiya Janata Party's (BJP) allegations that the Congress Party has not been effective in containing terrorism and related violence. BJP leader, L. K. Advani, has already accused the Congress Party of being weak in refusing to enact antiterrorism legislation (Prevention of Terrorism Act [POTA]) and has alleged that the government has been lax in preventing the Hyderabad attacks. There is evidence that intelligence agencies were aware that large quantities of explosives had been smuggled into the city. The BJP has used this tragedy for political opportunism by orchestrating a strike to disrupt services in Hyderabad and by calling for populist laws on anti-terrorism that may not necessarily be effective in dealing with the problem.

With respect to Hyderabad, there is a fear in some quarters that these attacks, coming on the heels of the Mecca bombing, could have repercussions on the state's ability to continue attracting foreign investment and talent if foreigners are scared off. India has a reputation of being resilient in the face of such terrorist or communal violence and has taken many incidents in its stride, Mumbai being a classic example. Nevertheless, further attacks in the city could force some investors to consider shifting to other "safer" states. It will also put pressure on the Congress-led state government to act firmly to allay the fears of the general public as well as the investor community. Failing to act quickly could hurt the government at the next elections.

While it is vital for the government to act decisively, equally the opposition should refrain from squeezing political mileage out of the tragedy. Hyderabad is a communally-sensitive

state and what the government needs is an iron fist in a velvet glove. The government must show that it will not tolerate such acts and will be unrelenting in its pursuit of those responsible for such heinous crimes. At the same time, it must be fully attuned to communal and religious sensitivities, and refrain from adopting policies and measures that will in fact inflame the situation. India's strength lies in its secular traditions underpinned by the forces of democracy and its indomitable spirit of tolerance. If the India government reacts by indiscriminately rushing through repressive laws or by targeting particular communities, it will betray the very foundation upon which modern India was built.

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