

*Notes*

## **India and Pakistan: Together Forging a New Way Forward**

*Huma Naz Siddiqi Baqai, Hashir Ibne Irshad,  
Jerome Joseph, Simrit Kaur & Robert E. McNulty\**

For too long the people of Pakistan and India have been held hostage to a conflict that should have been resolved decades ago. As a result, countless lives have been lost, millions of people have been kept in a state of insecurity and poverty, economic opportunities have been squandered, and the goodwill of cultural exchanges has been sacrificed. This sorry state of affairs has global implications, especially since both countries are nuclear powers. Too much ransom has been paid. The time has come to forge a new way forward, based on direct people-to-people cooperation that serves the mutual benefit of both countries, the region, and the world. With this mind, we, the five authors of this essay, came together for a week at Bentley University in Massachusetts, USA, to discuss how we in business and academia could work to advance peace at the direct people-to-people level. What follows are our initial thoughts.

### **A dire situation**

The current state of affairs in our countries, and especially Pakistan, is critical. For the last three years the economy of Pakistan has crept along at under 4%, while according to the United Nations, about half of its population lives in poverty. India has been growing more than twice as fast, but according to the most recent World Bank statistics

---

\* Prof. Huma Naz Siddiqi Baqai, Associate Professor and Chairperson, Social Science Department, Institute of Business Administration, Karachi, Pakistan; Prof. Hashir Ibne Irshad, Assistant Professor of Finance, FAST National University and Head, Fast Consulting, Islamabad, Pakistan; Prof. Jerome Joseph, Senior Professor of Personnel and Industrial Relations, Indian Institute of Management, Ahmedabad, India; Prof. Simrit Kaur, Professor of Public Policy, Faculty of Management Studies, University of Delhi, New Delhi, India; Prof. Robert E. McNulty, Director of Programs and Executive Director, Centre for Business Ethics, Bentley University, Waltham, Massachusetts, USA and Executive Director, Applied Ethics, Inc.

approximately 32% of India's population lives below the poverty line.<sup>1</sup> Given India's population of 1.2 billion, that number remains unacceptably high. Both countries suffer from widespread corruption, an extremely unequal distribution of wealth, and scarcity of food, water and housing. And yet, rather than treating poverty as our common enemy, we pour our precious resources into maintaining two of the largest armies in the world.

To secure advantages, our countries have fought wars directly or by proxy, indulged in propaganda campaigns, and rarely missed an opportunity to impede constructive relations. While for decades, through technology and international trade, the world has seemed to shrink, India and Pakistan have only grown farther apart. And for what we lacked in authentic knowledge and understanding of each other, we have filled in with stereotypes and conspiracy theories.

After so many wars and battles, both countries have repeatedly awoken to the need to move beyond conflict. On five occasions over the last half century, we have pulled back from the brink by engaging in peace talks. High level talks have been held in October 2003 when Pakistan and India entered the composite dialogue, at the time of the Agra Summit of 2001, the Lahore declaration of 1999, Simla Agreement of 1972, and Tashkent Agreement of 1966. Whenever it seemed that cooler heads might prevail, the peace dialogues were disrupted by skirmishes, adventurism, acts of terrorism by non-state actors, and the failures of internal politics of both countries. Time and again, we have found ourselves paralyzed by inertia, as well as a lack of vision and the courage to seize the opportunities for peace. However, if history teaches us anything, it is that if we don't move forward, we will slide backwards into our habitual mistrust. And with every new failure, the wounds to our memories deepened and the chasm of distrust widened, until our relations reached their lowest ebb after Mumbai attacks.

The time for wake up calls has long since passed. If we have any concern for the upcoming generation, we must not pass on to them this miserable condition, especially when healthy Pakistan-India relations have so much to offer.

### **A renewed push for peace**

Some analysts interpreted certain recent developments in Pakistan-India political, military, economic, and cultural relations as portending of a paradigm shift in Pakistan's policies toward India. India too has been

---

<sup>1</sup> <http://go.worldbank.org/ZUIBUOT360>

reciprocating. A notable example occurred recently when a group of Pakistan journalists were invited to participate in a tour of India and a few weeks prior to that, the second Aman Ki Asha Pakistan-India Economic Conference was held under the joint sponsorship of the *Jang* Group Pakistan and the *Times of India*.

These are steps in the right directions. However, it is time to move beyond tepid ‘Confidence Building Measures’ and seek a real, full, and lasting peace between Pakistan and India. Why? The benefits of peace are too numerous to list, but let’s mention just a few.

- **Economic:** The most obvious and tangible benefits of peace are economic. Peace is essential for our two countries to realize their economic potential. Over the last decade in regions around the globe, we have seen a strong trend toward free trade and economic integration and highly positive benefits. For example, after the countries of Canada, the United States, and Mexico ratified the North American Free Trade Agreement (NAFTA), trade more than quadrupled, from about \$297 billion in 1993 to \$1.6 trillion in 2009.<sup>2</sup> While both India and Pakistan have established free-trade agreements with some of our neighbors, we lack one with each other. And yet, according to some economists, a functioning free-trade agreement between our countries could lead to a twenty-fold increase in bilateral trade. Add to this the expected increase in bilateral investment, and the economic benefits to our economies could be enormous. Given the extreme poverty that afflicts so many of our compatriots, we should be working vigorously to seize this opportunity.
- **Security:** We have been too ready to resort to military actions when issues between our countries could be better resolved through diplomacy. However, especially now that both nations are nuclear powers, we can no longer afford to have any serious miscommunications or needless provocations. There are problems in every community and the same is true between countries. Yet, based on the lessons of countries from South Africa to Northern Ireland, we now understand better how to move from states of conflict to peace. These lessons should not be lost in the efforts to advance India-Pakistan reconciliation.

---

<sup>2</sup> For 1993 figures, see [http://www.ustr.gov/sites/default/files/uploads/factsheets/2006/asset\\_upload\\_file242\\_9156.pdf](http://www.ustr.gov/sites/default/files/uploads/factsheets/2006/asset_upload_file242_9156.pdf). For 2009, see <http://www.ustr.gov/trade-agreements/free-trade-agreements/north-american-free-trade-agreement-nafta>.

- **Culture:** What better way to help recover our forgotten brotherhood than by sharing with each other the riches of our respective cultures from the visual and performing arts to music and literature?
- **Education:** As discussed below, our futures will be mapped out in our schools and universities, and it is through them that we can take great strides in demonstrating the power of peaceful relations through cooperative educational initiatives.
- **Sports:** It is hard to imagine how much people in both countries would enjoy seeing a return of competition in cricket, football, and hockey. Whether one's team wins or loses, when our teams compete, both countries are winners.

### **Business for peace**

Can the private sector play a role in peace-building? There is overwhelming evidence that the answer is 'yes'. Surprisingly, while the role of the private sector in economic development is universally recognized, its role in conflict resolution remains rather unexplored.

According to recent research, companies that are most effective in contributing to peace have a 'conflict sensitivity' perspective.<sup>3</sup> That is, they adopt policies/elements that lower tension and minimize violence within their area of influence. It is in this context that the private sectors of the two countries have a lot to learn from international experience. Direct participation of the corporate sector in negotiating for peace in the countries of El Salvador and Guatemala is a case in point. Several lessons can also be drawn from interventions of the private sector towards peace-building in countries such as Mozambique, Colombia and Sri Lanka. Private sectors corporate social responsibility (CSR) initiatives in promoting health and education; generating employment, paying special attention to victims of human rights violations, and internally displaced persons shall go a long way toward peace-building.

Collier-Hoeffler's 'greed' and 'grievance' theory suggests that rebels conduct civil wars for 'loot-seeking' and 'justice-seeking' reasons. To the extent the private sector generates productive employment, it tends to lower grievances amongst the youth, thereby de-motivating them to join violent extremist groups. Also, if higher growth due to enhanced private

---

<sup>3</sup> According to Simrit, 'The volume 'CSR in Conflict and Post-Conflict Environments: from Risk Management to Value Creation' offers a survey of the different approaches taken by the private sector towards peace-building in countries in conflict and post-conflict' However, I could not locate this book.

sector investments increases per capita incomes, the opportunity cost for a household to become an anti-state actor rises. Successful businesses not only lower the greed factor, but also simultaneously lower the rational for the grievance that foments extremism.

This certainly justifies the need for a vibrant participation of the private sector. Yet, the private sector in both India and Pakistan operates in a poor business climate. According to the World Bank's 'Ease of Doing Business Index', among 183 countries, Pakistan currently ranks at 105, while India ranks at 132.<sup>4</sup> Undoubtedly, much needs to be done in making the investment climate friendlier in the two nations. This does not require bilateral talks-that may even fail, such as was the case with the high profile Vajpayee-Musharraf talks in Agra, as also several others that failed to generate the desired outcome.

There are huge obstacles to overcome. When there are so many alternative profitable and less intimidating destinations for investments, there is a pronounced reluctance to engage because businesses generally do not see themselves as agents of social transformation but generators of products and services, stocks and markets, profits and bonuses.

Fortunately, much evidence on the role of business in advancing peace has been collected in recent years. Similar to the global trend of 'privatization of goods and services' that became so widespread few decades ago, scholars are now talking about 'privatization of peace'. Cessation of violence generates a peace dividend and the sooner the private sector realizes it the faster will be the 'production of peace'. However, in our case, our businesses have for too long been denied the peace dividends they should expect. As auspicious as it was, the aforementioned Aman Ki Asha Indo-Pak Economic Conference remains more of an aberration than the norm.

To our business leaders, rather than settling for passively supporting the status quo through a 'business-as-usual' outlook, we need a new spirit of 'business-as-unusual'. With business as *usual*, businesses would confine themselves to doing what they have traditionally done – invest, strategize market expansions, employ, create value, appropriate value, pay taxes, export, and import. However, when faced with political turmoil, ethnic strife, cross border tensions, war – violence, death, destruction, displacement – the policy generally has been to head for the exits. But according to the business as *unusual* people-to-people

---

<sup>4</sup> World Bank. (2011). Doing Business. Washington DC: The World Bank. Retrieved from <http://www.doingbusiness.org/rankings#>, Accessed on 3 June 2012.

peacemaking that we are advocating, businesses leaders should also to be moral leaders who muster their courage and show that through business they can seek profits while also serving a higher purpose. In this commitment of business for peace, we can see clearly that in the shared successes of our businesses, we are stronger when we act together as friends and partners rather than strangers and enemies.

### **A people-to-people approach to peacemaking**

The approach to peacemaking we are calling for does not depend on summit meetings, ambassadors, or peace treaties. Rather, the approach we are advocating is direct, people-to-people peacemaking that goes by the name 'Pax Populi'. According to this approach, rather than negotiating a cessation of violence between hostile parties, we look to ordinary people working through education and economic development within a context of human rights to pursue constructive exchanges among parties to a conflict. In this way, peace is seen as both the logical context and sustaining climate for healthy relations. Just as happiness cannot be forced, but is an outcome of a life well lived, so too, peace is an outcome of respectful relations among people of goodwill. Can such relations exist between the peoples of India and Pakistan? We must not lose sight of the fact that positive relations can and they already do exist among many of our citizens. It is time to stop fabricating impediments to normal relations, and instead do whatever we can to rediscover our brotherhood forcibly suppressed through fear and selfishness.

### **A special role for academia**

Although there is an especially important role for business, the Pax Populi people-to-people peacemaking applies to all sectors of society, and especially to those of us in academia. It is a sad fact that since Partition not only have our commercial exchanges suffered, our academic interactions have been restricted by visa regimes that prevent rather than facilitating free travel and interactions. There is no concept of research visas between our two countries. If anything, it has been discouraged. And yet, the more that we can share information and work together, the better we can advance our research and build our respective institutions.

Our youths can be especially vulnerable to the poisonous climate of violent extremism. As every parent knows, the most powerful way to communicate values is to model them ourselves. We as teachers can do that by working collaboratively across borders. And likewise, our students will benefit if we can afford them opportunities to learn together by participating in educational exchanges.

Let us provide opportunities for the youths of both our countries to demonstrate their leadership potential. They are smart and motivated. If we want to see Pakistan's economy grow at levels similar to India, let's open the doors to cooperation among our youths; with a decade of free cooperation among Indian and Pakistani youths, they will show their elders what we could not achieve in a half century. It will be our children who model for us the brotherhood we should never have let slip away.

### **From dream to reality**

It's time to stop thinking that peace as if it were an impossible dream. It is not. Peace is the condition in which both of our peoples will grow and flourish. What is unnatural is our current state of conflict. For our own sake and that of our children, this must change.

We cannot speak of peace without knowing that the specter of violence is never far away. But rather than letting our destinies to be controlled by the forces of hatred, let us heed of words of Abraham Lincoln: 'We are not enemies, but friends. We must not be enemies. Though passion may have strained, it must not break our bonds of affection. The mystic chords of memory will swell when again touched, as surely they will be, by the better angels of our nature'. In our hearts, we all know that our two peoples are better and stronger as friends, and as friends we are much better able to find solutions to even the most difficult problems.

For reasons that none of us are disputing, sixty-five years ago, the subcontinent was partitioned into two countries. This was a painful experience and many individuals and families suffered enormously as a consequence. That suffering continues to intrude into the lives of our two people and overwhelm our relations. Sadly, we have become so accustomed to this story of painful brokenness that we fail to see what has remained intact, which is that despite our independence, we remain part of the same family, with more in common than probably any two countries on earth. We urgently need to embrace a new shared narrative; rather than a tragedy, built on a bitter story of hatred, mistrust, and conflict, let us commit ourselves to a new story in which the triumph of brotherhood brings with it the fruits of trust, cooperation, and a shared prosperity. In doing so, we the people of Pakistan and India can assume a new role in the great unfolding story of human civilization — one in which, through the power of reconciliation and friendship, a divided family was mended and the extraordinary potential of our remarkable people was set free.