

# Jammu & Kashmir: The Way Forward

*Policy approaches to  
manage the aftermath of  
revoking Jammu and  
Kashmir's special status.*

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## Summary

Post Article 370 scenario:

*A worsened security situation in Jammu and Kashmir abetted by Pakistan, exacerbated by the absence of legitimate political channels, a weak economic infrastructure, and an inadequate administrative capacity.*

*This situation is unlikely to change for the better over the next two years.*

**To manage the security situation while rebooting economic and political mechanisms,** India's policy approach should be:

1. *Security: reduce visibility while increasing security over the near term*
2. *Economy: build public infrastructure to support private investment*
3. *Administration and governance: decentralise and devolve*
4. *Politics: return to political normalcy as security situation improves*
5. *Employment and entrepreneurship: Remove obstacles to livelihood and entrepreneurship, invest in relationships, build social networks*



## Risk Map A: Internal Security

### Risk assessment:



Very likely

Likely

Less likely

Risks to Internal Security	Immediate (0-30 days)	Short Term (1-6 months)	Near Term (0.5-2 years)	Medium Term (2 years+)
Civil disobedience: refusal to obey laws of the land	Very likely	Very likely	Very likely	Very likely
Stone pelting: criminal assault on Indian security forces by Kashmiri youth	Very likely	Very likely	Very likely	Very likely
Militancy: use of lethal force against combatants and non-combatants across India	Very likely	Very likely	Very likely	Very likely
Terrorism: use or the threat of use of indiscriminate violence in support of the Kashmiri political cause	Very likely	Very likely	Very likely	Very likely
Partition violence: violence between the three major social groupings within the erstwhile J&K	Very likely	Very likely	Likely	Less likely
Riots: mob violence against other groups in Kashmir	Likely	Likely	Likely	Likely
Anti-Kashmiri violence: mob violence against Kashmiris outside J&K	Likely	Likely	Less likely	Less likely



## Risk Map B: Pakistani Response

Risks from Pakistan	Immediate (0-30 days)	Short Term (1-6 months)	Near Term (0.5-2 years)	Medium Term (2 years+)
<i>Abetment of civil disobedience and violent protests</i>	Very likely	Very likely	Very likely	Very likely
<i>Support for cross-border terrorism</i>	Very likely	Very likely	Very likely	Very likely
<i>Resumption of a new insurgency against the Indian State</i>	Likely	Likely	Very likely	Very likely
<i>Diplomatic offensive</i>	Very likely	Very likely	Likely	Likely
<i>Cross-LoC military operations</i>	Less likely	Less likely	Likely	Likely
<i>War</i>	Less likely	Less likely	Less likely	Less likely

### Risk assessment:



Very likely



Likely



Less likely



## Risk Map C: Domestic Political Response

### Risk assessment:

Very likely
Likely
Less likely

Domestic Political Risks	Immediate (0-30 days)	Short Term (1-6 months)	Near Term (0.5-2 years)	Medium Term (2 years+)
No Kashmiri political party will align itself with the Indian cause	Very likely	Very likely	Very likely	Likely
Separatists and pro-Pakistan groups are energised Kashmiri Islamists in Kashmir are energised	Very likely	Very likely	Very likely	Very likely
Public grievances over AFSPA, torture, unmarked graves etc, leading to protests	Very likely	Very likely	Very likely	Very likely
Anti-Kashmiri sentiment deepening the rift between Kashmir and the rest of India	Likely	Likely	Likely	Likely
Human rights violations in response to a violent insurgency	Very likely	Very likely	Likely	Likely
A growing perception in Kashmir concerning demographic invasion by Rest of India	Very likely	Very likely	Likely	Very likely
Lack of a political process on ground	Very likely	Very likely	Likely	Likely



## Risk Map D: Socioeconomic Risks

Socioeconomic risks	Immediate (0-30 days)	Short Term (1-6 months)	Near Term (0.5-2 years)	Medium Term (2 years+)
Youth uninterested in taking up jobs	Very likely	Very likely	Very likely	Likely
Underinvestment in agriculture and rural economy as a result of the political situation	Likely	Likely	Less likely	Less likely
Underperformance of tourism sector	Very likely	Very likely	Very likely	Likely
Underinvestment and lack of modernisation of local textiles and crafts	Likely	Likely	Likely	Likely
Underdeveloped infrastructure and connectivity	Very likely	Very likely	Very likely	Likely

### Risk assessment:



Very likely



Likely



Less likely



## Risk Map E: Administrative Risks

Administrative risk factors	Immediate (0-30 days)	Short Term (1-6 months)	Near Term (0.5-2 years)	Medium Term (2 years+)
<i>Indian State apparatus missing on ground</i>	Very likely	Likely	Likely	Less likely
<i>Lack of capacity</i>	Very likely	Very likely	Likely	Likely
<i>Underutilisation of funds</i>	Very likely	Very likely	Very likely	Likely

### Risk assessment:



Very likely



Likely



Less likely



# Policy Approaches

## Security Policy

*Guiding Principle: reduce armed forces visibility while increasing security over the near term*

To counter civil disobedience and stone-pelting, the Union government should explicitly target a reduction in the visible presence of armed forces over a two-year timeframe. This could take the form of:

1. **A surgical and “smart” AFSPA.** Its provisions can be limited in time and space. A change in the AFSPA to signal New Delhi’s bona fides, and invite Kashmiri political leaders to reciprocate.
2. **Marginal, not maximal response.** Reverse the damage done to the morale of the J&K Police and transfer law & order duties to this force soon. Lift the communications blockade, and allow public protests and demonstrations to resume.



# Policy Approaches

## Socioeconomic Policies

**Guiding Principle: build public infrastructure to support private investment**

Previous attempts at economic growth were opposed by fundamentalists who saw these as attempts to change the demographic character of the Kashmir valley. The change in the special status of J&K opens up opportunities in the economic sphere.

### Tourism

**Attract investment from international brands in large private resorts.** This will help generate employment. Wular lake could be made as a water sports and eco-tourism centre. This will spread development outside the entrenched tourist hubs. Develop Katra as a religious retreat destination.

### Investment

Create **Priority Development Areas** for the promotion of agri-processing, premium bottled water, and premium handicrafts.

### Agriculture

In the Jammu plains, **invite investors in contract farming. Bring foreign investment into horticulture.** Commercial and sustainable forestry is a big need in J&K. Bringing in international expertise in this space would be great. Kashmir has a unique vegetation in India.

### Education

With a huge young population, private education is under invested. **Bringing in private colleges and universities from outside** will benefit the education sector immensely.



## Policy Approaches

### Administration and Governance

*Guiding Principle: decentralise and devolve*

In the immediate term, a **Special Task Force of highly capable middle level civil servants from across India can be deputed to J&K** for a period of three years to restore broken governance delivery systems.

Over the medium term, **empower panchayati and municipal institutions**. The third level of government is missing in action in J&K. Financial, economic, and political devolution to this level is critical to alleviate the perception of an exploitative State. Currently, the most visible interaction mechanism between the Indian government and a J&K citizen is through the armed forces. The frequency of such interactions need to be displaced by interaction with local governments.



## Policy Approaches

### Political Reforms

*Guiding Principle: return to political normalcy as security situation improves*

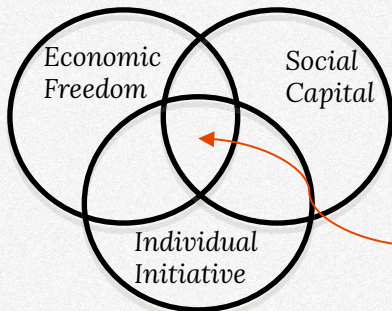
1. *Appoint a Lt Governor who has a proven record of administrative excellence.*
2. *Develop a strategic communication plan to defeat false and competing narratives .*
3. *Conduct local and state elections in the medium term to restart the political machinery.*
4. *Revert to a full state under the Republic of India after announcing elections.*



## Policy Approaches

Remove obstacles to  
livelihood &  
entrepreneurship

Invest in  
relationships and  
build social networks



Encourage individuals  
to grow to their full  
potential

## Employment and Entrepreneurship

*Guiding Principle: The numbers of insurgents, street protestors and agitators can be reduced to the extent that alternative occupations are made more attractive.*

1. **Quickly build a network of Business Hubs**, which are effectively micro-Special Economic Zones to cut down the complexity and time required to set-up new businesses. It is proposed that a number of Business Hubs be created in urban & semi-urban areas.
2. **Micro-skills development activities can be initiated.** Small numbers of people (in the order of a dozen at a time) can be trained in urban centres, and in the proposed Business Hubs, with skills required for jobs that are immediately available.

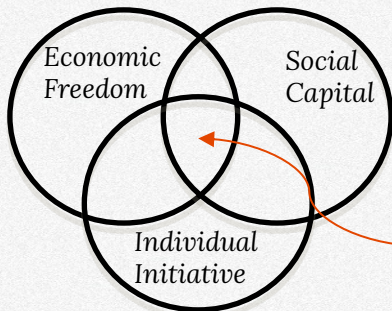
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## Employment and Entrepreneurship Policies

- 3. Showcase opportunities.** Scale up and broaden the scope of exposing young people in the age group of 14-18 and 18-21 to the rest of India. Several groups of 100 youth could simultaneously be taken on 2-week tours to other parts of the country.
- 4. Lend to younger people.** Widen the lending to cover younger entrepreneurs and those engaged in the proposed Business Hubs.
- 5. Online social lending.** Incentivise companies that connect lenders to qualified borrowers and play the role of the financial intermediary. These operate on the web and build a social connection between borrowers and lenders. This will enhance social capital not only within the state, but across whole of India.