

## Appendix 1

### The Conflict in Kashmir

Kashmir is a Muslim majority state which opted for India at the time of independence.<sup>16</sup>

Unhappy with this, Pakistan has always contested the legal validity of Kashmir's accession to India and insists on a plebiscite to decide the issue. India, on the other hand, considers Kashmir's accession to India final and is opposed to a plebiscite.

The Kashmir problem is unlikely to be resolved in the near future. Both sides have taken inflexible positions and negotiations in the past have borne few positive results. Hopes were raised in 1972 when Mrs. Gandhi and Mr. Bhutto met and discussed Kashmir and other problems. An important aspect of the agreement arrived at during these negotiations (known as the Simla Agreement) was that both sides agreed to solve the Kashmir problem peacefully. In fact, it is generally believed that Mrs. Gandhi and Mr. Bhutto came to a secret understanding, according to which Pakistan was gradually to accept the status quo, leaving most of Kashmir with India. However, Mr. Bhutto, faced with opposition from political rivals in Pakistan, changed his mind. Within six months of the Simla Agreement he was reported to be saying that a solution to the Kashmir problem on the basis of the Agreement was not possible. The possibility of a negotiated settlement received a further setback when India exploded a nuclear device in 1974.

The situation has deteriorated particularly during the last decade. For a number of years resentment had been building in Kashmir against the Federal government's interference, aimed at installing puppet governments in the state. Events in the late 1980s, when the Federal government dismissed an elected government, brought latent anti-India feeling into the open. The

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<sup>16</sup>According to the principle which formed the basis of India's partition, Muslim majority areas were to be given to Pakistan. Kashmir posed a special problem as its Muslim population and political leadership overwhelmingly supported union with India.