

# Briefing Paper

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**To** Hartwig Schafer, World Bank, Vice President for the South Asia Region  
**From** Adrian Zerbe, University of Konstanz, Policy Advisor  
**Subject** Proposal to mediate the transboundary water conflict between Pakistan & India  
**Date** July 2019

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*In face of recent threats by India to stop water flowing to Pakistan, I propose an active mediation approach to address the transboundary water conflict around shared rivers. Mediation is necessary to ensure the existence of the Indus Waters Treaty that regulated India's and Pakistan's water issues for over 50 years. Water constantly causes tensions between the two riparian's and is a key factor of insecurity in a complex and conflictual state relationship. Thus, I turn to the World Bank as a former facilitator of the Indus Waters Treaty to lead the conflict resolution.*

## Background

Over the last decades, India's and Pakistan's population and its demand for water has constantly grown (World Bank 2018). However, the amount of fresh water has remained roughly the same. Securing water supplies has therefore become a core issue for the state of India and Pakistan. Here, the Indus River basin is at the center of conflicting interests. It is distributed between Pakistan, India, China and Afghanistan, while almost 90 percent of the basin is located in Pakistan and India. The basin rises in the Himalayan Mountains and crosses India's northern territories before it passes Pakistan to finally flow out into the Arabian Sea (see Figure 1). Approximately 200 million people are estimated to live in the basin region, thus outlining its importance to both countries. Particularly Pakistan is dependent on water supplies from the basin since agricultural products are Pakistan's primary economic income. Being the lower riparian, Pakistan is in an unfortunate situation that is further exacerbated by the hostile relationship with India. After dividing the British Indian Colony into India and Pakistan in 1947, the partition process led to numerous conflicts between the countries regarding the region of Kashmir, refugee property or the shared water of the Indus River Basin. A breakthrough occurred in 1960 with the creation of the Indus Waters Treaty (IWT). It took years of negotiation and the mediation of the World Bank to facilitate the agreement. The IWT determines an unrestricted use of western rivers for Pakistan and an unrestricted use of eastern rivers for India. India is under obligation not to extract water from the western rivers with the exception for the generation of hydroelectric power. In this context India's plans for hydroelectric power plants have created tensions in many cases. Many times, the IWT treaty is named as one of



**Figure 1. Indus River Basin.**

the most successful water treaties as it was involved in resolving a variety of conflicts around the Indus River Basin (Wolf & Newton 2016, World Bank 2017). Thus, it is even more alarming that the conflict further intensifies. As a reaction to deadly terrorist attacks in the region of Kashmir earlier this year, India's transport minister announced that "our Govt. has decided to stop our share of water which used to flow to Pakistan" (New York Times 2019). At the same time India's water minister threatened

not to let a single drop of water reach Pakistan (The Diplomat 2019). These threats endanger not only the IWT but also the peace between India and Pakistan. In order to avoid an escalation of conflict and to keep the parties adhere to the IWT, I propose a mediation process under the lead of the World Bank. In the following, the individual interests and benefits of mediation for each actor will be shown.

### **Actors & Interests**

World Bank: According to the World Bank (2018b) the IWT is a profoundly important international agreement that is an essential cooperative framework to address current and future challenges of effective water management. As initiator, facilitator and signatory of the IWT, the World Bank is also a guarantor for the continued existence of this treaty. The World Bank has a major interest in leading a mediation process to safeguard the treaty and peace between India and Pakistan.

Pakistan: The IWT is of utmost importance for Pakistan. Being placed in an arid region the lower riparian country Pakistan has a considerably low amount of rainfall. As mentioned above, Pakistan is dependent on the water supply for its agricultural use. The IWT is a security guarantee for Pakistan's economic wealth and the livelihood of many citizens.

India: India's threats to stop water flows were a direct reaction to deadly terrorist attacks earlier this year. Even though a militant group claimed responsibility for the attack, India accused Pakistan of helping the persons in charge. Being under pressure not to appear weak, India used its power position as upper riparian to threaten Pakistan and compensate for the attacks. Hereby, India intended to satisfy the large number of Indian hardliners, especially regarding internal elections.

### **Benefits of Mediation**

Knowing the actor's interests is the basis to understand the individual and collective benefits of a mediation process:

- *Safeguard the IWT*: The IWT peacefully regulated the use of water for over 50 years. Its preservation is essential for current and future water management between India and Pakistan.
- *Signaling effect*: Showing the willingness to cooperate about water will have positive signaling effects for other areas of tension such as the region of Kashmir or immigration laws.
- *Credible commitments*: Really stopping water flows to Pakistan is seen as highly unrealistic by many experts as this threat was not accompanied by details on when or how India might act to divert or withhold water from Pakistan. In the long term the threats undermine India's credibility which is why mediation offers a better solution to show strength and the willingness to address the problem.
- *Weaken radicalistic positions*: Threatening the state of Pakistan triggers terrorists to continue with violence and strengthen their support within the moderate population. Trying to find a cooperative solution in the context of a joint mediation would weaken such hardline positions.
- *Separating problems*: Mediating the water conflict helps to separate problems. The relation between India and Pakistan is complex and multilayered. So far Indian threats about water were often a direct retaliation against Pakistan. Isolating their problem helps to work efficiently and independently on different conflict issues.

- *Calm hostile relations:* A joint mediation for the current water conflict helps to overcome the hostility triggered by India's threats and improve diplomatic relations.
- *Platform for further cooperation:* A mediation process offers a platform to discuss other controversial water issues such as the construction plans for future hydroelectric power plans. In the past, disagreements occurred after constructions already started as the Baglihar or Kishanganga projects have shown. In those aspects, a mediation could not only solve recent tensions but function as a preventive conflict resolution tool.
- *Strengthen the Indian power industry:* India is far behind their potential of using hydroelectric power as a source for sustainable energy. One of the main reasons is the recurring disagreement with Pakistan about the construction parameters of hydroelectric power plants that are regulated by the IWT. Therefore, a mediation process would also be a chance to bring more security into hydroelectric power economy.

### **Potential Barriers to Mediation**

Despite the many benefits of mediation, it is important to discuss potential barriers. First, the interrelatedness of conflicts complexifies the mediation for the World Bank. The water conflict between India and Pakistan is part of a wider dispute and must be treated as such. Distrust is high and concessions are not very likely to be made. Second, terrorist provocation makes it more difficult for the two states to justify a cooperative solution. Especially radical voices call for measures of strength to avoid being perceived as a weak actor. Third, costs of such a mediation process are high. Therefore, a portable solution must be found.

### **Recommendations for the Mediation Process**

The mediation proposal is directed to Hartwig Schäfer. As the vice president for the South Asia Region you are responsible to lead relations with Indian and Pakistan. Finally, I will present a rough action plan to manage the water conflict between India and Pakistan:

1. *Assign a mediator:* There have been several meetings of World Bank officials with one of the two conflicting parties in the last years. As the mediator should be familiar with the parties and the dynamics of its conflict, I propose to choose a mediator from among the World Bank's personal that has been involved in previous meetings. Moreover, this personal connection could help to accept the mediation as a first step.
2. *Choose a location and time:* As the two parties are also entangled in a dispute over land, I propose the mediation to take place in a neutral setting. The World Bank's headquarter in Washington could be a neutral meeting location. In light of the continuing tensions, the meeting should take place as soon as possible. Considering the complexity of conflict, a first schedule should not be shorter than two full days of meeting.
3. *Invite the parties:* As a guarantor of the IWT the World Bank is the actor to most likely get both parties together.
4. *Monitor the mediation process:* Appointing a monitor independent from the mediator helps to oversee the process and document important achievements.

The transboundary water conflict between India and Pakistan needs conflict resolution. In sight of my analysis, a mediation lead by the World Bank is the best approach to this urgent problem.

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