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# The U.S.-India Strategic Partnership

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**By Lora Saalman**

Just prior to the July 18, 2005 meeting between U.S. President George W. Bush and India's Prime Minister Manmohan Singh, a senior official commented that the two parties would talk about "whatever is on their minds"; apparently, this turned out to be a lot. Some pursuits, such as a permanent seat on the United Nations Security Council, did not come to fruition. Still, India made major gains in one area of particular note: access to dual-use technology. Nuclear technology will lift India's masses to a higher level of electricity and convenience. Rocket technology will offer India's space program a giant leap forward.

However, this same equipment and technology has another possible function: serving as a means to build a better bomb or a longer range missile. India and the United States have charted a course toward transforming India into a "major world power in the 21st century." While the joint U.S.-India statement issued on July 18 represents a significant step forward in strategic bilateral relations, it presents an equally significant step backward in nonproliferation norms.

One may well ask whether India has taken the steps necessary to merit concessions in the domain of the "grand bargain" of signing onto the Nuclear Nonproliferation Treaty (N.P.T.). India remains outside of the N.P.T., as well as outside the Nuclear Suppliers Group and the Missile Technology Control Regime. However, India has not been plagued with the widespread proliferation scandals that sully its neighbor Pakistan.

As of April 2005, India passed its Weapons of Mass Destruction and Their Delivery Systems (Prohibition of Unlawful Activities) Bill to cover activities of its nationals, whether domestic or abroad. Many of India's recent technological advancements, especially in the nuclear field, have been indigenous. This is exemplified by India's reprocessing of mixed uranium and plutonium carbide fuel in its Fast Breeder Test Reactor at Kalpakkam in June 2005 and construction on the 500 MW Prototype Fast Breeder Reactor in October 2004. While largely self-sufficient, India continues its pursuit of technology to advance its nuclear and rocketry programs forward. The United States, for its part, has chosen to tread into the supplier territory that it once admonished Russia for entering.

### Prior U.S.-India Steps

While nearly a year ahead of schedule, the July 18, 2005 U.S.-India joint statement is not a sudden tectonic shift. The erosion of export controls on India began nearly as soon as they were imposed. Following India's May 1998 underground nuclear tests, President Bill Clinton placed sanctions on India. However, merely a day after imposing sanctions, the U.S. Department of Commerce approved the sale of computer software for designing printed circuit boards to Bharat Dynamics Limited, a known missile maker.

A few months later, this individual sale no longer appeared to be an example of an item



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that simply slipped through the cracks. On October 21, the U.S. Congress authorized the president to waive the existing economic and financial sanctions against India and Pakistan for up to 12 months. By February 1999, citing a more flexible policy on India and nuclear nonproliferation, the Clinton administration relinquished objections to India's request for a $150 million World Bank loan. By October 15, 1999, Congress adopted an amendment to the Defense Appropriations bill that granted the U.S. president the authority to waive all sanctions against India.

Clinton never had the occasion to take this next step of eliminating sanctions. Instead, President George W. Bush did it for him. In October 2001, Bush waived sanctions placed on India following the 1998 tests. By November 2002, India and the United States agreed to set up the High Technology Cooperation Group (H.T.C.G.), a body to facilitate the transfer of sophisticated civilian and military technology and to discuss space and nuclear cooperation. Following its establishment, former Under Secretary of Commerce Kenneth I. Juster lauded the H.T.C.G.'s contribution to the United States' 90 percent approval rate for dual-use licensing applications for India in 2003, more than doubling the value of such approvals to $57 million. This organization soon became a part of the larger India-United States Next Steps in Strategic Partnership (N.S.S.P.) initiative begun in January 2004. The N.S.S.P. assumed the function of expanding U.S.-India cooperation in civilian nuclear activities, civilian space programs, and high-technology trade, leading to modification of the United States' export licensing policies.

By May 31, 2005, U.S. Energy Secretary Samuel Bodman and the deputy chairman of India's Planning Commission, Montek Singh Ahluwalia, had formed five working groups and nuclear technology exchanges under the "India-U.S. Energy Dialogue." Discussion topics are anticipated to include "fusion science and related fundamental research topics," which would ostensibly not require approval under the U.S. Department of Energy's regulations for "fundamental" technology transfer. Still, fusion technology may also be used to create an energy boost for nuclear weapons, allowing the same destructive yield with a smaller size and weight for deployment.
Finally, in a decidedly overt military development, India's Defense Minister Pranab Mukherjee and United States Defense Secretary Donald Rumsfeld signed a 10-year defense agreement entitled "New Framework for the U.S.-India Defense Relationship" on June 27, 2005, just prior to the U.S.-India joint statement. This agreement called for expanding the bilateral defense trade including technology transfer, as well as joint research, development, and production programs.

**The Newest Step**

As the most recent and contentious measure, the joint U.S.-India statement creates a political quagmire in which strategic and economic bilateral gains affect the international community's nonproliferation momentum. In terms of the United States' part of the bargain, the decision to sign a Science and Technology Framework Agreement for joint research and training and public-private partnerships posits U.S. provision of high-technology to India. These transfers could extend to any number of exchanges previously banned under U.S. sanctions and export control legislation.

Both sides agreed to build closer ties in space exploration, satellite navigation and launch and in the commercial space arena through mechanisms such as the U.S.-India Working Group on Civil Space Cooperation. Yet, space technology also doubles for missile technology and U.S.-provided advances could be used in enhancing India's pursuit of intercontinental ballistic missile (I.C.B.M.) and submarine-launched ballistic missile capabilities.



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The United States also pledged to work to achieve "full civil nuclear energy cooperation and trade" with India, seeking congressional adjustment of U.S. regulations. Specifically, the July 18 joint statement mentions fuel supplies for safeguarded nuclear reactors at Tarapur. Tarapur is under International Atomic Energy Agency (I.A.E.A.) safeguards, but more than a dozen of India's nuclear reactors, heavy water production facilities, enrichment plants, and uranium purification sites are not. Full civil nuclear cooperation lends itself to dual-use dangers given the near impossibility of separating between civilian and military nuclear facilities and India's already selective approach to safeguards.

India has already demonstrated its shaky commitment on both of these counts since plutonium used in its initial 1974 nuclear detonation originated in its Cirus reactor, supplied under a civilian use pledge. Even if India fulfills its pledge to place a few more civilian facilities under I.A.E.A. safeguards, the Indian Express stated it best in exclaiming that India would retain its "nuclear jewels" and keep Cirus, Dhruva and other weapons-related nuclear reactors away from inspectors. Moreover, full civil nuclear energy cooperation with a non-signatory to the N.P.T. contravenes the very essence of the treaty.

India's promise to continue its unilateral moratorium on nuclear testing demonstrates an offer that, while feasible, already exists in practice. Similarly, in promising to refrain from the transfer of enrichment and reprocessing technologies to non-nuclear weapon states, India is merely reiterating its current stand and does not represent new initiatives. In promising to work with the United States for the conclusion of a multilateral Fissile Material Cut Off Treaty, India has furthermore signed onto a promise of working toward a treaty that is not expected to succeed. While the United States has relinquished many of its former policies, India has merely restated its own.

## The Role of U.S. Interests

While the July 18 joint statement in terms of technological gains is weighted in India's favor, this does not indicate that there are no advantages for the United States. For the United States, benefits rest in the financial gains to be made through military sales to India and the preferential placement of U.S. military bids vis-à-vis European, Israeli, and Russian competitors. The Indian Air Force plans to purchase 126 new jets over the next four to five years. Not coincidentally, on March 25, 2005, the United States agreed to allow Lockheed Martin to sell F-16 fighter planes, which may be used to deliver nuclear weapons, to both India and Pakistan. If F-16s are selected over Swedish, Russian, and French competitors, the total price tag for supplying India alone could reach $3 billion.




The U.S. also has been looking for markets to peddle such wares as the much touted and much failed PAC-III missile defense system, which figures prominently into the Rumsfeld-Mukherjee "New Framework for the U.S.-India



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Defense Relationship." Strategically, India offers the potential for increased cooperation with a country that is rapidly growing as an economic and military power in a region increasingly dominated by China. The United States has also been searching for a means of expanding the Proliferation Security Initiative and interdiction into the Indian Ocean. On issues of terrorism, India has also presented itself as a point of intelligence sharing in a crucial region. [See: "India's Project Seabird and the Indian Ocean's Balance of Power"]

Among the negative points for the United States, many of India's gains demand few if any new requirements. India remains outside of the nonproliferation regime. Cooperation on dual-use technology may one day threaten regional and international stability since India will be gaining access to missile and nuclear technology that could be used in an I.C.B.M. or for expansion of or improvements in its nuclear weapons program.

While India does not have a reputation for proliferating to other countries, it remains a source of concern for its own capabilities and for its impact on other states wishing to proliferate. The United States nonproliferation principles and arguments used vis-à-vis Iran and North Korea will become more tenuous. The United States will also increasingly find pressure from Pakistan to provide similar technological exchanges, potentially leading to greater strains on U.S.-Pakistan cooperation. [See: "Pakistan: a Geopolitical Crux"]

In fact, on July 25, 2005, just a week after the U.S.-India joint statement, Pakistan's foreign office spokesman Naeem Khan voiced his government's interest in U.S. cooperation on "nuclear energy, high technology and the peaceful use of space technology." Ominously, that same week, Pakistan's Prime Minister Shaukat Aziz cancelled his visit to the United States. For Russia and China, criticized in the past for their assistance to India, Iran, and Pakistan's nuclear programs, the U.S.-India joint statement opens up the playing field for future transfers to more countries than just India.

**The Role of Indian Interests**

For India, domestic news articles lament India for selling out to U.S. demands with particularly sharp criticism emanating from India's left and former Prime Minister Atal Bihari Vajpayee. On the whole, however, the removal of sanctions and mitigation of dual-use restrictions work in India's favor. India will gain access to technology that will enhance its civilian nuclear and space programs, as well as its nuclear weapons and missile fields. Not only will access expand, but India's market and negotiating leverage will grow vis-à-vis Russia, Israel, France and other suppliers.

Russia and France have already voiced approval of the United States' broad lifting of constraints on trade with India, hoping soon to be able to provide fuel and technology for India's nuclear, space, and defense programs. Increased U.S. presence also creates an incentive for China and other states to engage India further economically, politically, and militarily to prevent the U.S from becoming India's primary partner. Cooperation in the nuclear and missile realm will spill over into all areas of trade and economic cooperation with India.

On the negative side, India will be losing a degree of its non-alignment policy, and its military policy will face greater U.S. interference. U.S.-India alignment, even if only nominal, could lead to other countries regarding India as a U.S. lackey. This newfound role will limit India's ability to intervene as an international player, especially in areas of nonproliferation. Not only will it be seen as a U.S. "ally," India will also serve as a shining example of to what some countries would aspire, establishing a nuclear weapons



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program outside of the N.P.T. and later receiving acceptance and rewards. India may also wind up fulfilling the dire predictions of Indian analysts that see the United States attempting to dominate the Indian Ocean. Finally, if the cooperation develops a heavier strategic tone, any inkling of the U.S. using India to balance China or Pakistan could endanger India's own security through regional arms racing.

**Conclusion**

India has eschewed nonproliferation constraints and tested nuclear weapons. Yet, less than a decade later, India receives benefits in not only the military realm, but also with nuclear and missile-related dual-use technology. This sends a hypocritical message to countries playing by the nonproliferation "rules," as well as to those that are trying to break them.

The U.S.-India joint statement has already set in motion mechanisms that promise to test the U.S. Congress and the Nuclear Suppliers Group as to their stand on nonproliferation. While the parties pushed the joint statement nearly a year ahead of schedule, the outcome remains distant due to demands for changes in U.S. and international nuclear legislation.

In the meantime, the United States has tied its hands on demanding more concrete pledges from India on cutting its fissile material production, much less placing its nuclear facilities under feasible safeguards. The United States stopped just short of calling India a nuclear weapons state and yet it conferred upon India the same benefits as an N.P.T. signatory.

Cooperation between the United States and India has the potential to generate economic and strategic benefits for both parties in military exchanges and confidence-building measures. For the moment, however, the scale is decidedly tipped in India's favor on technology transfers. India is on its way to becoming a great power in the 21st century, and for India a large part of this accomplishment will remain vested in its nuclear weapons and missile programs.

Ultimately, while the U.S.-India joint statement is bilateral in tone, its repercussions will be global. Nuclear weapon states and military suppliers such as Russia, China, and France are carefully observing the outcome to guide their own future sales. Similarly, countries outside of the N.P.T. or countries contemplating violation of the treaty are also watching. If the agreements and changes in U.S. or international legislation that come out of the joint statement are not made with this understanding, India's gain may be the nonproliferation regime's loss.

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