

## THE US-INDO NUCLEAR AGREEMENT IN THE CONTEXT OF DEVELOPING STRATEGIC PARTNERSHIP: IMPLICATIONS FOR PAKISTAN'S SECURITY

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History has a habit of repeating itself. In 1962 the US-India military agreement propelled the staunch US ally Pakistan to initiate moves to 'diversify' its security umbrella by freeing itself from the total dependence on Washington. China, to Pakistan's North East, was a willing and able partner in accommodating Pakistan's overtures for security and defence needs. After 9/11 Pakistan found itself at the forefront, and as Washington's ally, against the GWOT and has singularly bore the main brunt of this war but, once again, the tangible rewards have flowed not to Pakistan but rather to India in the shape of the US-Indo Nuclear Agreement<sup>1</sup>. This may yet prove to have far-reaching consequences than the 1962 agreement because the security gains for India from the Agreement are likely to have far serious negative implications for Pakistan. The Agreement opens Indo-US cooperation not just in the nuclear field but adds on to and reinforces the diverse range of activities including extensive military to military and more importantly contribution to the Indian economy. The strategic partnership will propel the Indian economy's growth further thereby giving her a base to support, and expand, an already numerically superior military machine relative to that of Pakistan. Pakistani request from the US for a similar Agreement has been declined<sup>2</sup> and Islamabad has openly expressed disappointment.<sup>3</sup>

At every turn, and throughout the major part of its history, Pakistan has been struggling to thwart aggression from its larger easterly neighbor, India.<sup>4</sup> Within three years of having dismembered Pakistan, the very same adversary introduced the nuclear factor into the region compelling Pakistan to launch its quest for security through the nuclear option. Pakistan, of course, regardless of lessons of history and aggression, was not the first to go nuclear: in 1998 India exploded a nuclear device first without serious international punishment befalling her or reward for Pakistan for showing restraint. Pakistan was forced, therefore, only and only because of

security compulsions, to follow suit<sup>5</sup>. Pakistan's quest for security through the nuclear option was neither easy nor cheap for the country but was achieved through the same methods as India i.e. "beg, borrow and steal".<sup>6</sup> Pakistan's security dilemma compelling her civilian government to launch the nuclear program could still have been avoided had her security alliances thwarted aggressions against her. But these alliances proved ineffective at all crucial junctures of history.

Pakistan, as India, by going nuclear did not violate any international norms since both were not members of the Non-Proliferation Treaty (NPT). However, the US by entering into the Agreement with India and the former agreeing to transfer nuclear technology clearly violates the letter and spirit of the NPT.<sup>7</sup> The significance for Pakistan of this is in its perceptions of friends and the consequences for the future Pakistani strategic environment, than any legal niceties that may have been violated. Pakistan may well conclude that once again her security imperatives would require a reassessment of her minimum nuclear deterrent, a greater drive towards self-reliance in matters of defence and who her friends are.

This is the irony in the triangular relationship of India, Pakistan and the US. The Agreement aims to bolster India as a regional power to counter what is perceived as an emerging competitor to US power, China<sup>8</sup>. Yet singularly Pakistan, a major non-NATO ally<sup>9</sup>, perceives the future growth of Indian power as a direct threat to its security and a threat that is not being addressed in this triangular relationship by the US. A further irony is that Pakistan may be compelled indirectly by US strategy, as in 1962, to expand the already warm relations with China in order to ameliorate the impact of the Agreement.

This paper aims to first examine the likely security gains accruing from the Agreement to India rather than the technical details or the violation of the NPT, assuming that the Agreement gets approval from the US Congress and the Nuclear Suppliers Group (NSG), and secondly the consequences for Pakistan's security. It should be highlighted here that the argument of this



paper is to place the Agreement and its ramifications for Pakistan in the broader Indo-US security spectrum of relationship.

### **Anatomy of the Indo-US Nuclear Agreement**

Although, vast amount of commentary on the Agreement have been focused on the violation of the NPT regime and likely impact on proliferation<sup>10</sup>, the Agreement must be viewed, especially from the Pakistani perspective, in the broad framework of the developing Indo-US relations. *The Agreement is only a small part of a manifestation of an explicit ending of US tilt towards Pakistan.* This tilt away from Pakistan and towards India, had begun prior to the July 2005 Manmohan Singh visit to Washington, and has been accelerated by the recognition in Washington of the potential challenges of China and the vast potential market of India. The convergence of US military strategy and economic capitalism has been crystallized by the neo-cons in the Bush administration. But this policy had been fermenting in US security thinking since the 1960's having only been kept at bay by Indian friendship with the USSR and Pakistan's role first in the containment of Communism generally and then pivotally of the Soviet Union on the borders of Afghanistan and Pakistan.

A Pakistani perspective on the Agreement must necessarily therefore take this broad view of the Agreement and only then can Pakistani policymakers come up with an appropriate response for the evolving South Asian strategic environment. Indeed, the benefits of the Agreement to India are not insignificant in themselves but the Agreement must be also viewed in the overall US strategic thinking of India's place regionally and globally and the consequent benefits that are likely to accrue to India from this strategic position.

The Indo-US Joint Statement of 18 July 2005 lays out the road map for future strategic cooperation between the two countries. This Joint Statement was formalized in the Indo-US nuclear Agreement on the 2<sup>nd</sup> March 2006. The cooperative framework has several facets but primarily the Agreement is ostensibly touted as to enable India to acquire civil nuclear technology from the US, and the NSG, in order that New Delhi realizes its goal of energy

security. One of the architects of the US vision for India, Ashley Tellis has argued that the Agreement is “to strengthen India’s ability to expand its civilian nuclear energy’s contribution to India’s large and rapidly growing electricity needs, rather than a closet ‘atoms for war’ effort that would have the effect of covertly accelerating the growth in India’s nuclear arsenal”.<sup>11</sup> Nevertheless, Tellis, has also argued before the US House International Relations Committee, that “Congress should not support any amendments that are intended to limit, or have as their effect a limitation on, India’s capacity to produce fissile materials for its nuclear weapons program.”<sup>12</sup>

The opponents of the Agreement have precisely pointed to this weakness in the US-India agreement that it places no capping on the Indian strategic program or constraints on Indian bomb making. The central or core issue from the security perspective of Pakistan is that the Agreement does not constrain the future accumulation of fissile materials for nuclear weapons. The Agreement could thus assist India to make not only qualitative but also quantitative improvement in its nuclear weapon productions program. By enabling India to import uranium for its civil program, thereby freeing up limited indigenous uranium for military program, the Agreement actually helps India increase its weapon capacity. An assessment of Indian fissile material production capability and how they might change as a result of the Agreement concluded that “the Agreement will enable India, should it choose to do so, to grow its stocks of weapons grade plutonium from the present rate of about 7 weapons worth a year to about 40-50 weapons worth a year”<sup>13</sup>.

Would India choose to expand its stocks of weapons grade plutonium? Intentions are difficult to gauge but Manmohan Singh’s statement sheds some light: “there will be no capping of our strategic program, and the separation plan (i.e. civilian from military programs) ensures adequacy of fissile material and other inputs to meet the current and future requirement of our strategic program, based on our assessment of the threat scenarios. No constraint has been placed on our right to construct new facilities for strategic purposes”.<sup>14</sup> Thus, the Agreement’s failure to obtain India’s moratorium on fissile material production and India’s refusal to



encompass large part of Indian nuclear facilities within the international inspection regime would lead one to conclude that India's intentions as to weapon stockpiles is suspect.

The proliferation of advanced nuclear technology to India, ostensibly for civilian purposes, could also end up being used in improving nuclear weapon warheads and delivery systems. This potential misuse of civilian technology is not without precedent. As Gary Milhollin testified before the US Senate Foreign Relations Committee "India, in fact, is the first country to develop long range nuclear missile from civilian space program. Indian's Agni missile tested in 1989 was built by using the design of the American 'Scout' space rocket. India imported the blue prints from NASA under the cover of peaceful space cooperation".<sup>15</sup>

### **The Agreement in a Wider Context**

Many observers have commented that the Agreement recognizes and legitimizes India's status as nuclear weapons state outside the NPT whilst leaving Pakistan out in the limbo. The importance of this for Indian status and foreign policy is not a minor issue but taken in the wider context of Indian ambition and aspirations, it is not a mean achievement of Indian foreign policy. As Ashton Carter, a former State Department official, writes "As part of the agreement, President George Bush broke with longstanding US policy and openly acknowledged India as a legitimate nuclear power ending New Delhi's 30 year quest for such recognition."<sup>16</sup>

The Indian author Mohan, a Member of the National Security Advisory Board, is not much off the mark at least in terms of the political implications of broad Indo-US nexus, when he writes, with overflowing exuberance, that 'after disappointing itself for decades, India is now on the verge of becoming a great power. The world started to take notice of India's rise when New Delhi signed a nuclear pact with President W. Bush in July 2005 ... As it rises, India has the potential to become a leading member of the "political West" and to *play a key role in the great political struggles of the next decades*' (emphasis added).<sup>17</sup> It would not be

unreasonable to venture that in the decades to come the Agreement will be a footnote in the history books to a broader evolving relations between the US and India. And herein lay the serious implications for Pakistan's security.

The key role envisaged for India by the Bush administration is unlikely to be limited to China or Indian markets. The Bush Administration has referred to India as a "natural partner"; the partnership has bestowed upon India a role to police the South Asia region and check the spread of "Islamic Fascism". As early as April 2005 it was reported that the Indian Foreign Secretary, Shyam Saran, had "historic talks" with US Under Secretary of State for Political Affairs, Nicholas Burns as a part of "...of a steady movement by the Bush Administration towards recognizing that virtually all of South Asia is part of India's sphere of influence....Even on Afghanistan, the Bush administration is now encouraging New Delhi to step up its already considerable engagement with Kabul. This represents a sea-change from Bush's first term, when Colin Powell, the Secretary of State, pressured India to go slow on its interaction with Hamid Karzai's government and even cut down on assistance to the post-Taliban establishment because it was not to the liking of General Pervez Musharaf".<sup>18</sup>

There are other tangibles of this evolving relationship. Aside from the possible direct orders for power reactors by India from the US and the creation of new jobs in America because of the Agreement<sup>19</sup> the defense industry in the latter is gearing it self up for billion of dollars worth of orders for major platform systems such as aircraft and naval ships.<sup>20</sup> However, even prior to Prime Minister Manmohan's visit to Washington in 2005, the defence ministers of the United States and India signed a 10-year Defence Cooperation Agreement paving the way for joint weapons production, cooperation on missile defence and possible lifting of US export controls for sensitive military technologies.<sup>21</sup> At the insistence of the Indians clauses were inserted in the agreement stipulating specifically that US arms will be purchased only if weapons technology is transferred and weapons are co-produced.<sup>22</sup> The military pact came three months after the United States unveiled plans to help India become a "major world power in the 21st



century"<sup>23</sup> and ahead of a visit by Indian Prime Minister Manmohan Singh at the invitation of President George W Bush from July 18 to 20. The 2005 Indo-US defence agreement had also been preceded, under the momentum of the 9/11 events, by the signing of "Framework of Next Steps in strategic Partnership (NSSP)" in 2004 and setting in motion the current strategic relationship.

Defence has moved to the center stage of the relationships. The 10 year defence agreement stipulates that the defence relations were an important pillar of their "transforming bilateral relationship". That is why, in the overall context of relations, it is of limited consequence whether the Agreement proceeds to fruition or not. India is being offered the entire range of advanced US military technology from F-16's, F18 F/A-22 and the P-8A multi-mission maritime aircraft. Deputy State Department spokesman Adam Ereli was quoted as saying that US corporations were "free to talk to India" about whatever aircraft they could offer and that "it'll be up to India to decide what it wants".<sup>24</sup> More ominously, even the anti-missile system PAC-3 is also on the table, as part of the defence cooperation under the 2005 defence agreement, with all sorts of implication to the nuclear stability in the region. Over the past few years over 35 military-to-military joint planning and exercises between US and Indian forces have been undertaken particularly in the maritime field.

Complementing the evolving defence interactions, Indian and US economic relations are also aggressively converging and cannot be isolated, nor given less weight, in the so called "natural partnership". The expectation that Indian GDP growth of 7.5 per cent for the next twenty years, India's huge emerging middle class and its overtaking of the current giants has wetted American appetite. Indian preaching, to the already converted, has been, "closer integration of one fifth of humanity with global markets" and the benefit that this will accrue to the world economy as well as, but more importantly, to the US economy<sup>25</sup>. India's open economy, and open society, and the US strategic interests have thereafter been reemphasized on Manmohan Singh's visit to Washington in July 2005 and George Bush's visit to Delhi in March 2006.

## **The Fall Outs**

Common security interests and a converging vision of the future have attracted the US and India into a closer embrace, even if the embrace would appear to be suffocating as some sections within the Indian community believe.<sup>26</sup> Despite some reservations within India, the multi-faceted relations, the Agreement being one in particular if it takes of the ground, will lead to the strengthening of India. More ominously, the role charted for her by the US does not portend well for the region. Fears that this role may be akin to that of Israel in the Middle East can only lead to uneasiness especially in the smaller South Asian countries. As the late Agha Shahi has commented the role envisaged for India implies projections of power by the latter into her neighborhood and beyond<sup>27</sup>.

Specifically from the Pakistani perspective the developments in the Indo-US relations, especially in the defence area, entail and raise serious questions as to Pakistan's nuclear deterrence, conventional balance, Pak-US relations and Pakistan's diplomatic place in the region and the world. These issues are also all linked to the stability of the Asian region and more principally to the credibility of the Pakistani deterrence against any future Indian adventures.

It is clear that the current conventional military imbalance between India and Pakistan in favour of the former is quite substantive and pronounced in every area, be it in manpower, military equipment, the navy and more crucially in the air. The imbalance is substantive not only in terms of quantity but also quality of military hardware. This in itself, as has been argued, is seriously destabilizing and may tempt India to undertake military operations preemptively in a crisis situation to attempt to knock out Pakistan's nuclear arsenal. As Rodney Jones has argued "Regional instability does not therefore rest on nuclear balance per se, but on inequality of strategic depth and *the potential for India to employ conventional forces to destroy Pakistan's nuclear forces*" (emphasis added).<sup>28</sup>



However, the current conventional imbalance continues to widen to the disadvantage of Pakistan as the Indian economy is able to sustain continued acquisition of military hardware. Since 1971, historically a defining year for Pakistani threat perceptions, Indian defence spending has increased relative to Pakistan's from a ratio of two to seven. Pakistan is not likely to match the Indian economy's capacity to indulge in such spending nor would Pakistan wish to enter a conventional arms race. From this respect the goals of the Indo-US defence partnership would appear to be even more disconcerting for Pakistani policymakers. The partnership enhances Indian non-conventional forces as well as her nuclear forces. The Indian belief, as extrapolated in the Cold Start Doctrine, that it can fight a conventional war under the cover of the nuclear umbrella for limited purposes is based for its success on an agile force, concentration of firepower and superior air cover. The Indo-US partnership goes a long way in helping India structuring a military force that may be tempted in implementing such a Doctrine no matter how far fetched such an idea may be.

The consequences of the Agreement also enable India to make qualitative and quantitative improvements in its nuclear arsenal and accentuate the imbalance in conventional arms even more so. But nuclear deterrence both regionally as well as between India and Pakistan could also be impacted. The cooperation in space and sale of sensitive technologies to India would certainly weaken Pakistan's nuclear as well as conventional deterrence. It has been recognized that Pakistan's security from outside aggression since its acquisition of nuclear weapons has been maintained by its own deterrence and unlike previous decades Islamabad is the master of its own destiny. Therefore by necessity Pakistan will be compelled to either enter an arms race, which is unlikely, or continue to upgrade its own minimum nuclear deterrence to compensate its widening imbalance in conventional forces as well as the Indian upgradation of its nuclear weapons. The importation into the region of the Ballistic Missile Defence (BMD), as envisaged with in the Indo-US defence agreement and if actualized, would be a further reason for Islamabad to re-evaluate its minimum nuclear deterrence.

### **The Way Forward for Pakistan**

Pakistan's strategic options in responses to the evolving strategic environment are not as bleak as it would appear to be at first sight. The core issue of expanding Indian power and influence is a serious consideration for policy makers more so as long as the future of Kashmir and other outstanding issues between Pakistan and India remain unresolved. And if unresolved, these issues will continue to remain a trigger for instability in relations. The outcome of the Agreement and continuing progress in US relations with India generally, will require an adjustment of Pakistan's security driven foreign policy: if the partnership develops as envisaged by Washington then the adjustment has to be substantial but realistic.

Need of durable and trust based relations with the US have always posed a challenge to Pakistan. Despite the distrust and new alignment, Pakistan can neither ignore nor downgrade her relations with Washington more so as the latter is keen to engage in the region. There are vital interests that overlap and Pakistan shares with the US. These interests are economic as well as politico-military including the degrading and elimination of extremism and terrorism. Thus the adjustment in Pakistan's foreign policy does not have to be at the expense of its relations with Washington.

Then again, neither can Washington afford to have relations disrupted with Pakistan or would wish to unsettle the delicate balance in the region although to most observers the strategic partnership would appear to be against the grain of avowed US policy of maintaining strategic stability. Pakistan is pivotal to US interests in the region and Pakistani interests, such as a mirror deal on the lines of the Agreement, must be pursued incessantly with the US administration.

Normalization of relations with India, and the peace process, must move forward whilst fostering and diversifying relations with China, Russia, the EU and Islamic states. The basis of all relations must be for the betterment of the Pakistani economy to lay the foundation for strong and viable security. For better economic cooperation, Pakistan needs to give priority to bilateral and regional



cooperation such as the Economic Cooperation Organization (ECO) and the Shanghai Cooperation Organization (SCO) which includes both China and Russia as well countries from the region.

For energy requirements, just as for indigenous weapon system production such as the successful cruise missile, Pakistan must continue to improve and expand capability. Chinese assistance in the energy sector is of crucial importance and under the impetus from the Indo-US Agreement this aspect of Sino-Pakistan relations is bound to be reviewed. China has completed one nuclear plant (at Chasma) for Pakistan's energy needs, and three more are planned. China has already indicated her desire to support Pakistan's right to Nuclear energy, and right to receive nuclear technology, at the NSG forum; this needs to be built on and Pakistan's legitimate energy requirements secured.

Pakistan's economy is growing, and with this growth comes higher energy consumption and stronger pressures on the country's energy resources. At present, natural gas and oil supply the bulk (80 percent) of Pakistan's energy needs. However, the consumption of those energy sources vastly exceeds the supply. For instance, Pakistan currently produces only 17.3 percent of the oil it consumes, fostering a dependency on imports that places considerable strain on the country's financial position. Over the next 25 years the country's overall demand for energy will increase by 350 percent. During this period, the percentage of Pakistan's total energy needs met from indigenous sources will fall from 72 to 39 percent. Choices made today in respect of Pakistan's energy needs will have a major impact on whether Pakistan succeeds in generating high GDP growth rates a generation hence.

The pressure to review Pakistan's minimum deterrence will grow in parallel to India's acquisition and ability to enlarge its nuclear capability. These pressures may even be difficult to resist if Indian quantitative and qualitative improvements in conventional forces continue unabated. Pakistan's nuclear credibility is the cornerstone of its security and its erosion could only lead to instability in the region. The Indo-US nuclear Agreement has brought about uncertainty for the future and may perhaps turn to be

the cause of future instability not only in the Indo-Pakistan but also in Sino-Indo nuclear strategic balance.

#### End Notes

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1. Henceforth the US-Indo Nuclear Agreement will be simply referred to as the Agreement. The text of the agreement can be found at <http://www.whitehouse.gov/news/releases/2005/07/20050718-6.html>.
2. *The Dawn*, March 2006
3. Press Release, Ministry of *Foreign Affairs, Islamabad*, 17 March 2006.
4. The Kargil episode is generally noted by most western observers to have been engineered by Pakistan; however, President Musharaf recently revealed that Pakistan by launching the Kargil offensive was acting preemptively after receiving specific intelligence of imminent Indian military action See Pervez Musharaf, *In the Line of Fire* (London: Simon and Schuster, 2006), pp 87-98.
5. It is important to distinguish the motives for the two South Asian neighbors going nuclear. Most Asia specialists concur that Pakistan's motives for acquiring the nuclear option was for security reasons whilst India's motives were more to do with it's desire to achieve great power status. See Steve Coll, *Ghost Wars* (NY: Penguin Pres, 2004 ) and Peter Lehr, "Security, Prosperity and development in South Asia: A view from Europe" in *Prospects of Peace, Stability and Prosperity in South Asia*, IRS (Islamabad: Aziz-ul-Hauqe, 2005), p75
6. Leonard Spector and Jacqueline Smith , *Nuclear Ambitions* (Oxford: Westview Press, 1990)
7. The Agreement clearly violates Article 1 of the NPT and also contravenes the guidelines of the Nuclear Supplier group NSG). For the details of the NPT see <http://www.armscontrol.org/treaties>
8. Under the National Security Strategy for the 21st century no state will be allowed to challenge the military supremacy of the United States. See the *National Security Strategy* of the US (2002 and 2006). Also, The Pentagon's Quadrennial Defence Review of February 2006 identifies China as the principal military threat in the future for the US
9. President Bush's stated "I hereby designate the Islamic Republic of Pakistan as major non-Nato ally of the United States for the purposes of the Arms Export Control Act", BBC News, 17 June, 2004
10. These issues have also been amply covered in other articles in this current issue of the Journal.
11. Ashley Tellis, "Atoms for War?" *Carnegie Endowment for International Peace*, June 2006, p9.



12. Ashley Tellis, "the US-India Global Partnership: Legislative Options", Prepared Testimony to the House Committee on International Relations, 11 May 2006, p5. Statement can be found at <http://www.carnegieendowment.org/files/ashleyjtellishirctestimony.pdf>
13. Z. Mian, A. Nayyar, R. Rajaraman and M.Ramana, "Fissile materials in South Asia and the implications of the US-India nuclear Agreement", *Draft report for the International Panel on Fissile Materials*, (Princeton University, 11 July 2006) p30
14. Prime Minister Manmohan Singh's Statement on Implementation of India's Separation Plan, 7 March 2006.
15. Gary Milhollin, "U.S.-India Nuclear Cooperation: Strategic and non-proliferation implications" Testimony before the Senate Foreign Relations Committee, 26 April 2006, p7. Testimony can be found at <http://www.iranwatch.org/Gary/sfrc-milhollin-042606.htm>
16. Ashton Carter, 'America's New Strategic Partner?', *Foreign Affairs*, Vol. 85 No. 4, (July/August 2006), p3.
17. C. Raja Mohan, 'India and the Balance of Power', in *Foreign Affairs*, Vol. 85 No.4, (July/August 2006) pp 17 – 18
18. K. Nayar, "The US Recognizes South Asia as India's sphere of influence", *The Telegraph*, 5 April, 2005.
19. Condoleezza Rice, "Our Opportunity with India", *The Washington Post*, 13 March 2006.
20. Steven Weisman, "Dissenting on Atomic Agreement", *The New York Times*, 3 March 2006.
21. For the text of the ten year Defence Cooperation Agreement see <http://www.ondianembassy.org/press/2005/June/31.htm>.
22. See K.P. Nayar, "India, US in Joint Action Pact", *The Telegraph*, 30 June 2005
23. *The Washington Post*, 26 March 2005
24. *Ibid.*
25. Shym Saran, "Transforming US-India Relations: Forging a Strategic Partnership", *Carnegie Endowment for international Peace*, Washington, DC, 21 December 2005. Indo-US bilateral trade, since 2004 has increased by 88% standing at 20 Billion dollars; and Indian IT related services are said to be increasing by 25% per year. See Terestia Schaffer, 'Bond of Democracy', *Daily Times*, 3 March 2006.
26. Comments by an American academic from his discussions in New Delhi that some Indians feel that the Americans may be 'coming on to fast' in their embrace of India.
27. Agha Shahi, "Indo-US Strategic Pact", *Dawn*, 28 July 2005.
28. Rodney W. Jones, "Conventional Military Imbalances and Strategic Stability", *SASSU Research Paper No.1*, March 2005, p4.

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