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INDO-US NUCLEAR AGREEMENT: REGIONAL CONCERNS

Abstract

The signing of Indo-US nuclear agreement, in March 2006, has been a major breakthrough in the bilateral relationship between India and the United States with far reaching security implications for South Asia and beyond. After long years of cost benefit analyses and a complex process of negotiations, India and the US have forged a strategic partnership that includes exchange of nuclear technology, which even in the recent past has been almost unthinkable. Indo-US strategic partnership is deeper in substance and wider in scope than the Pak-US relationship. India's decision to remain nuclear and *de facto* US recognition to New Delhi's nuclear status generated significant concern among the countries of the region and beyond. The Indo-US nuclear deal increases the risk of proliferation in South Asia and, thus, became a cause of great concern for the countries like Bangladesh, Pakistan, Nepal and others. It would be a major backward step for global nonproliferation efforts. Before approval, the US Congress should take the risk factors into account and should either recommend major changes in the agreement or reject it altogether.

1. Introduction

The signing of indo-US nuclear agreement, in March 2006, has been a major breakthrough in the bilateral relationship between india and the United States with far reaching security implications for South Asia

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and beyond. After long years of cost benefit analyses and a complex process of negotiations, india and the US have forged a strategic partnership that includes exchange of nuclear technology, which even in the recent past has been almost unthinkable. Recently concluded indo-US strategic partnership has drawn wider international attention as the two countries are apparently moving towards developing significant convergence of mutual interest on a very sensitive issue. There are divergent opinions among the experts and analysts regarding implications of indo-US nuclear deal. India's decision to remain nuclear and *de facto* US recognition to New Delhi's nuclear status coupled with the rapid growth of indian economy generated significant concern among the countries of the region and beyond. Central to this is the fact that the newly formed Indo-US security ties are likely to have remarkable impact on the emerging balance of power not only within South Asia but also beyond. It is in this light that the current paper will address primarily but, not exclusively, the following questions:

- How did the two countries reach the nuclear deal and what is the nature of the deal?
- What are the likely impacts of the indo-US nuclear deal on the security predicaments of the regional countries?
- Why both the countries are apprehensive about the ultimate outcomes of the partnership?

2. Indo-US Nuclear Deal: Background and Nature

India's nuclear ambitions are long-standing. The country virtually entered the nuclear club as early as in 1974 with its 'peaceful' nuclear test. However, the US and its allies like, Canada and the UK could not recognize New Delhi's nuclear test of 1974 as being peaceful. As a consequence, India's cooperation in the nuclear field with these countries, from where it had acquired, as early as in mid-1950s, a nuclear reactor and heavy water for peaceful purposes, came to an end.¹ Then, after the second nuclear test in 1998, the country faced US sanctions. Nevertheless, President Bill Clinton initiated the

¹ George Perkovich, *India's Nuclear Bomb* (Berkeley: University of California Press, 1999), p. 30.

breakthrough in bilateral relations during his visit to South Asia in March 2000, when he spent only three hours in Islamabad as compared to five days in India. Clinton administration laid the foundation for what followed afterwards by recognizing 'India as an important country'.² President George W. Bush quickly lifted sanctions against India in the aftermath of suicide attacks in the US heartland in September 2001.

In recognition to the potentials of India at a critical juncture, President Bush designed a comprehensive policy that covered economic, technological, political and even military aspects in building strategic relationship with New Delhi. *The US National Security Strategy Report of 2002* underscored the need for a transformation in its bilateral relationship with India 'based on a conviction that US interests require a strong relationship with India'.³ At this stage, the Indo-US military ties were evolving through joint military exercises along Chinese borders, high level visits and some armament purchases.⁴ In the context of emerging Indo-US security cooperation, the US Under Secretary of Commerce stated in Mumbai in November 2003 that a 'strong and vibrant India will be most effective' in advancing the shared objectives of promoting peace and stability in Asia. Eventually, the Bush administration came up with a strategic plan to build India as a 'Global Power' for combating global terrorism and halting the proliferation of weapons of mass destruction (WMD) in the Middle East.

Root causes behind the US enthusiasm in advancing the latest strategic partnership with India were as follows:

² Stephen Phillip Cohen, "A Deal Too Far?", *The Observer Research Foundation*, 28 February 2006, p. 2.

³ *The National Security Strategy of the United States of America*, The White House, September 2002.

⁴ Christopher S. Raj and Chintamani Mahapatra, "US Strategic Response to Emerging Problems in Asia", *International Studies*, Volume 41, Number 3, July-September 2004, p.286.

- Ideologically, the Bush administration lauded Indian democracy⁵ for its commitment to 'political freedom' and representative character and considered it as a 'natural partner' in strategic issues of regional and global significance.
- Economically, India adopted economic liberalization policies in 1991 and showed signs of moving toward 'greater economic freedom' with an ultimate objective of establishing corporate business with the US.
- Strategically, the Bush administration probably contended that unless dealt favorably India could form alliance with 'alternative super power china',⁶ and become a threat to the American strategic interests. This also included the free flow of commerce through the 'vital sea-lanes' of the Indian Ocean.⁷ Through a strong strategic partnership, the US intended to 'best address' her options with India and shapeup a mutually favorable future against the rising Tiger China,⁸ as well as Iran and North Korea.
- Militarily, the Bush administration perceived that India could be an effective partner in its "War on Terror",⁹ because they face common enemies. India is combating *Jihadis* in Kashmir, while the US is facing a similar force in Iraq and Afghanistan. In view of the situation, both the countries can fight together against the

⁵ Sharon Squassoni, "US Nuclear Cooperation with India: Issues for Congress", Updated 12 January 2005, *CRS Report for Congress*, URL: <http://www.nunnturnerinitiative.org/>

⁶ Jabin T Jacob, "Indo-US Nuclear Deal: The China Factor", *Institute Of Peace and Conflict*, IPC Studies Report, 14 March 2006.

⁷ K.R. Singh, "India, Indian Ocean and Regional Maritime Cooperation", *International Studies*, Volume 41, Number 2, April-June 2004, pp.196-97.

⁸ George Perkovich, "Faulty promises: The US-India Nuclear Deal", *Policy Outlook*, September 2005, pp. 1-2, URL: www.CarnegieEndowment.org

⁹ Steve Smith, "The End of the Unipolar Moment? September 11 and the Future of the World Order", *International Relations*, Sage Publications, 2002, Volume 16 (2), p. 173.

potential threat of *Al-Qaeda* and create 'a strategically stable asia'.¹⁰

- Diplomatically, forging closer ties in the explicit areas of civilian nuclear cooperation and civilian space programs, the Bush administration has been interested in bringing India into the nonproliferation system to prevent the further spread of nuclear weapons.

It is in this backdrop that the US began to woo India. The process began even when the country was under a government headed by Atal Behari Vajpayee of Hindu nationalist Bharatiya Janata Party (BJP). Vajpayee as well clearly realized the importance of a closer relationship with Washington and responded positively to the US gestures. Thus, the Indo-US strategic partnership began to take shape under Vajpayee. On becoming the Prime Minister, Manmohan Singh, slated the economic prospect of nuclear energy that he had gathered as Finance Minister in the early 1990s. He could visualize the need for an affordable and reliable source of energy in order to step up sustained economic growth and recognize that how wasteful the civil nuclear program has been over the decades since 1960s, contributing only 3% to India's total energy needs.¹¹ Indian leaders perceived that the rate was inadequate to help achieve country's target of becoming technological power by 2035, and seizing third position in the global economy after China and the US.

The idea about forging strategic partnership with the US on nuclear issue became politically viable after the two countries had engaged in wide-ranging military and strategic cooperation during 2001-02. By mid January 2004, the two countries declared a Next Step in Strategic Partnership (NSSP) agreement to expand Indo-US cooperation in the areas of civilian nuclear activities, civilian space programs and high technology trade. India perceived US willingness to cooperate in some of the 'sensitive areas' as an indication towards improved Indo-US bond. In an attempt to facilitate the nuclear deal,

¹⁰ Anand K. Sahay, "Changing Parameters of Cross-Border Terrorism in Kashmir", *International Studies*, Volume 41, Number 2, April-June 2004, pp. 190-91.

¹¹ Stephen Phillip Cohen, *op.cit.*, 2.

Indian Defense Minister, Pronab Mukherjee, successfully concluded the Indo-US defense agreement in Washington on 28 June 2005. The important areas of the agreement were as follows:

- I. Two parties would mutually exchange information over missile defense activities;
- II. They would form a group for collecting and producing defense materials;
- III. Military scientists from both sides would continue defense research and experiment in order to achieve further development; and
- IV. The agreement would facilitate the creation of a framework for exchange of classified research data on security and defense issues.¹²

The agreement was an outcome of the process that had been set in motion by the two countries after 9/11 and corroboration of a decision taken by the US to develop special strategic ties with India in pursuance of its global and regional objectives. At their summit meeting in Washington, on 18 July 2005, both President Bush and Prime Minister Singh announced potentially major departures in Indo-US nuclear policies. The July 2005 initiative ultimately enabled them to sign on 3 March 2006 a number of strategic agreements in New Delhi. President Bush and Prime Minister Singh were persistently trying to translate these agreements into reality. The agreements, among others, included the following provisions:

- I. India agreed to allow inspection from the International Atomic Energy Agency (IAEA) to its civilian nuclear program, but would decide which of its many nuclear facilities to classify as civilian;
- II. The civilian category will include domestically built plants, which India was reluctant to safeguard before. Military facilities and stockpiles of nuclear fuel that India

¹² Tarek Samsur Rahman, "Bharot-Joktarastra Shamorik Shamporko", *Jugantor*, 05 July 2005.

has produced until now will be exempted from inspections or safeguards;

- III. India agreed to continue its moratorium on nuclear weapons testing;
- IV. India committed itself to strengthening the security of its nuclear arsenals;
- V. India agreed to prevent the spread of enrichment and reprocessing technologies to states that do not possess them and to support international nonproliferation efforts;
- VI. US Companies will be allowed to build nuclear reactors in india and provide nuclear fuel for its civilian energy program.¹³

Many analysts believe that the latest deal has figured India's stature manifold, from a *de facto* nuclear weapon state¹⁴ to a *de jure* nuclear status.¹⁵ According to the details of the deal, the nuclear issue holds the paramount part. If the US Congress finally enacts the agreement, India would be eligible under the treaty provisions to buy US materials and equipments that could be used to enrich uranium or reprocess plutonium for nuclear bombs.¹⁶ It would also receive imported fuel for its nuclear reactors and would purchase five billion dollar worth of conventional weapons from the US. Upon Presidential certification the prospect of Indo-US strategic partnership would be consolidated at least for a 10-year period.

¹³ Esther Pan, "The US-India Nuclear Deal", *Council on Foreign Relations*, 24 February 2006, URL: www.cfr.org/publication/9663/usindia-nuclear-deal.html

¹⁴ Five countries: the US, UK, Russia, France and China have signed the Non-Proliferation Treaty (NPT) of 1968 and are regarded as *de jure* nuclear powers; while countries like India, Pakistan and Israel are regarded as *de facto* (non-declared) nuclear weapon states.

¹⁵ Dana R. Dillon and Baker Spring, "Nuclear India and the Non-Proliferation Treaty", *Backgrounder*, No. 1935, 18 May 2006, p. 4. URL: www.heritage.org/research/abm/missiledefense/bg1935.cfm

¹⁶ Henry Sokolski, "The US-India Nuclear Deal: The Right Approach?", *CFR Online Debate*, 25 May 2006, URL: <http://www.cfr.org/publication/10731/>

3. Matters of Regional Concerns

The signing of the Indo-US deal coupled with the declaration by President George Bush to assist India to become a 'major world power in the 21st century', generated deep concern in the region. Expert view suggests that the accord will result in a 'three-way nuclear arms race in Asia'. It would augment the political influence of nuclear weapons that would set bad example for the existing nonproliferation regime and increase India's strategic capability including the numbers of nuclear warheads. Even though the deal is subject to congressional approval, it has already sent alarming signals to other regional powers, especially Pakistan and China. What follows is an attempt at probing into the regional concerns generated by the Indo-US nuclear deal.

3.1. The deal undermines the NPT and the nonproliferation regime

Decades of nonproliferation works and international agreements endorsed by most nations have been ignored by the deal. The Indo-US pact undermines the Non-Proliferation Treaty (NPT) of 1968, which is the world's most important diplomatic instrument for controlling the spread of nuclear weapons and technology. The United Nations had endorsed the treaty and, by now, 188 nations have signed it, but India refused to do so arguing that it was discriminatory. The NPT bans export of nuclear technology to countries that don't agree to international inspections of their nuclear programs. However, the Bush administration has decided to provide India with nuclear technology and fuel in exchange for bringing part of India's nuclear facilities under international safeguards. Currently, India possesses about 100 nuclear warheads,¹⁷ and had conducted latest nuclear tests in 1998 defying international regulations¹⁸ freshly imposed by the Comprehensive Test Ban Treaty (CTBT) of 1996.

Nonetheless, under treaty obligations, India has agreed to unbolt 14 civilian reactors for international inspections, but reserved its

¹⁷ FCNL, "The U.S. – India Nuclear Deal: Reasons for Concern", *Friends Committee on National Legislation*, March 2006, URL: www.fcnl.org

¹⁸ Sidney Drell and James Goodby, *The Gravest Danger: Nuclear Weapons*, (Stanford: Hoover Press, 2003), p. 88, URL: www.hoover.org

seclusion on eight military nuclear reactors. This agreement tacitly encourages other countries to make bilateral nuclear agreements with non-NPT members in violation of the spirit of that treaty.¹⁹ Russia had tried to provide India with similar nuclear technology in the past, but the US turned down it. Applying double standards, the US dictates Iran that it cannot develop its nuclear technology for civilian energy, but at the same time approaching to provide India with similar technology. The practice is self-contradictory and any exception in regard to India would complicate ongoing negotiations with Iran and North Korea, and would undermine the global rules designed to prevent proliferation and acts of nuclear terrorism.²⁰ The Chinese and Russian defense of civilian nuclear program in North Korea and Iran is a part of this larger scenario. Being apprehensive about the deal, Pakistan may look for similar cooperation with China in the near future.

3.2. Pakistan may reach a nuclear deal with China

The Indo-US strategic partnership might push Pakistan, a long-term US strategic ally, to seek similar agreement with the ‘other Super Power’ China. Pakistan had joined the US-sponsored military pacts and alliances, CENTO and SEATO, as early as in the 1950s and received superior military hardware to contain Soviet influence in South Asia. In line with the US strategic interests, Pakistan played a crucial role in ousting Soviet invaders from Afghanistan during the 1980s.²¹ Pakistan was virtually abandoned by the US after the Cold War, but was threatened after the event of 9/11 ‘to go back to stone age’²² unless it joined the “War on Terror” in Afghanistan. The

¹⁹ Thomas Graham Jr., *et. al.*, “Think Again: US–India Nuclear Deal”, *Foreign Policy Magazine*, Posted July 2006.

²⁰ Michel Krepon, “The US-India Nuclear Deal: Another Wrong Turn in the War on Terror”, *The Henry L. Stimson Center*, South Asian Project, Washington, 29 March 2006.

²¹ M. Emdadul Haq, *Drugs in South Asia: From the Opium Trade to the Present Day*, (Houndmills: Macmillan Press Ltd., & New York: St. Martin’s Press, 2000), pp. 184-90.

²² Gen Pervez Musharraf told “60 Minutes” on CNN, *The Daily Star*, 23 September 2006.

forging of Indo-US strategic partnership, however, made Pakistan a ‘tactical ally’ this time. Having designed the Indo-US high-level cooperation in defense-related areas, President George Bush pursued strategic differences²³ that persist between India and Pakistan in their needs and aspirations. As a result of this differential treatment, Pakistan assumed inferior status as compared to India’s spanking partnership. Commenting on this, a Bangladeshi columnist wrote that it is an irony for Pakistan. The US major non-NATO ally has become the ‘first victim of Indo-US strategic partnership’.²⁴ Thus, Pakistan had to face the stark reality: India that often opposed the US throughout the Cold War era became a ‘strategic partner of the US’ in the post-9/11 world to the detriment of Pakistan, a close Cold War ally.

The recent espousal of Indo-US strategic partnership, defying Pakistani concerns and interests, frustrated Islamabad. The leading Pakistani newspaper, *Dawn*, maintained that what ‘bothering Pakistan about the deal’ is that although India, like Pakistan and Israel, has refused to join the NPT, the deal amounts to *de facto* acceptance of India as a legitimate nuclear power state.²⁵ Pakistan’s Foreign Minister, Khurshid Kasuri, argued that the refusal by Bush administration to offer Pakistan similar status was ‘discriminatory’ and ‘unacceptable’. He also pointed out that in order to counteract the situation, Pakistan might forge similar relationship with China, the alternative Super Power. China has already assisted Pakistan’s civilian program at Chashma-2 in the past and was the principal supplier to Pakistani nuclear weapons program.²⁶ Pakistan would not have acquired nuclear weapons without significant assistance from China and the partnership might persist in her future endeavors.

Following the Bush-Singh deal, Pakistan made some high profile announcements about purchasing nuclear reactors from China. In an anticipation of Singh’s high profile visit to the US, Sino-Pakistani

²³ Quoted by Shehzad Nadeem, “The Regional Implications of the US-India Nuclear Agreement”, *Foreign Policy in Focus*, 28 April 2006. URL: <http://www.fpiif.org/fpiftxt/3248>

²⁴ M. Abdul Hafiz, “The Aftermath of Bush’s South Asian Jaunt”, *The Daily Star*, 17 April 2006.

²⁵ Quoted by Nadeem, *op.cit.*

²⁶ Jacob, *op. cit.*, p. 5.

delegates met in July 2005 to consult on matters relating to arms control, disarmament and nuclear non-proliferation. Simultaneously, the Pakistan Atomic Energy Commission (PAEC) announced plans for building 13 new nuclear power plants in the next 25 years largely with the Chinese assistance.²⁷ Sino-Pak cooperation in the civilian nuclear sector could be a sign of how the Chinese response might lead to a revision in the nuclear order. A Pakistani non-proliferation expert at the International Crisis Group, Samina Ahmed, observed that her country would catch-up with India 'not only through expanded nuclear ties with China, but also by a more aggressive pursuit of nuclear technology from the global nuclear bazaar'. Also, there is a leeway of Pakistani attachment with Shanghai Cooperation Organization (SCO), where Russia and Central Asian countries are active members.

3.3. The deal poses a threat to fragile Indo-Pak relations

The Indo-US strategic partnership emerged as a cut-off point to the Indo-Pak bilateral relationship. After having three wars, two being on Kashmir in 1947 and 1965 and one over the liberation of Bangladesh in 1971, both Pakistan and India came closer through the Lahore Declaration of 21 February 1999. Prime Minister Vajpayee's second visit to Pakistan in January 2004 made some significant progress after the latest near war situation over Kashmir in 2002.²⁸ In order to transform the military option into an amicable solution to the conflict, President Pervez Musharraf paid a return visit to Delhi in mid-April 2005. In his latest move, Musharraf declared peace in Kashmir 'irreversible'.²⁹ To pacify the dispute, Musharraf promised several times to India and the US not to send *Jihadis*, whom India and the US would brand as 'cross-border terrorists'. Signs of changing attitude were also evident within the Indian leadership and media when both came to consider that the line of control (LoC) was 'not

²⁷ *Ibid.*

²⁸ Shahedul Anam Khan, "Winds of Change or a False Dawn Over Kashmir?", *The Daily Star*, 25 November 2004.

²⁹ M B Naqvi, "The Success and Failures of Pakistan's Nukes", *The Daily Star*, 28 May 2005.

drawn in stone but on sand'.³⁰ The new setting of power relationship in South Asia has indeed created an uncertainty in the ongoing peace process between the region's two archrivals.

The Indo-US strategic partnership posed a threat to the relatively improved relations that have been achieved between India and Pakistan in recent years. Pakistan could interpret this as an aggressive move by India and feel it has to increase its nuclear deterrence, potentially leading to a nuclear arms race in the region.³¹ Moreover, the Indo-US nexus, coupled with Israeli engagement in India's defense projects, appeared to be serious concerns to the policy planners in Pakistan.³² The growing Indian might naturally undermine Pakistan's prospects for bargaining a suitable negotiated solution to the Kashmir issue. With the Kashmir dispute unresolved, Pakistan remains quite sensitive to any change in the power equilibrium in South Asia that favors India. The more assistance it gets from the US and Israel in the area of military technology, the more thorny it becomes for Pakistan to achieve a decent and respectable breakthrough with regard to her problems with India. The situation might hearten the *Jihadis* to target the US citizens and Hindu Holy shrines for bomb blasts and suicide attacks similar to ones that had taken place in Karachi and Varanasi immediately after the deal.³³ Recurrence of similar incidents might trigger the traditional hostility and torn apart the process of normalization between India and Pakistan.

3.4. Future Indian reactors might evade IAEA inspections.

If the deal proceeds as per plan, long-term regional peace and security will be greatly affected. Under the proposed agreement, India will be able to develop future reactors and decide whether to classify them as civilian or military. It will have no compulsion to classify future reactors as civilian unless the deal dictates for the same.

³⁰ Harun Ur Rashid, "Cricket Diplomacy Ushers in a New Hope in the Region", *The Daily Star*, 20 April 2005.

³¹ Sharon Squassoni of CRS reported this in the 6th briefing in the Russel Building in March 2006. See also, *Friends Committee on National Legislation*, Washington DC 20002, URL: www.fcnl.org

³² Hafiz, *op. cit.*

³³ Krepon, *op. cit.*

Moreover, India's fast breeder reactors, which are capable of producing large quantities of bomb-making materials,³⁴ can evade IAEA inspections. The proposal does not account for accumulated plutonium in spent fuel from India's reactors. Ambiguity also persists in some of the sensitive areas: whether India will reprocess its spent fuel or return spent fuel to the U.S.? The US analysts suggest that Congress should incorporate all these provisions, if the legislation is enacted. Otherwise, there is a possibility of the diversion of nuclear raw materials from civilian reactors to military ones or even to the smugglers. It is particularly in view of the fact that, over the recent past, there has been diversion of illicit opium³⁵ and precursor chemicals³⁶ to the heroin market in India.

Questioning India's integrity, many of the anti-deal analysts argued that democratic states have been a source of nuclear proliferation in the past. Executive Director of the US Arms Control Association, Daryl Kimball, maintained that the Bush Administration should be cautious not to hamper the NPT with the proliferation of nuclear technology, even to democracies like India.³⁷ *Friends Committee on National Legislation* in its recent report argued that Congress should not be lowering the threshold on nonproliferation by weakening the Atomic Energy Act of 1954.³⁸ To assist the energy needs of the world's largest democratic country, the U.S. could provide alternative energy sources or technology to improve India's coal-burning power plants, instead of proliferation of the nuclear technology.

³⁴ Dillon and Spring, *op. cit.*, p. 5.

³⁵ For details see, M. Emdadul Haq, "From Opium to Heroin: Indian Acetic Anhydride and the Drug Trade", *The Asia-Pacific Magazine*, No. 13, December 1998, pp. 8-12.

³⁶ M. Emdadul Haque, "The Politics of Medicinal Opium: Resurgence of Indian International Drug Trafficking in the 1980s", *South Asia*, Volume XXI, No. 2, 1998, pp. 121-143.

³⁷ *Jai Jai Din*, 14 September 2006.

³⁸ FCNL, *op. cit.*

3.5. Chinese response to the deal

The Indo-US nuclear nexus has drawn a guarded response from China that perceived the move as 'an official stamp' for containing her mounting economic and military power. Some statistics suggest that China will emerge, by 2035, as the world's largest economy. Although, neither the Bush administration nor the Indian authorities has directly pronounced any words to tackle China, some US analysts speculated that increased US-India security ties would provide potential counterbalance to growing Chinese influence in the region.³⁹ As a result of the deal, some sorts of mistrust have grown in the Chinese mind regarding the changing nature of Sino-India and Sino-US relations. In late October 2005, the first major Chinese response appeared in the *People's Daily*, which criticized the US role for 'making an exception' to India that would bring about a series of negative impacts,' especially on the Iranian and North Korean issues.⁴⁰ China also raised objections for America playing 'double standard'. The article, also invited India to sign the NPT and dismantle its nuclear weapons and, thus, contribute to the strengthening of the international non-proliferation regime. Analyzing the Chinese viewpoints one might make a case that the 'other nuclear powers' could now step up nuclear cooperation with their partners.

In order to achieve alternative strategic objectives both China and Russia, in the meantime, reduced their differences and forged a defense alliance. The hidden US agenda of preparing India for the containment of China,⁴¹ has pushed the later to form a regional grouping named Shanghai Cooperation Organization (SCO) with Russia and Central Asian States: Kazakhstan, Turkmanistan, Tajikistan, Uzbekistan and Kirgystan.⁴² In a parallel move to the Indo-US deal, the Chinese President Hu Jintao signed, on 1 July 2005, a military agreement with his Russian counterpart President Vladimir

³⁹ Jacob, *op. cit.*

⁴⁰ *Ibid.*

⁴¹ Ikram Sehgal, "Changin Geo-political Equation", *The Daily Star*, 06 April 2006; Sokolski, *op.cit.*

⁴² Moonis Ahmar, "New Equations in South Asia", *Probe*, August 5-11, 2005, p.15.

Putin that is designed to help preserve security in Asia.⁴³ The Shanghai Cooperation Organization (SCO), in its May 2006 meeting, initiated an alternative ‘New World Order.’ As yet, Pakistan has observatory status in SCO regional grouping, but the participation of President Pervez Musharraf in the latest meeting is particularly revealing. Moreover, because of militant activities gas and oil enriched Central Asian states are politically volatile. In an extreme situation the Sino-Russia alliance, coupled with Pakistan and Iran, might try to establish their command over the region’s natural resources as well as *Jihadis*, and seize strategic dominance in West Asia.

4. Dilemmas within the Partners

Analysts have scrutinized the Indo-US nuclear cooperation initiated by President Bush and Prime Minister Singh from different perspectives. The most worrying element in the latest strategic partnership is the fact that the agreement is tantamount to recognizing India as a *de jure* or legitimate nuclear power state although India, like Pakistan and Israel, has refused to join the NPT. The following discussion demonstrates the way analysts, both in the US and India, have expressed their apprehension about the deal.

4.1. The proposed deal contradicts the expert opinion on nuclear issue

Expert opinion suggests that under the proposed agreement the US will provide India with nuclear material and technology that would allow the country to use its uranium for nuclear weapons. Currently, India has a falling stockpile of uranium and does not produce enough fissile material to maintain both of its nuclear programs: nuclear power and weapons programs.⁴⁴ A former top Indian intelligence official, in his recent work, maintained that the assurance of fuel supply from the agreement would permit India to use its current stockpile to produce uranium and plutonium for nuclear weapons program.⁴⁵ Joseph Cirincione of the *Center for American Progress* asserted that if the US

⁴³ Rahman, *op.cit.*

⁴⁴ Thomas Graham Jr., et. al., “Think Again: US–India Nuclear Deal”, *Foreign Policy Magazine*, Posted July 2006.

⁴⁵ FCNL, *op. cit.*

Congress enacts the deal, in November 2006, India will have the capacity to produce about 50 nuclear weapons a year, instead of its present capacity to produce six to 10 nuclear warheads annually.⁴⁶ Many other reports by major university based research institutions as well suggested the same. The deal has disappointed the US nuclear specialists who wanted it to limit India’s nuclear weapons potential and place all of its nuclear power reactors under safeguards. In the same vein, former officials of the Bhabha Atomic Research Centre (BARC) in India have also expressed concern that safeguards would hamper ongoing research on India’s fast breeder reactor program and compromise India’s long-term energy security.⁴⁷ Indian nuclear scientists are in great dilemma about the ‘strategic enclave’ that the US would ultimately try to impose on their military nuclear arsenal.

4.2. Encounters from the political quarters

Apart from the danger that the deal will shake up the global nuclear order, political opponents both in India and the US are apprehensive about the outcomes of the deal. In the US, Democrats have their target on Congressional mid-term elections due in November 2006 and they wouldn’t let an easy foreign policy victory to President Bush ahead of the elections. Consequently, a special legislation introduced by the Bush administration to facilitate the resumption of nuclear commerce with India faced vehement opposition. In the Congress, top-ranking democrats have interpreted the deal with reservations and would try to set some more treaty obligations for India. Prime Minister Singh responded, however, that any such move would jeopardize the whole initiative.⁴⁸ Inside India, there has been also a lot of criticism against the deal by BJP and the left-wing allies of the ruling Congress. These parties have criticized Singh for agreeing to open nuclear reactors for inspection by the

⁴⁶ Quoted in Ashley J. Tellis, *Atoms for War? US-Indian Civilian Nuclear Cooperation and India’s Nuclear Arsenal* (Washington: Carnegie Endowment for International Peace, 2006), p.5. URL: www.CarnegieEndowment.org

⁴⁷ Cohen, *op. cit.*, p. 6.

⁴⁸ *JaiJaiDin*, 14 September 2006.

IAEA. To them, it would be an interference to India's sovereignty.⁴⁹ The former Prime Minister, Atal Behari Vajpayee, and officials of the Indian Department of Atomic Energy have questioned the decision to separate Indian civilian and military facilities and argued that it would be a fairly difficult task as well as costly to implement the policy.⁵⁰ True to their policy of resisting perceived American hegemonism, the Marxists as well expressed their disapproval of the Indo-US nuclear deal.

4.3. Media is apprehensive about the eventual outcomes of the partnership

Whereas media in the US has been dubious about the eventual outcomes of the deal, in India it was aspirant. The US media has scrutinized Bush's finalization of the deal without consulting his foreign-affairs bureaucracy, influential Congressmen, White House staff or government nuclear specialists. In early April 2006, *The Washington Post* criticized the way President Bush and Foreign Secretary Condoleezza Rice revolutionized US nuclear policy towards and relations with India, disregarding key decision makers.⁵¹ The US media generally perceive that the Indo-US nuclear deal contravenes the Bush administrations own assessments that nuclear proliferation is the greatest threat to international community and the US. By contrast, the Indian press has been watching very closely the US legislative process. It also intensely discussed prospective benefits from the deal as well as its possible drawbacks. Most of the debate has been focused on the portion of the bills that touches upon India's interest, while also keeping in mind that 'the process is far from over'.⁵² The Indian reports lay out generally guidelines and focus on sections of the US bills that would be relevant to their strategic interests, and parts of the legislative process that would matter most. In an apprehensive tone,

⁴⁹ Ahmar, *op. cit.* p. 13.

⁵⁰ Fred McGoldrick *et. al.*, "Back to Normal The U.S.-India Nuclear Deal: Taking Stock", *Arms Control Today*, October 2005.

⁵¹ *The Washington Post*, 3-4 April 2006.

⁵² Alex Stolar, "Indo-US Nuclear Deal Stumbling Blocks or Stepping Stones? A Status Report", *Institute of Peace and Conflict Studies (IPCS)*, Report 29, July 2006, URL: www.ipcs.org

some of the leading Indian newspapers maintained that the inaction of the nuclear deal might have to wait perhaps a longer period than it was originally anticipated.

4.4. Defiance in the Nuclear Suppliers Group

It is generally perceived that even if the Congress ratifies the deal on time, it will face obstacles in the 45-state Nuclear Suppliers' Group (NSG). As a member of the NSG, the US is obliged to maintain complete safeguard regarding export of nuclear materials, equipments, components, and related technology to non-nuclear weapon states. Since the NSG makes its decisions on a consensus basis, the US will have to persuade all other members to amend or reinterpret the guidelines to permit nuclear cooperation with India without requiring New Delhi to accept full-scope safeguards.⁵³ Washington's recent informal consultation with the NSG didn't produce desired results. Japan vocally criticized the deal, while China and the Scandinavian countries expressed their reservations. Some NSG members may strongly argue that it would be unfair to give India all the peaceful benefits of nuclear energy specified in the treaty without requiring New Delhi to accept the corresponding obligations to implement full-scope safeguards. The US would risk throwing the nuclear export control regime into dismay if it continues to move forward in defiance of serious protests by other NSG members.

4.5. Compulsions set by the Zionist lobby

The US Zionist lobby is suspicious about India's traditional foreign policy and wants to make the deal conditional upon tangible changes in India's position on Iran, Palestine and nonalignment. The Zionists would like India to have no contact with *Hamas* dominated government in Palestine. India is reluctant to become a reliable counterweight to China,⁵⁴ Iran and the movement for Palestinian nationhood, because that would weaken India's nonaligned foreign policy option. Seemingly, India has no future contingency plan to use

⁵³ Fred McGoldrick *et. al.*, "Back to Normal The U.S.-India Nuclear Deal: Taking Stock", *Arms Control Today*, October 2005.

⁵⁴ Cohen, *op. cit.*, p. 12.

nuclear weapons against China, and perhaps, against Iran or some other new nuclear weapons states what the US or the *Zionist* lobby would be interested in.

4.6. 'To be or not to be'!

In view of the dilemmas within the strategic partners on the enactment of the deal, a vital Shakespearean question has reappeared 'to be or not to be that is the question'. It is more likely, however, that there could be a major split between the US and India over this agreement, and the negotiations might end up awfully, with mutual accusation and finger pointing on each other. In the circumstances, the deal's collapse will frustrate the Indian government and create bitter anti-US resentment among the Indian public. The failure of the deal would place India in the previous status, where it didn't have any global non-proliferation treaty obligations. At this point, thus, the Indian government is faced with a host of difficult predicaments and concerned about the fate of the deal.

5. Conclusion

As evident from the preceding discussions, the Indo-US strategic partnership is deeper in substance and wider in scope than the Pak-US relationship. However, the emerging partnership is unlikely to become a Cold War type alliance system. Since these countries did not have close relations in the security field for decades, recent improvements in their relations and new areas of collaboration made the initiative to appear intriguing.

From regional perspective, the Indo-US nuclear deal increases the risk of proliferation in South Asia and, thus, became a cause of great concern for the countries like Bangladesh, Pakistan, Nepal and others. It would be a major backward step for global nonproliferation efforts. Before approval, the US Congress should take the risk factors into account and should either recommend major changes in the agreement or reject it altogether. If handled carefully, both India and Pakistan would remain partners in anti-terrorist activities and would become co-workers of the US in an anti-proliferation campaign. It wouldn't be too late a move for that at this point. The South Asian arch rivals,

India and Pakistan, have not yet deployed ballistic missiles with nuclear warheads targeting each other or their nuclear weapons have not been completely in place. There are still ample opportunities for recasting their nuclear forces in a way that would contribute to the rollback policy supported in this paper.

Given the complex nature of the situation that has steamed from the deal, India and Pakistan could be offered to join in regional stability arrangements with China. This would include transparency and confidence-building measures, cooperation in early warning, measures to avoid hair-trigger launch status for ballistic missiles, and, perhaps, agreements regarding ceilings on nuclear force levels. Moreover, as long as Pakistan remains relevant to US war on terrorism, Washington should be cautious in its defense related cooperative ventures with India in order to remove any impression that Indo-US cooperation is undermining Pakistan's military potentials.