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India and the United States: Turning a Corner

Indian prime minister Manmohan Singh's just-completed visit to Washington marks a new departure in relations between the United States and India, already undergoing major transformation for more than a decade. The agreement on nuclear cooperation between the two countries represents a potentially historic willingness on both sides to accommodate each other's concerns and could change the priorities and operation of the nonproliferation system. Implementing it will require a great deal of work, especially on the U.S. side. The low profile of India-Pakistan issues during this visit reflects a strong interest in having U.S. relations with India and Pakistan stand on their own without being linked. But it should not be misread as lack of U.S. interest in their peace dialogue.

A broad program: U.S. president George W. Bush greeted his Indian guest with all the pageantry of a state visit, an unusual honor in this administration. Before the visit, India highlighted its hopes that the meeting would produce results on civilian nuclear trade and on India's ambitions for a permanent seat on the UN Security Council. The messages from Washington were more general and focused on the prospects for a durable U.S.-India partnership.

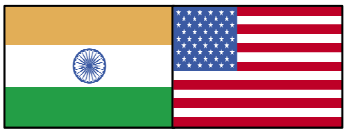
The two leaders' joint statement sketched out a broad program. Many of the items it listed were already well underway, including encouraging private business activity, a CEOs council from both countries, a stronger U.S.-India defense relationship, and a wide-ranging dialogue on energy. Some items give concrete form to common interests that have normally attracted more lip service than specific activity. These include a new U.S.-India Global Democracy Initiative aimed at strengthening struggling newer democracies. The statement promises cooperation in areas that have been taboo in the past, notably on space. It extends bilateral cooperation in combating the HIV/AIDS epidemic into the international arena with a new public-private sector initiative that is still being defined.

The centerpiece—nuclear cooperation: The heart of the joint statement, however, came in two paragraphs on nuclear cooperation, embodying a grand bargain on nuclear policy. President Bush undertook to work with the Congress to make possible full civilian nuclear cooperation with India, including making the necessary changes in U.S. domestic law, and to work with other countries to make corresponding adjustments in international regimes.

In return, India promised reciprocal action to formally identify and separate its civilian and military nuclear facilities; to declare the civilian facilities to the International Atomic Energy Agency (IAEA); to place the civilian facilities voluntarily under IAEA safeguards; to continue India's unilateral testing moratorium; to work with the United States toward a multilateral Fissile Material Cutoff Treaty; and to participate in international efforts to limit the spread not only of nuclear technologies but of items prohibited by the Missile Technology Control Regime (MTCR).

For both countries, these represent significant policy changes. The United States is proposing to change 35 years of nonproliferation policy by finding a way for a country that has developed nuclear weapons capability outside the boundaries of the Non-Proliferation Treaty (NPT) to participate in the system. Placing domestically built civilian nuclear facilities under safeguards is an action India has refused to take for nearly 30 years. Including India's unilateral testing moratorium and other nuclear policies in an agreement with the United States is a pathbreaking recognition that other countries and the international community have a legitimate interest in its nuclear program and in these voluntary actions.

Satisfaction and criticism in India…: The Indian government sees this agreement as the fulfillment of a long-standing drive to restore a nuclear India to international respectability. U.S. unwillingness to engage in even nonsensitive civilian cooperation rankled and was described by some Indian analysts as "nuclear apartheid." This agreement, once implemented, will resolve that problem and cement relations with the United States as one of the pillars of Indian foreign policy. It also responds to India's need for expanding energy. Although nuclear energy is a small part of India's overall energy demand, increasing needs in the future make all sources important, and in any case India is likely to become more dependent on imported fuel in the future and can ill afford to be cut off from international sources.



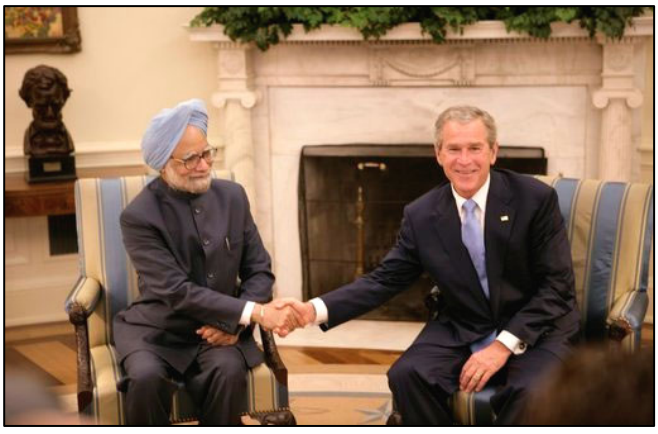
The agreement is being criticized by parts of India's atomic energy and foreign policy establishment, by the government's allies on the left, and by the opposition Bharatiya Janata Party (BJP). The critics' principal charge is that the government has impaired India's nuclear independence. There is also considerable skepticism about whether the United States will fully implement the

agreement. The Indian parliament is about to go into session, and the subject will generate stormy debate.

…and nonproliferation worries in the United States: Nonproliferation circles in the United States accuse the Bush administration of contributing to the demolition of the international nonproliferation system based on the Non-Proliferation Treaty. They are concerned that "rogue" states will conclude that they can develop nuclear weapons with impunity and that more responsible NPT member states may be tempted at some point in the future to abandon their earlier decisions to forgo nuclear weapons. Thus far, there has been little public reaction from this second group of countries. Their responses will affect how the United States proceeds in trying to implement the international portions of the agreement.

There is another side to the nonproliferation argument, however. The biggest nonproliferation danger the world faces stems from continued leakage of nuclear know-how and equipment to irresponsible users in volatile parts of the world. North Korea was an NPT member when it developed nuclear weapons and cannot be stopped at this point. Iran is still an NPT member, and the international system may yet be able to affect its future policies. The nuclear system will be much more robust and potentially more effective with India on the inside than with it on the outside.

Implementation is key: The agreement, of course, still needs to be implemented, which will be tough. That process starts with the United States; India will not implement its side of the bargain unless it is clear that the United States is moving ahead. There are three elements to U.S. implementation: policy, law, and international agreements. Only one of these—policy—is fully under the administration's control, and even that will require consultations with Congress, as is clear from the Indo-U.S. joint statement.



President Bush shakes hands with Prime Minister Singh during their meeting in the Oval Office on July 18, 2005. White House photo by Eric Draper.

The United States has domestic laws that are more stringent in their requirements than the NPT itself. The clearest example is the Nuclear Non-Proliferation Act of 1978, whose passage prevented the United States from fulfilling its longstanding contractual obligation to supply fuel to the U.S.-built nuclear power plant at Tarapur, outside Mumbai. Implementing the U.S.-Indian agreement will require amendment of this law, as well as the Atomic Energy Act of 1954. The administration will need to work closely with both Republican and Democratic lawmakers to shape the legislation and build a consensus behind it. The India caucuses in the House of Representatives and Senate could normally be expected to put a good deal of steam behind the changes, but some of their members may need to be persuaded that the proposed changes in the nonproliferation system are a good idea. This is likely to be the most difficult aspect of implementation. The fact that the agreement itself was reached only after the Indian prime minister reached Washington means that key members of Congress were not briefed in advance, a tactical drawback for the administration.

The international changes needed to implement the agreement involve export control systems established over the years to enforce and in some cases tighten the rules established by the Non-Proliferation Treaty. The most important of these is the Nuclear Suppliers Group, whose members enforce a ban on nuclear cooperation with countries not conforming to NPT norms or maintaining sufficiently broad safeguards on their nuclear facilities. Membership is linked to signature on the NPT. The members of this group will need to find an appropriate way to bring India into the export control tent, without abandoning the NPT as the basic standard setter for their organization. This will be diplomatically challenging as well.

No reference to Pakistan: The second noteworthy feature of the joint statement is "the dog that didn't bark"—the absence of any mention of Pakistan. There was not even a compliment for current India-Pakistan peace efforts, though President Bush did express his support for this process in answer to a press question. This is a new level of "de-hyphenation" of these two relationships.

But it would be a mistake to conclude that the India-Pakistan factor has become irrelevant to U.S.-India ties. Continuing Indian and Pakistani efforts to build a peaceful future together are an unspoken assumption behind the glowing future for U.S.-India ties that one can discern in Manmohan Singh's warm welcome in Washington. They are also a prerequisite for the bright international future India hopes to construct. The government of India surely knows this, but it is a good day when the U.S. government no longer feels that it needs to issue a public reminder.

Moving the relationship forward: From the U.S. perspective, recent changes in Asian and global security provide the strategic context for the dramatic changes in U.S.-India relations in the past decade, as well as for the nuclear bargain. China is economically and militarily rising; uncertainty is high about the future of the Korean peninsula; the Japanese economy remains sluggish. This administration, building on the legacy of the previous one, sees this situation as a powerful argument for closer collaboration with Asia's other rising power, India. The Indo-U.S. rapprochement started with expanded economic ties during the 1990s, but security relations and a growing overlap in the two countries' security interests became the most dynamic element during the past five years. The work

plan sketched out in the two leaders' joint statement reflects their intention to continue expanding both aspects of their relations.

The program has some important gaps. Despite its carefully phrased "agreements in principle," the program does not deal with India's hopes for a permanent UN Security Council seat. In fact, the United States remains most reluctant to agree to any significant expansion of the council. The two countries also have much to talk about regarding regional security in the area, including Iran and the Persian Gulf. The leaders will need at some point to consider whether there are other options for involving India in global governance that might be more attractive and to examine the real implications of Iran's nuclear policy for both countries' security. But for the moment, they will have their hands full implementing the nuclear agreement.

—Teresita Schaffer

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