TASK FORCE REPORT

A New U.S. Policy Toward India and Pakistan

REPORT OF AN INDEPENDENT TASK FORCE
SPONSORED BY THE COUNCIL ON FOREIGN RELATIONS

RICHARD N. HAASS, CHAIRMAN
GIDEON ROSE, PROJECT DIRECTOR

A New U.S. Policy Toward India and Pakistan

A New U.S. Policy Toward India and Pakistan

Report of an Independent Task Force

Richard N. Haass, Chairman
Gideon Rose, Project Director

Sponsored by the Council on Foreign Relations

The Council on Foreign Relations, Inc., is a nonprofit and nonpartisan organization dedicated to promoting improved understanding of international affairs through the free and civil exchange of ideas.

THE COUNCIL ON FOREIGN RELATIONS TAKES NO INSTITUTIONAL POSITION ON POLICY ISSUES AND HAS NO AFFILIATION WITH THE U.S. GOVERNMENT. THIS REPORT IS THE SOLE RESPONSIBILITY OF THE TASK FORCE.

The Council sponsors Task Forces from time to time when it believes that a current foreign policy debate of critical importance to the United States can benefit from the advice of a small group of people of divergent backgrounds and views. Most, but not all, Task Force members are also members of the Council, and the Council provides the group with staff support.

A Task Force is designed to reach a consensus on the issue or define the principal elements of the discussion.

This report reflects the general policy thrust and judgments reached by the group, although not all members of the group necessarily subscribe to every finding and recommendation in the report. Institutional affiliations listed in the Members of the Task Force are for identification purposes only.

For further information about the Council or this Task Force, please contact the Public Affairs Office, Council on Foreign Relations, 58 East 68th Street, New York, NY 10021.

This project was undertaken with the generous support of the Carnegie Corporation and the John M. Olin Foundation, Inc. We thank both the Carnegie Corporation and the Olin Foundation for making this study possible.

ACKNOWLEDGMENTS

The chairman and director of the Task Force would like to acknowledge Michael Dunn for his assistance in organizing this project; Mary Richards for her administrative help throughout; Patricia Dorff and Sarah Thomas for their editing and production assistance; and both the Carnegie Corporation of New York and the John M. Olin Foundation, Inc., whose financial support helped make this project possible.

CONTENTS

MEMBERS OF THE TASK FORCE

MARSHALL M. BOUTON: Dr. Bouton is Executive Vice President of the Asia Society. He served previously as Director of Policy Analysis for the Near East, Africa, and South Asia in the U.S. Department of Defense.

WILLIAM CLARK, JR.: Mr. Clark is President of the Japan Society. He was U.S. Ambassador to India from 1989 to 1992.

STEPHEN P. COHEN: Dr. Cohen is Director of the Program in Arms Control, Disarmament, and International Security at the University of Illinois, where he is also Professor of Political Science and History. The author or editor of eight books on South Asia, he served as a member of the U.S. Department of State Policy Planning Staff from 1985 to 1987 and was Ford Foundation Scholar-in-Residence in India from 1992 to 1993.

LEWIS A. DUNN: Dr. Dunn is Vice President and Manager of the Weapons Proliferation and Strategic Planning Operation at the Science Applications International Corporation.

FRANCINE R. FRANKEL:† Dr. Frankel is Professor of Political Science and Director of the Center for the Advanced Study of India at the University of Pennsylvania. She is editor of *Bridging the Non-Proliferation Divide: The United States and India* (1995) and is currently writing a book on foreign policy decision-making in India and the United States.

SUMIT GANGULY:† Dr. Ganguly is Professor of Political Science at Hunter College of the City University of New York. He is the author of *The Origins of War in South Asia* (Second Edition, 1994) and *Between War and Peace: The Crisis in Kashmir* (forthcoming).

THOMAS W. GRAHAM:* Dr. Graham oversees the International

Security Program at the Rockefeller Foundation. He has followed nuclear weapons issues involving India, Pakistan, and China as a foundation officer; a scholar at Stanford, Harvard, and the Massachusetts Institute of Technology; a Foreign Affairs Officer at the Arms Control and Disarmament Agency; and a consultant to the Lawrence Livermore National Laboratory.

RICHARD N. HAASS: Dr. Haass, until recently Director of National Security Programs for the Council on Foreign Relations, is Director of Foreign Policy Studies at the Brookings Institution. He was Senior Director for Near East and South Asian Affairs on the National Security Council staff during the Bush administration.

DAVID A. HAMBURG: Dr. Hamburg is President of the Carnegie Corporation of New York and co-chair of the Carnegie Commission on Preventing Deadly Conflict.

SELIG S. HARRISON:† Mr. Harrison is a Resident Associate at the Carnegie Endowment for International Peace. He is the author of four books on South Asia and coauthor of *India and America after the Cold War* (1993), the report of a Carnegie Endowment for International Peace Task Force. He lived in South Asia for six years as the South Asia Bureau Chief of *The Washington Post* and in other assignments as a foreign correspondent.

NEIL JOECK: Dr. Joeck is a political analyst in the Directorate of Nonproliferation, Arms Control, and International Security at the Lawrence Livermore National Laboratory. Since completing his Ph.D. dissertation at the University of California, Los Angeles, on nuclear proliferation in South Asia, he has published a number of articles on the Indian and Pakistani nuclear programs.

RODNEY W. JONES:* Dr. Jones is President of Policy Architects International. He participated in the Strategic Arms Reduction Talks (START) with the Soviet Union and successor states during the Bush and Clinton administrations. He has lived and

worked as a scholar in India and Pakistan and has written extensively on security and nonproliferation issues.

JOHN KELLY: Ambassador Kelly is Managing Director of International Equity Partners and head of its Atlanta, Georgia, office. He served as Assistant Secretary of State for the Near East and South Asia from 1989 to 1991.

GEOFFREY KEMP: Dr. Kemp is Director of Regional Strategic Programs at the Nixon Center for Peace and Freedom. He served as Senior Director for Near East and South Asian Affairs on the National Security staff during the Reagan administration. He is author of *The Control of the Middle East Arms Race* (1991).

PAUL H. KREISBERG:† Mr. Kreisberg is a retired Foreign Service Officer with extensive experience in India and Pakistan. He is a Senior Scholar at the Woodrow Wilson International Center for Scholars. Since 1991, he has moderated a "Track II" series ("The Neemrana Dialogue") of meetings between Indians and Pakistanis.

MICHAEL KREPON:† Mr. Krepon is President of the Henry L. Stimson Center and coeditor of *Crisis Prevention, Confidence Building, and Reconciliation in South Asia* (1995).

EMILY MACFARQUHAR: Ms. MacFarquhar writes about South Asia as a contributing editor of *U.S. News and World Report.* She previously covered the region as Asia editor of *The Economist.*

ROBERT B. OAKLEY: Mr. Oakley is a retired Foreign Service Officer. He served as Senior Director for the Middle East and South Asia on the National Security Council staff during the Ford and Reagan administrations. He also served as U.S. Ambassador to Pakistan from 1988 to 1991.

GEORGE PERKOVICH:* Mr. Perkovich is Director of the Secure World Program of the W. Alton Jones Foundation. He has written extensively on nuclear weapons issues in India and Pakistan.

GOWHER RIZVI: Mr. Rizvi is Deputy Director of the Governance and Civil Society Program at the Ford Foundation in New York.

GIDEON ROSE: Dr. Rose is a Fellow for National Security Policy at the Council on Foreign Relations. He served as Associate Director for Near East and South Asian Affairs on the National Security Council staff from 1994 to 1995.

STEPHEN SOLARZ:† A member of Congress from 1975 to 1992, Mr. Solarz now serves as President of Solarz and Associates, an international consultancy, and as Director of the George Washington University Foreign Policy Forum. While in Congress, Mr. Solarz was Chairman of the Subcommittee on Asian and Pacific Affairs of the House Foreign Affairs Committee, which has the primary congressional jurisdiction over U.S. foreign policy and foreign aid programs for South Asia.

LEONARD S. SPECTOR:* Dr. Spector is a Senior Associate and Director of the Nuclear Nonproliferation Project at the Carnegie Endowment for International Peace.

DAVID SPEEDIE: Mr. Speedie is Program Chair, Preventing Deadly Conflict, at the Carnegie Corporation of New York.

SHIRIN R. TAHIR-KHELI:*† Dr. Tahir-Kheli served as Director for Political Military Affairs and Director for Near East and South Asian Affairs on the National Security Council staff during the Reagan administration. She also served as Ambassador to the United Nations for Political Affairs during the Bush administration. She has written extensively on South Asia and recently completed a book on the future of American policy toward India and Pakistan. She is a Senior Fellow at the Foreign Policy Research Institute in Philadelphia.

GEORGE TANHAM: Dr. Tanham is a retired Vice President and Trustee of RAND. He is now a resident consultant to RAND. He has written on defense matters in India, Pakistan, and South Asia, and on insurgency.

RAJU G.C. THOMAS:† Mr. Thomas is Professor of Political Science at Marquette University. His books include *Indian Security Policy* (1986); *South Asian Security in the 1990s* (1994); and *Democracy, Security, and Development in India* (1996).

ROBERT G. WIRSING:† Dr. Wirsing is Professor of International Studies at the University of South Carolina. He has authored several books on South Asian politics and foreign policy.

*Indicates that individual submitted an Additional View.
†Indicates that individual submitted a Dissenting View.

EXECUTIVE SUMMARY

FIFTY YEARS after gaining independence, India and Pakistan remain at odds. Given both countries' de facto nuclear capabilities, their continued rivalry flirts with disaster. Yet to date Indo-Pakistani nuclear competition has remained within limits, direct war has been avoided for a generation, and both countries have experienced significant economic growth.

U.S. interests in South Asia, although not vital, are important and increasing. These interests include preventing major war and further nuclear proliferation; expanding economic growth, trade, and investment; promoting robust democratic institutions; and cooperating on issues ranging from enhancing stability across Asia to combating terrorism and drug trafficking. The end of the Cold War should permit a substantial improvement of bilateral relations between Washington and both New Delhi and Islamabad, as well as between the two principal South Asian states. But seizing this opportunity will require more creative thinking and skillful diplomacy than has been the norm. It is long since time to end the relative U.S. neglect of these two countries and the fifth of humanity they represent.

A number of specific findings and recommendations emerged from Task Force deliberations. On several matters—notably those involving nuclear proliferation, U.S. arms sales, and Kashmir—there was considerable debate and disagreement. Readers are encouraged to weigh the full rationale for the Task Force's conclusions offered in the text below, as well as the additional and dissenting views offered by some Task Force members that are presented at the end of the report. Together, though, the recommendations of the Task Force constitute a bold new U.S. approach toward India and Pakistan, one that could be reinforced by working in parallel with European and Asian governments. For this to become the actual policy of the United States, however, the administration would have to make South Asia a foreign policy priority and be willing to expend sub-

stantial effort negotiating among India, Pakistan, other countries in the area, and Congress. We urge the second Clinton administration to make such an effort along the lines described here.

Nuclear Issues

During the last few years, U.S. policy toward India and Pakistan has focused primarily on deterring and reversing the nuclear weaponization of the subcontinent. Congressional actions have subordinated other aspects of both bilateral relationships to the nuclear issue, most notably in the case of Pakistan. The Clinton administration, like its predecessors, has chafed at these legislative restraints and sought expanded bilateral relationships and a more realistic approach to nonproliferation issues. It has worked with members of Congress to mitigate certain existing sanctions. Still, it has not invested substantial political capital in bringing congressional and executive policies fully into line.

Despite U.S. nonproliferation efforts, both India and Pakistan have become de facto nuclear weapons–capable states and show no sign of changing course. Such behavior has triggered U.S. sanctions, which in turn have constricted U.S. bilateral relationships with both countries. This is unfortunate, because the current situation calls for more, rather than less, U.S. engagement. For increased engagement to occur, however, there needs to be an understanding across both the executive and legislative branches of the U.S. government that reversing these countries' de facto nuclear weapons status is currently extremely unlikely.

In the nonproliferation arena, U.S. policy should focus instead on establishing a more stable and sustainable plateau for Indian and Pakistani nuclear relations. This would involve concentrating on persuading both countries to refrain from testing nuclear explosives, deploying nuclear weapons, and exporting nuclear weapon- or missile-related material, technology, or expertise. The United States should also urge both countries to refrain from missile deployments and cease unsafeguarded production of fissile material.

U.S. Bilateral Relationships

The United States should significantly expand its bilateral economic, political, and military ties with India and Pakistan simultaneously. It is both possible and desirable to delink the two bilateral relationships and transcend the zero-sum dynamics that have often plagued the region (and U.S. policy) in the past.

The time is ripe, in particular, for the United States to propose a closer strategic relationship with India, which has the potential to emerge as a full-fledged major power. The relationship would be based on shared values and institutions, economic collaboration including enhanced trade and investment, and the goal of regional stability across Asia. Consistent with these interests, the Task Force recommends that the United States adopt a declaratory policy that acknowledges India's growing power and importance; maintain high-level attention including regular reciprocal visits of cabinet members and senior officials; loosen unilateral U.S. constraints upon the transfer of dual-use technologies; increase military-to-military cooperation; cooperate on elements of India's civilian nuclear power program and other energy-related issues; and undertake limited conventional arms sales. The United States should also support India's entry into Asia-Pacific Economic Cooperation (APEC) forum and consult with India regarding its interest in membership in other regional and global institutions.

At the same time, the United States should work to restore normal and close working relations with Pakistan. This should include providing credits for trade and investment; cooperating on energy-related issues; helping in debt reduction or forgiveness; and providing aid to support social welfare, economic modernization, privatization, and the reform of tax, electoral, and development mechanisms—all of which will promote Pakistan's political and economic stability. The United States should also maintain its links and channels of communication to the Pakistani military, both assisting it with training and encouraging it to support the development of a more firmly rooted democratic political system. International Military Education and Training (IMET) should be extended to help keep Pakistan's armed forces professional and linked to the West. The United States should also be prepared to resume limited conventional arms sales to Pak-

istan. Military equipment sales should not contribute to Pakistan's (or India's) nuclear weapons programs or delivery capabilities, nor, in accord with established U.S. policy, should they be undertaken to alter the military balance in the region.

Some of these measures should go forward unconditionally, since they promote U.S. interests regardless of other circumstances. In certain areas, however, the desire and ability of the United States to expand relations will clearly be affected by Indian and Pakistani behavior. In this vein, India's recent decision to impede progress on the Comprehensive Test Ban Treaty (CTBT), as well as disclosures of Pakistan's continuing work (with Chinese help) on a plant to manufacture ballistic missiles, are demonstrably unhelpful. Destabilizing moves by either country would almost certainly restrict the possibilities for cooperation and might even result in the reintroduction of selective, preferably multinational sanctions. Any such decision, however, should be made by the executive branch, after consultation with Congress and other governments and only if sanctions make sense in light of the full range of U.S. national security interests.

U.S. Policy Instruments

Rigid, narrowly focused legislative mandates are in general a poor way of addressing the complex problems involved in making foreign policy. In the case of nuclear proliferation in South Asia, such constraints have achieved modest success at best while holding a diverse range of U.S. interests hostage not merely to one issue area but to specific requirements in that area that have been overtaken by events. Unconditional sanctions that cannot be waived or adjusted by the president deny policymakers the ability to design and execute a foreign policy that could help stabilize Indo-Pakistani nuclear competition and promote other U.S. interests.

Nevertheless, there was disagreement within the Task Force over how much of the legislative framework currently constraining U.S. policy toward India and Pakistan needs to be altered in order to implement the Task Force's general recommendations regarding nonproliferation policy and improved bilateral relations. Views ranged from repealing the legislation to maintaining it as is. A majority of the Task Force, however, coalesced around the option of

expanding relations as much as possible within the existing legislative framework while simultaneously working to modify relevant legislation as necessary in order to support the full range of initiatives described below.

Kashmir

Kashmir is a principal, but not the sole, cause of tensions between India and Pakistan. It is also a reflection of their general state of animosity. If the Kashmir dispute were resolved tomorrow, relations between the two countries would still be somewhat sour. Still, Kashmir remains a possible casus belli. Unfortunately, there is no "right" or plausible solution to the conflict in sight. The U.S. government does not have a great deal of leverage on this issue, and the time is not ripe for Washington to launch a major new initiative. U.S. interests in both India and Pakistan are best served by working with other governments on a step-by-step approach toward a series of practical interim, rather than "final status," objectives. Such an international "contact group" ought to pursue mainly quiet, multilateral diplomacy in this area, promoting modest incremental steps to ease tensions, reduce friction between the protagonists, and restore political normalcy in Kashmir.

Economic Liberalization

The United States should strongly support Indian and Pakistani internal economic reforms, which themselves will be the most important factor in promoting growth and development in the region over the long term. Because U.S.-Indian economic relations are likely to expand significantly in years to come, potential sources of economic friction should be handled whenever possible through multilateral institutions such as the World Trade Organization (WTO).

Regional Cooperation

Almost half a century after independence, Indo-Pakistani relations are less extensive than were those between the United States and the Soviet Union at the height of the Cold War. The United States and other interested governments and organizations should encourage

regular, sustained, and multifaceted contact between India and Pakistan in a wide variety of areas including trade, energy and resource development, education, cultural exchanges, travel freedom, commercial projects, telecommunications, and sports. Outsiders should also promote informal regional interactions, "Track II" diplomacy, and a "regularization" of intercourse at every official level.

U.S. Government Bureaucratic Reorganization

Separate divisions dealing with South Asia should be created in major U.S. agencies, with standing interdivision task forces used to address the region's ties to other areas. Bureaucratic arrangements alone, however, cannot substitute for the development of a larger body of competent and committed individuals with South Asian expertise. Nor can they substitute for a basic decision to accord the region a higher priority in years to come—something the Task Force, based on its appraisal of U.S. interests, supports unanimously and unequivocally.

INTRODUCTION

IT IS NOW 50 years since India and Pakistan gained their independence. Relations between them remain antagonistic. The two countries have fought three wars and since 1989 have been engaged in a low-intensity conflict in Kashmir. This conflict aggravates an already precarious situation in which international and domestic politics intertwine with ethnic and religious passions. Both countries, moreover, have the capability to build, deploy, and use nuclear weapons. Escalating tensions, miscalculation, or domestic pressures could lead to catastrophe.

Neither country, however, has tested a nuclear weapon since India's 1974 "peaceful nuclear explosion." Neither country has overtly deployed nuclear weapons. And there has been no direct war between India and Pakistan for a quarter of a century. Nuclear deterrence may have helped maintain this peace but it may also have made low-level conflict less risky and thus more likely. In recent decades, both countries have experienced significant economic growth and progress in many areas of development. Both countries have shown a preference for democracy, although India's institutions are more deeply rooted and robust.

The United States has a stake in keeping regional tensions from boiling over, lowering them where possible, and developing its bilateral relationships. The end of the Cold War has enhanced opportunities for accomplishing these tasks. But seizing those opportunities will require creative thinking and skillful diplomacy. U.S. interests in South Asia are not vital, but they are important, and the region's strategic, economic, and human significance demands greater attention and a revised approach. It is long since time to end America's relative neglect of these two countries and the fifth of humanity they represent.

For these reasons, the Council on Foreign Relations believes a new assessment of U.S. policy toward India and Pakistan is war-

ranted. To aid in this task, in the spring of 1996 it formed an Independent Task Force composed of former U.S. government officials, prominent scholars, members of nongovernmental organizations, and private sector representatives. Task Force participants were asked to assess trends in the region and examine key issues affecting relations among the United States, India, and Pakistan. This report summarizes their findings and recommendations for U.S. policy.

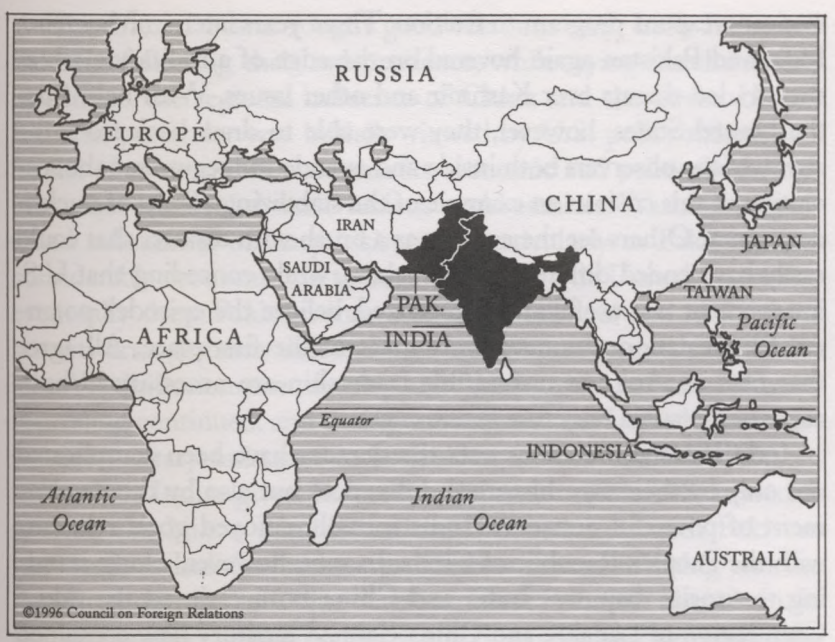
Historical Background

At the end of World War II, the United Kingdom moved to grant India independence. The two most powerful local political forces, the Indian National Congress and the All-India Muslim League, could not agree on the terms for drafting a constitution or establishing an interim government for a united country. In June 1947, therefore, the United Kingdom declared it would grant full dominion status to two successor states, India and Pakistan, with the latter consisting essentially of the contiguous Muslim-majority districts of western British India plus parts of Bengal a thousand miles to the east. Partition was accomplished, albeit with a large and bloody transfer of populations. India and Pakistan emerged as independent countries in August 1947.

Almost immediately, the two nations went to war over the status of Jammu and Kashmir, a princely state lying between them with a Muslim-majority population but a Hindu ruler who opted to join India.[1] A U.N.-brokered cease-fire ended large-scale hostilities in 1949; the cease-fire line divided the area in dispute and generally served as a de facto (if unrecognized) frontier. Major fighting erupted again over Kashmir in September 1965, after Pakistan's failed attempt to foment an uprising in Indian-controlled territory provoked an Indian military response. In January 1966, Indian and Pakistani representatives met in Tashkent under Soviet auspices and agreed to return to the *status quo ante bellum* and work for a peaceful settlement of the Kashmir dispute and other differences.

In December 1971, the two countries went to war a third time, following severe Pakistani repression of Bengalis in East Pakistan, the

1. Hereafter, this report will refer to the state of "Jammu and Kashmir" as "Kashmir."



flight of millions of refugees to India, and Indian military intervention. After a brief conflict, the two armies reached an impasse in the west, leaving the territorial status quo there unchanged except for small modifications to the cease-fire line in Kashmir. A decisive Indian victory in the east, however, resulted in the transformation of East Pakistan into the independent country of Bangladesh. In July 1972, Pakistani President Zulfiqar Ali Bhutto and Indian Prime Minister Indira Gandhi agreed to a mutual withdrawal of forces to internationally accepted boundaries, accepted the recent war's cease-fire positions in Kashmir as a "line of control" (LOC), and resolved to "settle their differences by peaceful means through bilateral negotiations or by any other peaceful means mutually agreed upon between them." (For the full text of the so-called Simla accord, see Appendix 1.)

In early 1987, India and Pakistan came to the brink of war. Major military units were poised on each side of the border following India's decision to stage a large exercise ("Brasstacks") near Pakistan. The crisis was defused, but in its wake Pakistan decided to bring its

nuclear weapons program to fruition. Three years later, in May 1990, India and Pakistan again hovered on the edge of a military clash as they traded threats over Kashmir and other issues. With help from the United States, however, they were able to draw back from the abyss. Many observers both inside and outside the region see the resolution of this crisis as an example of the stabilizing effects of nuclear deterrence. Others see the episode as a brush with disaster that could easily have ended differently. Still others, while conceding that U.S. involvement was useful and appreciated, believe the episode's potential for escalation was never very great in the first place. All agree that firm control and responsible leadership are necessary in both countries to avoid or defuse future crises.

Indo-Pakistani relations over the decades have been complicated not only by their own historical differences but also by the involvement of powerful outsiders. India initially enjoyed good relations with the People's Republic of China. In 1962, however, a long-standing territorial dispute—India and China both claimed the Aksai Chin region of Ladakh, and China claimed territory now contained within the Indian state of Arunachal Pradesh—led to conflict. After Indian troops moved into a contested area, a Chinese offensive penetrated deep into Indian territory. Within weeks, however, China unilaterally proclaimed a cease-fire and withdrew in the east to positions it had held before the outbreak of hostilities, while continuing to control disputed territory.[2]

During the 1960s, India turned increasingly to the Soviet Union for arms and support. Pakistan's relations with China grew closer, meanwhile, with the two countries concluding various agreements and exchanging high-level visits. The Chinese subsequently supported Pakistan's opposition to Soviet involvement in Afghanistan, and China has continued to provide Pakistan with economic, military, and technical assistance, including assistance for Pakistani nuclear and missile programs.

2. Tensions stemming from the territorial dispute have been reduced recently, following agreements constituting a de facto settlement along the "lines of actual control" dividing Indian and Chinese forces in Ladakh, and both countries have withdrawn some forces from forward areas and worked to normalize relations.

The United States sought good relations with both India and Pakistan following their independence, while trying simultaneously to contain the regional influence of China and the Soviet Union. India in particular was initially viewed by U.S. policymakers as a model of successful noncommunist economic and political development that other third world nations could emulate. Washington provided substantial military assistance, particularly to Pakistan, and considerable economic aid to both countries. The United States also eventually drew Pakistan into a series of bilateral and multilateral security arrangements that India, claiming nonalignment, would not join. Yet disillusionment developed in Washington as Indo-Pakistani quarreling continued, and during the 1965 war the United States suspended military assistance to both sides, a move that hurt Pakistan more than India, given its greater dependence on U.S. matériel. During the Nixon administration, U.S. relations with Pakistan improved, as India's closeness to Moscow proved irritating and the American opening to China developed with Pakistan's direct help. In the 1971 conflict, movements by a U.S. carrier battlegroup in the region were widely regarded as evidence of U.S. bias in favor of Pakistan and were considered unfriendly by the Indian government.

For much of the 1970s, Washington paid relatively little attention to South Asia. During the second half of the decade, the U.S. Congress passed legislation designed to deter nuclear proliferation. The central features of these legislative instruments were explicit prohibitions on various forms of U.S. assistance to countries found to have crossed certain proliferation thresholds, e.g., the acquisition of sensitive technologies for the enrichment or reprocessing of nuclear material. (See Appendix 2 for two examples of such legislation, the so-called Glenn and Symington amendments.) In 1978 and 1979, in accord with the terms of this legislation, U.S. security assistance to Pakistan was curbed. Following the Soviet invasion of Afghanistan in late 1979, however, Pakistan was granted a waiver from nuclear-related sanctions in order to secure Pakistani cooperation in supporting the Afghan resistance.

In 1985, in a step specifically designed to restrict this waiver, Congress passed the so-called Pressler amendment, which stated that no assistance, military equipment, or technology would be furnished,

sold, or transferred to Pakistan unless the president certified annually that Pakistan "did not possess a nuclear explosive device." (See Appendix 3.) Such certifications were made, and U.S. arms sales continued, including agreement on a 1987 Pakistani order for dozens of F-16s. But Pakistan continued to pursue its nuclear weapons program, and in October 1990 American officials finally determined that certification was no longer possible. This triggered the Pressler amendment's sanctions, and all forms of U.S. military assistance were cut off and new economic aid was prohibited. (Economic aid already in the pipeline was not stopped.) Pakistan protested vigorously and demanded either the F-16s and other weapons it had purchased or the return of the more than $1 billion it ultimately paid for them. The United States stuck to its position, and the two countries' relationship deteriorated further during the early 1990s as evidence emerged of Pakistan's continuing nuclear weapons program and its reported acquisition of M-11 ballistic missiles from China.

By the mid-1990s, both the Clinton administration and the new Benazir Bhutto government in Pakistan decided their countries' interests were not well served by the impasse and expressed a readiness for improved ties. As a result, in January 1996 President Clinton signed into law the so-called Brown amendment, which eased the Pressler amendment's sanctions on Pakistan. (See Appendix 4.) The Brown amendment permitted the delivery of $368 million in previously embargoed arms and spare parts and allowed future economic assistance and the provision of limited military assistance to Pakistan for counterterrorism, peacekeeping, antinarcotics efforts, and military training. It did not supersede the Symington amendment (under which sanctions had been imposed for Pakistan's previous imports of nuclear enrichment equipment), but President Clinton was expected to waive the Symington restrictions upon the Brown amendment's enactment. Amid a new controversy in 1996 over reports that Pakistan had bought ring magnets for its nuclear program from China, however, the Symington sanctions directed against countries importing enrichment technology remained in place, delaying the full resumption of economic assistance programs to Pakistan. Later in the year, additional reports of substantial Chinese support for Pak-

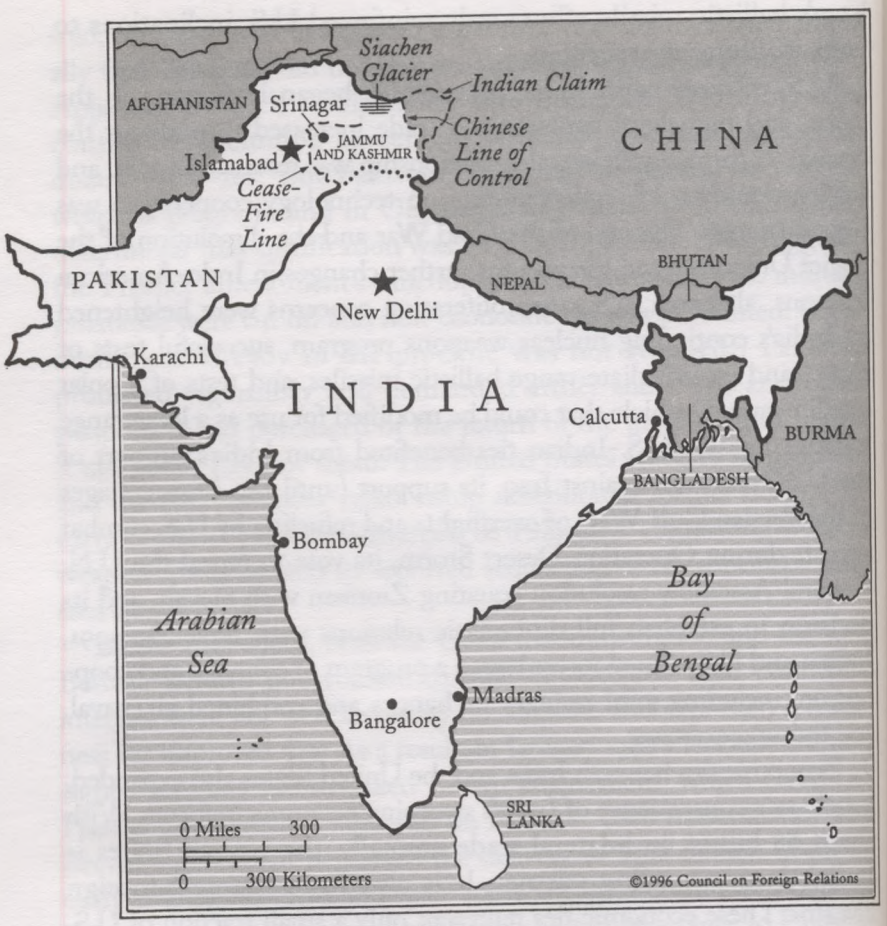
istan's ballistic missile efforts only reinforced U.S. inclinations to hold off lifting any sanctions.

U.S. relations with India, meanwhile, began improving in the 1980s, and high-level contacts and trade increased throughout the decade. A formal military sales relationship was resumed in 1985, and a Memorandum of Understanding on technology cooperation was signed in 1986. The end of the Cold War and the dissolution of the Soviet Union opened the way for further changes in Indo-American relations, although U.S. nonproliferation concerns were heightened by India's continuing nuclear weapons program, successful tests of short- and intermediate-range ballistic missiles, and tests of a polar satellite launch vehicle that could be modified for use as a long-range military missile. U.S.-Indian ties benefited from India's support of the U.N. embargo against Iraq, its support (until the closing stages of the Persian Gulf War) of overflights and refueling by U.S. combat aircraft during Operation Desert Storm, its vote to repeal the U.N. General Assembly resolution equating Zionism with racism, and its decision to establish full diplomatic relations with Israel. In 1991, Indian and U.S. armed forces began a program of contacts and cooperation, including joint military exchanges and combined air, naval, and training exercises.

Economic ties between India and the United States also expanded, largely as a consequence of India's sweeping economic reforms. With about $8 billion in bilateral trade annually, the United States is India's largest trading partner. It is also India's largest foreign investor. These economic ties represent only a small fraction of U.S. overseas business, even of U.S. business in Asia, but India has great potential as a market and an investment outlet. Educational and cultural links between the two countries have also grown, spurred in part by a prosperous and highly educated expatriate Indian community in the United States.

India and Pakistan Today

Both India and Pakistan are democracies. Both countries confront stirrings of religious nationalism and separatist movements, and both face the daunting tasks of raising many millions of people from poverty, constraining population growth, and promoting economic



development. There are, however, important differences between the two countries that warrant highlighting.

After decades of intermittent military rule, Pakistan revived democratic procedures in 1989. Albeit with the military continuing to play an important political role, the country has since then witnessed the alternation in power following elections of its two principal national political parties. The higher judiciary has displayed greater independence in defending the country's constitution. The Pakistani press is increasingly unfettered and outspoken. Progress has been realized in liberalizing Pakistan's largely command economy.

Yet democratic institutions have not developed particularly deep roots in Pakistan, and they are threatened by a variety of extremist and separatist forces in Pakistani society, including an intolerant (and often heavily armed and militant) Islamic fundamentalism. Pakistan was founded explicitly on Islam as the basis of national identity, and some sectors of Pakistani society find the separate models of Islamic revolutionary Iran or orthodox Saudi Arabia appealing. The Pakistan Army continues to play a large role in shaping political life. Long-standing social, economic, and administrative problems remain largely unaddressed. Literacy rates are among the world's lowest, especially for women, and the population growth rate, 2.9 percent annually, is among the world's highest. Investment in social capital is lower than in other countries with similar income levels. Deep-seated corruption and growing rifts among classes, regions, and linguistic groups also undermine support for parliamentary institutions.

The result of all these problems is that Pakistan's future stability, orientation, and perhaps even its unity are less than certain. If the country's key political actors can coalesce around sound policies, its economic, social, and political future can be relatively bright. Some members of the Task Force believe, however, that unless such resolve can be mustered, Pakistan may turn into a failed state.

India, apart from a brief authoritarian interlude in the 1970s, has remained a democracy since independence, one whose vigor was demonstrated in recent national elections and their aftermath. India has an independent judiciary, a free press, and firm civilian control of the military, and its parliamentary system has weathered the assassinations of two prime ministers within the last dozen years. Encompassing most of British India's 500-odd former princely states, with more than 900 million people speaking 16 major languages and professing 6 major religions, India's survival as a nation is by itself a formidable accomplishment. In recent years, the country has moved to liberalize its economic system and gradually begun to unburden itself of overcentralized planning, excessive protectionism, and a huge public sector.

Accompanying these successes, however, are a host of problems. Official corruption is widespread. Vast disparities in economic well-being and income distribution persist, such that one-third of the

population still lives below the official poverty line. Some 200 million Indian citizens do not have access to potable water supplies; over half the population does not have sanitary facilities. The literacy rate stands at 50 percent (although it varies by region), and girls lag at all levels of schooling. Life expectancy has climbed to more than 60 years, but infant mortality remains high, and half of the nation's preschool children are malnourished. At its current annual 1.8 percent rate of increase, India's population could reach 1.5 billion by the middle of the next century, rivaling China's. The social, political, economic, and environmental consequences of such vast numbers would be enormous.

The decline of India's long-dominant Congress Party and the rise of Hindu nationalism as a social and political force, moreover, have the potential to disrupt national politics and exacerbate regional tensions. Militant Hindus have challenged India's secular and multicultural status, generating fears among the sizable (110 million) Muslim minority. Violent clashes involving members of different religions, castes, and ethnic groups are frequent.

South Asia's size and human diversity have impeded the evolution of truly national identities and the building of nationwide political institutions, as have international boundaries that often cut across many different communities. In addition, both India and Pakistan are trying to manage development through federal systems, which provide flexibility and decentralized government but place additional stress on political and administrative institutions. Water supplies and rights are also a periodic source of problems in the area, as the three major regional river systems cross the borders of several countries. Finally, the flow of political and economic refugees has often caused frictions between governments, above and beyond the human cost in suffering for the refugees themselves.

The economic situations of India and Pakistan, although greatly different in scale, share some characteristics. According to the World Bank, India's average annual gross domestic product (GDP) growth from 1980 to 1993 was about 5.2 percent; after a short slump, growth picked up once more and is now some 6 percent a year. India has recently lowered tariffs and reduced controls on external ownership of

firms, which should produce significant increases in foreign investment as long as investors can be assured of fair and consistent treatment by authorities at all levels of government. Pakistan's average annual GDP growth from 1980 to 1993 was six percent, although it, too, experienced a recent slump. In 1988, Pakistan began to reorient economic policies to strengthen public finances and promote private sector investment and growth, and has sold off some state-owned banks, power plants, and industrial enterprises. The challenge for both countries is to continue with structural reform while managing to broaden the base of economic growth and alleviate some of the discontent and pain the reforms cause for certain vulnerable sectors.

Defense expenditures have added to the economic challenge. According to the International Institute for Strategic Studies, in 1995 India spent $8.3 billion on security (2.5 percent of its GDP) compared to Pakistan's $3.6 billion (6.4 percent of its GDP). In absolute terms, the armed forces of the region are quite large. (See Appendix 5.) India has 1.1 million citizens on active duty, 2,400 main battle tanks, 1,300 armored combat vehicles, over 3,500 towed and 80 self-propelled artillery pieces, 2,400 air defense guns, and 1,800 surface-to-air missiles (SAMs). Its navy has 13 submarines, 2 aircraft carriers, and 26 principal surface combatants, and its air force has almost 800 combat aircraft and some 30 armed helicopters. India also has significant capabilities for airlift and sealift, and is developing increasing potential for regional power projection.

Pakistan, meanwhile, has 580,000 citizens on active duty. Although significantly smaller than India's military, these forces are still larger than those of all other nations except China, Russia, the United States, the two Koreas, and perhaps Vietnam. Pakistan has over 2,000 main battle tanks, 850 armored combat vehicles, more than 1,500 towed and 200 self-propelled artillery pieces, 2,000 air defense guns, and nearly 1,000 SAMs. Its navy has 9 submarines and 11 principal surface combatants, and its air force has over 400 combat aircraft, including 34 F-16s.

The size and deployment of Indian forces, it should be noted, reflect not merely a concern with Pakistan to the northwest but also a perceived threat from China to the northeast. India is also concerned

with the Chinese naval buildup and the possibility of a Chinese-built naval base in Myanmar (Burma). Assessing the net balance of conventional forces between India and Pakistan is therefore difficult; it may well be less lopsided than the aggregate numbers suggest. Nevertheless, the inequality in size and strength of the two countries has led India to expect and demand primacy on the subcontinent, while leading Pakistan to seek ways of evening the balance. The asymmetry of the two countries' strategic challenges and resources also complicates attempts at bilateral arms control and stabilization.

Official bilateral relations between India and Pakistan scarcely exist. There is little legal trade and scarce diplomatic or cultural interaction. Somewhat more communication occurs between certain groups at the nongovernmental level, however, and black market commerce along the border and through other countries amounts to perhaps $1.5 to $2 billion a year. Still, the ethnoreligious conflicts that brought on partition half a century ago continue to poison interstate relations. Tensions have been heightened as a result of efforts by both sides to exploit the other's internal troubles. India accuses Pakistan of aiding Sikh and Kashmiri separatists; Pakistan accuses India of aiding Sindhi nationalists. There is some justification for both sets of charges.

No party can escape blame for the ongoing low-intensity conflict in Kashmir. As Kashmiri insurgents have pressed for self-determination, some have compiled a record of violence, intimidation, and corruption. Pakistan has armed, trained, and harbored the separatists. India politically mismanaged the state for years and has resorted to military repression, flooding Kashmir with hundreds of thousands of military and paramilitary personnel and contributing to human rights abuses during the conflict. Thousands of Kashmiris have been killed by the security forces. On occasion Indian units have used lethal force against peaceful demonstrations and burned down entire neighborhoods. Recent Indian governments conceded that "excesses" have occurred and claimed to have taken appropriate actions against those who committed crimes, but full-scale investigations by international human rights organizations have not yet been permitted.

It is unclear, finally, how much freedom of action each country's

leaders have to pursue bold new foreign policies. In Pakistan, the current interim government that took office after the November 1996 dismissal of Prime Minister Bhutto by President Farooq Leghari—the third such dismissal of a government by a Pakistani president since 1990—has no particular mandate, an uncertain tenure, and no clear successor. What is certain, though, is that the Pakistani military and intelligence services will continue to exert a powerful influence on all aspects of security policy, including Kashmir. In India, elections in May 1996 turned Prime Minister Narasimha Rao and the Congress Party out of office and yielded a trilateral balance among Congress, the Hindu nationalist Bharatiya Janata Party (BJP), and a coalition of leftist and regionalist parties called the National Front–Left Front (NF–LF). As the largest party in parliament, the BJP was offered the opportunity to form a government, but it could not put together a majority. The NF-LF, by this point renamed the United Front, was then allowed to try and with the support of Congress fashioned a minority government led by Prime Minister H.D. Deve Gowda. This new government has pledged to move ahead with economic reform and has exchanged unusually friendly messages with Pakistan. But it remains unclear how long the government will last, how firm a hand it will exert on the country, and in what direction it will take India.

Prior to the 1996 Indian elections, the last formal high-level contact between the Indian and Pakistani governments was when their foreign secretaries met in Islamabad in January 1994. The primary focus of the meetings was on the Kashmir insurgency; despite hopes on both sides, the talks broke off without result. Soon after the formation of the United Front government in India in June 1996, however, signs multiplied of a potential thaw in Indo-Pakistani relations. Prime Minister Bhutto wrote to Prime Minister Deve Gowda appealing for a resumption of high-level talks, and he responded with a proposal for a wide-ranging dialogue at the foreign secretary level. As of this writing, how far these steps will go and whether they will lead to any rapprochement remain unknown.

In sum, both India and Pakistan continue to grapple with important issues of national identity, foreign policy, and economic develop-

ment. Both face the difficult task of making federalism work in a democratic, multilingual, multiethnic society. Neither country confronts any imminent extraregional foreign threat. If the tensions in their bilateral relationship could be lowered, the possibility of a spiraling nuclear arms race and regional hostilities could be significantly reduced. (Chinese actions would be required for regional security dilemmas to be addressed comprehensively and diminished still further.) Yet since the Indian and Pakistani governments have always found it hard to resolve their differences, the prospect of war, by design or miscalculation, remains real. Moderate elements in each nation have a stake in the success of their counterparts across the border. But so, too, do each country's extremists. Weak governments in both countries have had trouble accepting that their best chances for long-term success lie in mutual stabilization and cooperation rather than in mutual destabilization and tension.

Current U.S. Policy

U.S. policy toward India and Pakistan during the final years of the Cold War centered around a variety of "oppositions"—to the extension of Soviet power and influence, nuclear proliferation, protectionism, traffic in narcotics, terrorism, and human rights violations. Many of these have remained important U.S. concerns in the post–Cold War era, but they have been supplemented by some positive emphases as well, including the promotion of democracy, the encouragement of structural economic reform and trade, and conflict resolution. Current U.S. policy toward the region is not easy to characterize succinctly because Congress has enshrined its own views in binding legislation. The disparity between executive and congressional perspectives has contributed to contradictory U.S. signals and less than fully effective U.S. actions.

The dominant emphasis of current U.S. policy is prevention of the proliferation and deployment of nuclear weapons and ballistic missiles. Congressional actions have subordinated other aspects of both bilateral relationships to the nuclear issue, most notably in the case of Pakistan. The Clinton administration, moreover, has emphasized getting both countries to accept an array of international

nuclear agreements, including the Comprehensive Test Ban Treaty and the Fissile Material Cutoff Treaty (FMCT).[3]

Regarding the Nuclear Nonproliferation Treaty (NPT), Pakistan politely states it will sign the day India does. Islamabad has called for a regional nuclear-free zone since 1968, although India's preference for universal rather than regional nonproliferation solutions is understood to remove any realistic prospect for such a zone's creation. India meanwhile asserts that the NPT discriminates in favor of existing nuclear powers and against nonnuclear weapons states by perpetuating the latter's helplessness in the face of potential threats by the former. Some Indians argue that nuclear weapons are a key to India's emergence as a great power—necessary both for status reasons and as a deterrent against China and to a lesser extent Pakistan.

The debate surrounding the CTBT in both countries is similar. Pakistan claims it will sign that treaty when India does. India, however, sees a test ban agreement as a significant barrier to the credible exercise of its nuclear weapons option. It has recently adopted the position that it will sign the CTBT only if the treaty is linked to commitments by the nuclear weapon states to eliminate their nuclear arsenals in a stipulated time frame—something not likely to happen in the foreseeable future. India reaffirmed this stance throughout the second half of 1996—even after China declared its willingness to join the CTBT.[4]

In general, the Clinton administration has been uncertain as to whether it wants to play a more active role in the region than its predecessors. South Asia has not been a high priority in the administration's foreign policy, which has itself rarely dominated the adminis-

3. CTBT will ban all nuclear test explosions of any yield. FMCT refers to proposals for a worldwide ban on any further production of fissile materials for use in nuclear weapons. All five declared nuclear states have already halted such production, and all but China have officially announced this. India, Pakistan, and Israel are believed to be producing the materials at a low rate. The two South Asian states have blocked the Conference on Disarmament from taking up the cutoff by linking it to negotiations on global nuclear disarmament.

4. The result of India's refusal to sign the treaty was to block its going into effect. Led by Australia, the international community is exploring alternative courses of action designed to bring India and as a result Pakistan on board or, if necessary, work around them.

tration's overall agenda. The administration has also not invested substantial political capital in bringing congressional and executive policies fully into line.

Nevertheless, President Clinton has hosted official visits to Washington by Prime Minister Rao and Prime Minister Bhutto and sponsored visits to the area by Mrs. Clinton and several cabinet members. The Clinton administration has supported economic reform in both countries, and thanks to India's gradual liberalization, both the United States and India are benefiting from expanded bilateral trade and investment. The administration has also initiated a dialogue with the Indian government on security issues, and the State Department has attempted to help ease regional tensions.

U.S. policy toward Pakistan has been boxed in by the intersection of congressional statutes and Pakistan's pursuit of an independent nuclear weapons capability. The Clinton administration supported the Brown amendment, which partially eased the Pressler sanctions, but a range of potential assistance remains on hold. The impasse has blocked meaningful relations between Washington and Islamabad, stirred anti-American sentiment, and led Pakistan to turn further toward other nations (including the United Kingdom, France, China, Russia, Ukraine, and Iran) for military sales and assistance. Pakistani sensibilities have also been affected by the perceived legislative double standard regarding South Asian nuclear programs.[5] Still, within the limits established by relevant legislation, the Clinton administration has sought to work with the Pakistani government in a range of areas, including peacekeeping operations (see Appendix 6) and efforts to combat terrorism and drug trafficking.

5. India is under no such similar legal constraints regarding its own dealings with the United States because the relevant U.S. legislation targets nuclear weapons programs that receive outside help (while India's is largely indigenous) and because it was written after the Indian program had already achieved significant results.

FINDINGS AND RECOMMENDATIONS

U.S. Interests

U.S. INTERESTS IN SOUTH ASIA, although not vital, are important and increasing. The region contains one-fifth of the world's population and occupies a potentially critical geostrategic position, surrounded by China, the surging economies of East Asia, the Indian Ocean, and the huge oil and gas reserves of the Persian Gulf and the Caspian Basin. It could serve as an engine of world economic growth over the next generation. Yet the region's combination of nuclear weapons capabilities, large standing militaries, enormous populations, and deep-rooted ethnic, religious, and political differences could prove explosive.

The United States has at least seven interests in the region. After lengthy discussion, the Task Force decided *not* to rank these interests in order of priority. The reasoning is straightforward. There is no necessary correlation among an interest's intrinsic importance, the threat to it, and the potential for U.S. policy to affect the course of events in that area. Furthermore, several of the interests are intertwined: domestic developments in both countries, for example, will affect relations between them, which in turn will affect their domestic developments.

- *Preventing major war.* The United States has an important interest in working with India and Pakistan to help prevent war and resolve their major differences. India and Pakistan have, respectively, the world's fourth and seventh or eighth largest armies. They have gone to war three times and have an unresolved border dispute as well as an ongoing low-intensity conflict in Kashmir. The addition of nuclear weapon and ballistic missile technology to this situation creates the potential for their rivalry to escalate into devastating hostilities. An Indo-Pakistani war involving the use of nuclear weapons would be a humanitarian catastrophe, as well as a shattering blow to the post–World War II global taboo against nuclear use.

• *Cooperating to restrict strategic exports.* The United States has a major interest in the firm and responsible centralized control of Indian and Pakistani nuclear material, nuclear weapons technology, and missile technology. The diffusion of nuclear material, nuclear weapons technology, or ballistic missile technology, particularly to terrorist groups or states of proliferation concern, would have major consequences for U.S. national security interests. Such diffusion could occur either through a government's deliberate decision to sell or pass on technology, expertise, or matériel, or through a government's loss of control over its own affairs.

• *Restraining the regional nuclear arms race.* The United States has a related interest in the capping of both countries' nuclear weapons programs and in discouraging the acquisition, development, and/or deployment of destabilizing weapons systems by either side. Major steps forward in either country's nuclear weapons or missile programs would raise the danger of nuclear use in the region (whether by conscious decision, inadvertence, or accident) and constitute a serious challenge to the norm opposing nuclear weapons development, testing, and deployment.

• *Expanding economic growth, trade, and investment.* The United States has a growing interest in promoting further economic liberalization and increased regional economic cooperation. If economic liberalization and other necessary conditions persist, India and Pakistan may be capable over the next generation of emulating East Asia's high growth and rapid industrialization. Along with India and Pakistan, the United States and other countries stand to benefit from such progress through increased trade and investment as well as increased regional stability.

• *Promoting internal stability and democracy.* The United States has a clear interest in supporting robust democratic institutions and political pluralism in both India and Pakistan. It also has an interest in India and Pakistan maintaining their political unity and stability. Not least because of their nuclear capabilities, should either country fall victim to anarchy or ideological extremism, the consequences for the region would be dire.

• *Expanding political and military cooperation with the United States in the post–Cold War international environment.* The United States has an evolving interest in improving its bilateral relationships with both India and Pakistan and in working toward strengthened and expanded political and military cooperation with them. A strong and friendly India could become a valuable partner for the United States in the years ahead, one that could help maintain stability and prosperity throughout Asia. Similarly, a moderate and democratic Pakistan could help promote stability in the Islamic world. South Asia's military power represents an important element to be weighed in calculating military balances across Asia and the Middle East.

• *Cooperating on a broad array of global issues and problems, including drug trafficking and terrorism.* The United States has an ongoing interest in gaining cooperation from both India and Pakistan on a wide range of global issues. Cooperation is necessary to help curb the flow of illegal drugs from South Asia (including the expansion of joint efforts to stop drug trafficking from Afghanistan), control terrorism, support family planning, increase energy production, protect the environment, halt the spread of infectious disease, and search for remedies to illegal international migration.

Toward a New Policy

The Task Force advocates a new U.S. policy toward India and Pakistan, both on its own merits and to eliminate the present disjunction between executive and congressional policy. Such a policy should reflect not only the importance of U.S. interests but also the real opportunity to promote them. Efforts to deter or reverse nuclear proliferation have dominated the U.S. agenda for most of the past two decades, but the triggering of sanctions has constricted U.S. bilateral relationships. Both India and Pakistan, moreover, have become de facto nuclear weapons–capable states and show no sign today of reversing course. At the same time, India has the potential to emerge as a full-fledged major power in the coming decades. The most sensible alternative for U.S. policy in the current situation, therefore, would be to engage both countries more rather than less, while focusing on establishing a more stable plateau for their nuclear

competition. Unilateral U.S. initiatives along these lines can and should complement each other, as the United States sets out both the proliferation thresholds it considers least damaging to regional stability and the improvements in bilateral relations it is prepared to seek. These initiatives should be reinforced by working in parallel with European and Asian governments.

Such a new policy would require an understanding across both the executive and legislative branches of the U.S. government that reversing the de facto nuclear weapons status of India and Pakistan is currently extremely unlikely. In accordance with this understanding, the Task Force favors exercising to the fullest the latitude to expand relations provided by existing legislation, while simultaneously working to modify that legislation as necessary to support the full range of initiatives described below. Rigid, narrowly focused legislative mandates are in general a poor way of addressing the complex problems involved in making foreign policy. In the case of nuclear proliferation in South Asia, they have achieved modest success at best while holding a diverse range of U.S. interests hostage not merely to one issue area but to specific requirements in that area that have been overtaken by events. Unconditional sanctions that cannot be waived or adjusted by the president deny policymakers the ability to design and execute a foreign policy that could help stabilize the Indo-Pakistani nuclear competition and promote other U.S. interests.

In future dealings with India and Pakistan, the United States should concentrate on persuading them to refrain from testing nuclear explosives, deploying nuclear weapons, and exporting nuclear weapon- or missile-related material, technology, or expertise. The United States should also urge India and Pakistan to refrain from missile deployments and cease unsafeguarded production of fissile material. At the same time, the United States should significantly expand its bilateral economic, political, and military ties with both countries, providing a broad array of incentives for each country to help bring about restraint in the proliferation arena. The U.S. desire and ability to continue along such a course will naturally be affected by the degree of restraint that India and Pakistan demonstrate. In this vein, India's recent decision to impede progress on the CTBT, as well as disclosures of Pakistan's continuing work (with Chinese help)

on a plant to manufacture ballistic missiles, are unfortunate. Moreover, destabilizing moves by either country in the nuclear weapon or ballistic missile arenas would almost certainly curtail cooperation and could even result in the reintroduction of U.S. sanctions. Any such decision should be made by the executive branch, after consultation with Congress and other governments, and only if sanctions make sense in light of the full range of U.S. national security interests.

These complementary initiatives toward nonproliferation goals and expanded bilateral relationships need not be enshrined in formal treaties. Indeed, an attempt to do so could prove difficult and contentious. The new policy should consist instead of unilateral declarations by the United States and understandings among the relevant parties. Indian and Pakistani nuclear restraint would be verified unilaterally through U.S. national technical means, while expanded cooperation in other areas would proceed simultaneously. The United States might thereby be placed in an uncomfortable role as umpire, but the process of verification could be handled successfully by a combination of sustained, quiet dialogue with both countries and objectivity in what is observed and reported with respect to both.

This new policy has the potential to bring real and important benefits to the United States, India and Pakistan, the region, and the broader international community. To the extent that Indo-Pakistani nuclear competition can be stabilized and capped short of dangerous new developments, the security of both countries will be enhanced and U.S. interests in the region will be well served. The new policy would also enable the United States to explore the possibility of a significantly closer bilateral relationship with India than has previously been the case—a development most members of the Task Force believe is in order, given their view that there has been and will continue to be a growing convergence of U.S. and Indian geopolitical and economic interests. Exploring the possibilities for progress in U.S.-Indian relations would not mean, however, diminishing U.S. relations with Pakistan. To the contrary, appropriate opportunities for enhanced U.S.-Pakistani cooperation should be pursued energetically on their own terms. It is both possible and desirable to move toward delinking the United States' bilateral relationships with India and Pakistan and attempting to transcend the

zero-sum dynamics that have plagued the region (and U.S. policy toward the region) in the past.

Such a new policy is more likely to be accepted readily at the present time within the executive branch than on Capitol Hill. It represents, in fact, a logical extension of certain elements in the current executive approach. For this to become the true policy of the United States, however, the administration would have to make South Asia a foreign policy priority and be willing to expend real effort consulting and negotiating among India, Pakistan, other countries in the area, and the U.S. Congress. The Task Force believes that this is something for the second Clinton administration to pursue.

The following sections of this report present in greater detail the rationale for each component of a new U.S. policy and the Task Force's findings on a range of other issues. Task Force members recommend that the United States:

- seek to discourage further proliferation and establish a more stable plateau for Indian and Pakistani nuclear weapon and missile competition;
- seek closer bilateral political and military cooperation over the long term, especially with India;
- support modest diplomatic efforts in concert with others to help calm the Kashmir situation and steer it in the direction of eventual settlement;
- support the progress of democracy and promote economic liberalization in both countries;
- encourage a normalized and more cooperative working relationship between India and Pakistan;
- revamp relevant existing U.S. legislation;
- restructure bureaucratic organizations within the U.S. government to create separate divisions dealing with South Asia.

Nuclear and Missile Issues

To help forestall the use of nuclear weapons in South Asia and stabilize the nuclear dynamic in the region, the United States needs to adapt its policies to existing circumstances. Although neither India nor Pakistan has declared itself a nuclear power, both have the ability

to produce nuclear weapons. At the same time, both have pursued a policy of limited rather than all-out development while maintaining a deliberate ambiguity about the nature of their nuclear weapons programs. India exploded a nuclear device in a "peaceful" experiment in 1974 and could have put aside enough weapons-grade plutonium for perhaps as many as 60 weapons (although it is doubtful that it has built more than a small fraction of this number). Pakistan has never, to our knowledge, tested a nuclear device, but analysts believe it could possess enough highly enriched uranium to manufacture perhaps 10 to 15 weapons. Pakistan claims to have frozen its production of weapons-grade uranium since 1991, and the U.S. government does not claim to have evidence to the contrary.

Both India and Pakistan are also improving their means to deliver nuclear weapons, and have either built or acquired ballistic missiles to augment their ability to deliver such weapons using advanced aircraft. In January 1996, India test-fired the air force version of its *Prithvi,* a liquid-fueled short-range ballistic missile (SRBM) with a range of about 250 miles. From certain deployment areas, such missiles could strike most Pakistani cities less than five minutes after launch. India has also conducted tests of its intermediate-range *Agni* missile, which if operational would be able to strike China. Despite talk of deploying *Prithvis,* however, the Rao government did not move them into prepared installations along the Pakistani border. Moreover, the Deve Gowda government has announced suspension of the *Agni* program. All of this could change though. It is possible, too, that India could transform its space launch rocket system into a missile system of intercontinental range.

Pakistan has worked, with foreign assistance, on its own missiles. It has tested two surface-to-surface missiles, the *Hatf I* (with a range of 50 miles) and the *Hatf II* (with a range of 186 miles), but only the *Hatf I* appears to have been deployed. Entire M-11 missile systems, comparable to the *Prithvi,* were apparently shipped to Pakistan from China by 1992 but not assembled or deployed. These missiles could presumably become operational with little delay. In addition, Pakistan appears to be building (with China's assistance) a capacity to manufacture missiles domestically.

The nuclear weaponization of the subcontinent is unlikely to be

reversed in the foreseeable future. The Clinton administration's attention has been focused in practice on the first aspect of its stated desire to "cap, roll back, and finally eliminate" weapons of mass destruction in South Asia. The same could not be said about congressional policy, which has tried to deter the development or acquisition of nuclear weapons capability (by Pakistan in particular) by threatening sanctions and continuing those sanctions unless the nuclear weapons programs in question are rolled back.

It is regrettable that India and Pakistan are now in a position to deploy and use nuclear weapons in a crisis. Nevertheless, it is important to recognize the considerable restraint both states have exercised in managing their nuclear affairs. India's decision not to follow its 1974 test with more tests is unique in the nuclear era, and Pakistan's apparent unilateral freeze on the production of weapons-grade uranium is no less remarkable. The Task Force believes that U.S. policy should be directed at preserving and building upon this nuclear caution, transforming it into a set of understandings that can deepen over time.

Four broad alternative futures can be envisioned for South Asia's nuclear dynamic: 1) rollback and eventual denuclearization; 2) maintenance of the ambiguous status quo; 3) establishment of a more stable plateau for Indo-Pakistani nuclear competition; or 4) overt deployment and arms racing. The United States should seek to achieve the third option, the best of the alternatives that are realistically available.

The first option is not a realistic near-term goal for U.S. policy. (Members of the Task Force disagreed, however, about its feasibility over a longer period.) Neither India nor Pakistan sees its national interests served by abandoning its nuclear weapons program. Both countries' leaders face domestic pressures to maintain and enhance rather than reduce their nuclear postures. India believes that a nuclear weapons capability will deter China and Pakistan and bring prestige. Pakistan also believes a nuclear weapons capability will bring international prestige, while believing that it will deter India and compensate for conventional military shortfalls (much as it did for NATO vis-à-vis the Warsaw Pact during the Cold War). The denuclearization of South Asia, therefore, seems highly unlikely until the rest of the

world makes significant moves in that direction, Indo-Pakistani relations are transformed, and/or a major nuclear accident occurs.

The fourth option, overt deployment, would be deeply unfortunate and prove difficult to reverse. It would not yield much more deterrence than the present situation, while raising various dangers including a high degree of crisis instability. The risk of nuclear accidents would increase. More importantly, once the firebreak of nuclear weapon or missile deployment has been crossed, future enhancements of nuclear capabilities would be harder to prevent or detect and further arms racing would be likely, if for no other reason than partisan political pressures within each country. Unless and until secure second-strike capabilities were developed—which would require huge investments by both countries—each side's nuclear forces would be vulnerable to attack, and therefore each might consider launching a retaliatory strike on warning signals alone or even launching a preemptive strike. The time available for communications or mediation would be drastically diminished. Such pressures would heighten rather than reduce tension during crises and raise the risk of an inadvertent nuclear conflagration. In short, overt deployment would increase the difficulties of managing the Indo-Pakistani nuclear competition while simultaneously increasing the costs should deterrence ever fail.

The second option, maintenance of the status quo, appears to have some benefits, and it would be worth considering if one could be confident that it truly constituted a viable option over an extended period. (Several members of the group believe this option is the least bad alternative for U.S. policy over the short term.) The current situation offers many of the advantages of nuclear deterrence—a credible threat that aggression will be followed by devastation—while presenting enough obstacles to immediate use that accidental or inadvertent attacks should be preventable. It also holds open the slim possibility that either or both countries could roll back nuclear capabilities at some point in the future, as several countries (from Ukraine and South Africa to Argentina and Brazil) have done in the past.

The problem with the second option lies in the risk that the status quo may not be maintainable. The current balance is both precarious

and dynamic. It is not well grounded in formal or informal understandings. Either country might be tempted to acquire or develop more advanced weapons or delivery systems if it believes that a slight relative advantage could yield political or military benefits or if it fears the other believes so. As a result, option two could over time or during a crisis slip into option four (i.e., overt deployment), with all the risks and costs that would entail.

The Task Force, therefore, believes that the United States should work at the present time to realize the third option, trying to establish a more stable and sustainable plateau for Indo-Pakistani nuclear relations. Recognizing that reversing the de facto nuclear weapons status of India and Pakistan is currently extremely unlikely, such a policy would take as its proximate goals that both countries refrain from nuclear explosive testing, nuclear weapons deployment, and nuclear weapon- or missile-related exports. Toward this latter goal, India and Pakistan should be encouraged to join or at least conform to the guidelines and principles of the Missile Technology Control Regime (MTCR).[6] India and Pakistan should also be strongly urged to refrain from missile deployments and to cease production of unsafeguarded fissile material.

To increase the chances of successfully maintaining such a stable plateau for Indo-Pakistani nuclear weapons programs into the future, the United States should not simply threaten penalties but also lead the international community in offering real incentives for both countries to restrain their nuclear weapons and missile programs. (The specific inducements favored by the Task Force are described in the following section, as part of the expanded bilateral relationships we recommend.) In practice, however, the ability and willingness of the United States and others to provide such inducements will be affected by the degree of restraint shown by each country in the nuclear realm. If their nuclear caution increases, we believe that the United States should offer still further benefits.

6. Formed in 1987 by the Group of Seven leading industrial countries, the MTCR was originally designed to restrict the proliferation of nuclear-capable missiles and missile technology. Now consisting of 28 member states and others who voluntarily agree to adhere to its guidelines, the MTCR restricts technology exports that could contribute to the proliferation of missiles capable of delivering any weapon of mass destruction.

In addition to its emphasis on ensuring a de facto cap on proliferation, the United States should continue to encourage both India and Pakistan to sign the CTBT and the FMCT. Failure to sign these treaties will make it more difficult to improve relations in other areas. Still, it would be counterproductive to make signing a precondition for such improvement. If either or both countries continue to refuse to sign the CTBT, the United States should continue to work with other governments to discourage testing by either India or Pakistan. A test by one side would result in such strong internal pressure on the leadership of the other side that it would almost surely test as well. This would probably lead to a series of tests, an acceleration of the nuclear programs of both sides, and an increase in regional tensions, to the detriment of the region's economic prospects. Moreover, a testing breakout in the region could have serious adverse effects on a global test ban and other nuclear nonproliferation measures.

Strong global pressures to stop all tests could inhibit any such action in the region, as they helped to do when India apparently considered a test in early 1996. If any doubt about this issue remains, an intensified dialogue by the United States and other key governments (including clarification of the repercussions such actions might have on economic and other relationships) should be instituted.

As with nuclear weapons testing, missile deployments by either India or Pakistan would likely lead to counterdeployments and a generally destabilizing series of events. The United States and other governments should therefore highlight the possibility that missile deployments (like nuclear weapons–related imports) could have repercussions on efforts to improve bilateral relationships. Because of the complexities involved in this area and the need to take a range of other foreign policy considerations into account, however, it is inadvisable to specify in advance precisely what such repercussions would be. In responding to any such situation, U.S. policymakers should have flexibility and a wide range of tools from which to select.

A U.S. policy toward the Indian and Pakistani nuclear weapons program does not exist in a vacuum. The formal global nonproliferation regime distinguishes between those five nations that are permitted to have nuclear weapons capabilities and the rest of the international community, which is not. A third group of rogue states can be

conceptualized as well, i.e., NPT signatories that are not permitted to have such capabilities but move to develop or acquire them nonetheless. In effect, the policy being advocated here would tacitly recognize that India and Pakistan, like Israel, currently occupy a fourth category: responsible states with undeclared and to a large extent unproven nuclear weapons capabilities.

To be sure, understanding that India and Pakistan have a special status in this regard and are likely to remain outside the formal nonproliferation regime for the foreseeable future involves paying some price in terms of diluting U.S. global nonproliferation policy. But the Task Force's recommendations are consistent with that policy's primary objective: preventing nuclear use. The optimal way of achieving this objective is to prevent any spread of nuclear weapons and create conditions that allow for their eventual elimination. The NPT has worked effectively to this end and should continue to be enforced and strengthened—particularly in order to prevent signatories from breaking out of its restrictions. India and Pakistan, however, along with Israel, have not signed the treaty and have developed their own de facto nuclear weapons capabilities. Because it is highly unlikely that these countries will roll back these capabilities in the foreseeable future, the optimal path to preventing nuclear use is thus blocked. For the present, therefore, nonproliferation efforts regarding India and Pakistan should concentrate on preventing further destabilizing developments. Pursuing the "stable plateau" option seems the best way of diminishing the chances of conflict and restraining future nuclear weapons competition between India and Pakistan. Shifting emphasis away from rollback and toward stabilizing nuclear weapons programs, moreover, would open the way for pursuing other important U.S. interests as well, something current policy hampers.

These were the most controversial issues raised during the Task Force's deliberations, and not all members fully support the recommendations in this area. The Task Force accepted the argument, however, that in practice the United States has always pursued a case-specific approach to nonproliferation issues, grudgingly accepting certain realities when it was no longer possible to ignore them, and balancing them against other U.S. national interests. The Middle East has long been an instance of such an approach. The Task

Force felt that South Asia had become another and that the time had come to adjust U.S. policy accordingly. Even many members who favored efforts to reverse proliferation and eliminate nuclear weapons agreed that a more stable plateau for Indo-Pakistani nuclear competition could represent an important stage in an incremental process toward such a goal.

Bilateral Relationships

With the end of the Cold War and the emergence of a new and changing international environment, the time has come for the United States to reevaluate its attitudes toward South Asia's major protagonists. Certain modifications to U.S. policy are in order, both to respond to this new environment and to create incentives for India and Pakistan to stabilize their nuclear weapons and missile competition along the lines outlined above.

The time is propitious for the United States to propose a closer strategic relationship with India, one based on shared values and institutions, economic collaboration, and the goal of regional stability. A strong and friendly India could play a key role in helping maintain stability and economic growth across Asia. A rapidly growing India, moreover, would become a valuable partner for enhanced trade and investment.

Both to explore the possibility for such a relationship and to provide incentives for Indian restraint in the nuclear weapon and missile arenas, the Task Force recommends that the United States adopt a declaratory policy that acknowledges India's growing power and importance; maintain high-level attention including regular reciprocal visits of senior officials; loosen U.S. constraints upon the transfer of certain dual-use technologies (including computers and peaceful space launch equipment);[7] increase military-to-military cooperation

7. The transfer of dual-use technology to India is currently constrained both by U.S. policy and by international legal instruments such as the MTCR and agreements of the Nuclear Suppliers Group. Since the transfer of such technology would be an important incentive for India, the Task Force recommends that the government do what it can on its own to facilitate it while exploring the feasibility of adjusting or waiving the international legal prohibitions. Such technology transfers should be ended if the United States gains information that the technology is being introduced into India's ballistic missile programs.

(including broader contacts, exchanges, and joint exercising); cooperate on elements of India's civilian nuclear power program and other energy-related issues; and undertake limited conventional arms sales. The United States should also support India's entry into APEC and consult with New Delhi regarding its interest in membership in other regional and global institutions.

At the same time, the United States should also work to restore normalcy and close working relations with Pakistan. This should include providing credits for trade and investment, such as Overseas Private Investment Corporation (OPIC) aid and Export-Import Bank guarantees; cooperating on energy-related issues, including the peaceful use of nuclear energy and enhancing nuclear safety; helping in debt reduction or forgiveness; and providing aid to support social welfare, economic modernization and privatization, and the reform of tax and development mechanisms.

The United States should also maintain its links and channels of communication to the Pakistani military, both in assisting it with training and encouraging it to support the development of a more firmly rooted democratic political system. IMET should be extended to help keep the Pakistani armed forces professional and linked to the West.

The United States should also be prepared to resume limited conventional arms sales to Pakistan. Military equipment sales should not contribute to either country's nuclear weapons programs or delivery capabilities, nor, in accord with an established principle of U.S. policy in the region, should military sales be undertaken to alter the military balance in the region. In regard specifically to Pakistan, limited arms sales should be designed to maintain cooperative ties to the Pakistani military; to forestall or reduce the likelihood of other, potentially worrisome Pakistani military relationships; to diminish Pakistan's incentives to rely on nuclear weapons; and to enhance Pakistan's ability to undertake peacekeeping and peacemaking missions. The United States should continue its qualitative screening of arms sales to both Pakistan and India to avoid introducing destabilizing weapon systems to the subcontinent. The Task Force recognizes that American arms supplied to Pakistan in the 1950s and 1960s were used against India in later wars. Nevertheless, it believes that

the rationales for resuming limited military transfers justify the inherent risks.

The United States should continue to reject both India's and Pakistan's proclivity to define relationships among the three countries in zero-sum terms. Pakistan's security and economic development are important to the United States, and the United States should continue and build upon its friendship. At the same time, Pakistan must be encouraged to understand that any post–Cold War evolution of U.S. relations with India would not be a hostile act. India, meanwhile, should be encouraged to recognize that despite their historic rivalry, it too has an interest in a strong, stable, and prosperous Pakistan. Such a Pakistan would likely be a more responsible neighbor and a bulwark against more radical Islamic regimes to the west. India's special regional position is a fact of life. But that special position should not be understood as license. Greater power carries greater responsibilities as well as greater privileges, and the character of the U.S.-Indian relationship will reflect Indian behavior regionally as well as globally.

Kashmir

The Kashmir dispute between India and Pakistan is highly complex, and controversy persists in regard to practically every significant detail of its tortured contemporary history. The dispute triggered wars between the two countries in 1947 and 1965, as well as a series of later crises. Kashmir erupted again in 1989 and has been a major source of tension ever since. From the Pakistani perspective, the principal issues involved are the predominantly Muslim composition of Kashmir, the moral and legal right of the Kashmiri people to accede to Pakistan, natural geographic features, traditional trade patterns, and India's abrogation of its accepted obligations. From the Indian perspective, the key issues are the legality of Kashmir's accession to India, Kashmir's geostrategic importance to India's defense, Pakistan's failure to fulfill its own U.N. obligations, and the dangers of setting a potential precedent for separatist movements in other parts of the country. India also contends that the 1972 Simla agreement binds Pakistan to resolve the Kashmir dispute exclusively on a bilateral basis, without the right of resort to the United Nations. Not surprisingly, Pakistan disputes this interpretation. Neither India nor

Pakistan appears willing to accord the people of Kashmir the right to independence.

The continuing conflict between India and Pakistan over Kashmir drains both countries' political and financial resources, while causing real harm to both countries and most of all to the Kashmiris. Each side regularly demands international action against the other. Pakistan seeks censure against India for its human rights violations, and international support for a plebiscite in Kashmir (whose choices would presumably include accession to Pakistan or India but not independence). India seeks international action against Pakistan for its support of terrorism, ignoring Pakistan's claims to the territory and Kashmiri complaints of Indian repression.

Kashmir is a principal but not the sole cause of bad relations between India and Pakistan. It is also a reflection of their general state of animosity. If the Kashmir dispute were resolved tomorrow, in other words, relations between them would still be somewhat sour. Still, Kashmir remains a possible casus belli. Unfortunately, there is no "right" or plausible solution to the conflict in sight. India, Pakistan, and the Kashmiris themselves each have claims that cannot be reconciled. The issue is so politicized and emotional that it is hard even to discuss an approach toward resolution—multilateral or bilateral—in public without being accused of tilting toward one side. The U.S. government does not have a great deal of leverage in regard to the Kashmir dispute, and the time is not ripe for Washington to launch a major new initiative. Nevertheless, the United States should be prepared to seize opportunities to contribute to peacemaking should they arise in the future and should have in place the capacity to do so.

From this analysis flow two policy prescriptions for the Kashmir dispute, relating both to the level and content of U.S. diplomatic activity. Although individual members of the Task Force favor alternative U.S. stances—including active support for the Indian position toward Kashmir, absolute neutrality, or support for a solution based on some form of Kashmiri self-determination—the majority of the group believes U.S. interests in both India and Pakistan are best served at this time by working with other governments on a step-by-step approach toward a series of practical interim objectives. The United States ought to pursue mainly quiet diplomacy in regard

to Kashmir, promoting modest but incremental steps to ease tensions and reduce friction between the protagonists with the help of other countries. It should explore the possibility of forming a "contact group" of external powers, with representation at the assistant secretary level, to coordinate international efforts. The overall goal of these efforts, in turn, should be to achieve an interim set of agreements or even informal understandings, rather than to settle what in the Israeli-Palestinian peace process have been termed "final status" issues.

The United States, in concert with other governments, should seek to lower tension and violence, reduce military forces, and restore political normalcy in Kashmir. Specifically, India and Pakistan should be urged to undertake regular and sustained bilateral negotiations directed toward a cease-fire and a halt to military actions (other than patrols for strictly defensive purposes) along the line of control in Kashmir; the reconstitution and increased monitoring of peacekeeping machinery along the boundary, supplementing U.N.-sponsored with bilateral mechanisms if possible; and renewed negotiations for a separate, rapid agreement over the withdrawal of both Pakistani and Indian military forces from their present positions on the Siachen glacier. Pakistan should be urged to end direct and indirect military support to Kashmiri insurgent organizations. And India should be urged to continue and accelerate moves to resurrect the political process in Kashmir, including grants of amnesty for those insurgents willing to abjure violence, punishment for those members of the security forces involved in human rights violations, and conduct of discussions with the newly elected Kashmiri government about the degree of autonomy for the state within the Indian constitution.

Formidable obstacles stand in the way of achieving even these limited objectives. A more ambitious settlement effort would only be practical if the local parties sought such assistance and showed both a real interest in reaching a compromise and the capacity to do so.

Economic Liberalization

The United States, India, and Pakistan share a common interest in South Asia's economic growth and development. The single most important factor in promoting such growth over the long term will

be the continuation of economic liberalization and structural reform. Unless such efforts continue, restrictive bureaucratic controls, high tariffs, and the insulation of whole industries from foreign competition will act as a brake on the economies of both countries. In order to attract major foreign investment, corruption has to be fought, contracts have to be honored, and the commitment to reform has to permeate all levels of government.

The United States has provided support and encouragement for the process of liberalization, but it can and should step up its efforts in this area even further—by sharing relevant technical, administrative, and financial expertise; by working in conjunction with other national governments and international financial institutions; by working with representatives of state and local governments in India and Pakistan as well as representatives of the national governments to develop optimum legal, fiscal, financial, and bureaucratic arrangements for efficient growth and development; and perhaps even by providing direct economic incentives (including U.S. assistance and support for India and Pakistan in international financial institutions) in response to further progress in liberalization.

Finally, the United States should demand strict compliance with General Agreement on Tariffs and Trade (GATT) commitments and discuss alleged violations openly, seeking WTO rulings where appropriate. Precisely because U.S.-Indian economic relations are likely to expand significantly in years to come, it would be best for potential sources of friction to be handled outside the bilateral relationship, where they might affect or be affected by other issues, and whenever possible through multilateral institutions such as the WTO.

Regional Cooperation

The Task Force believes that U.S. interests would be served by helping India and Pakistan to develop a "normal" bilateral relationship with one another. Almost half a century after independence, their relations are less extensive than were those between the United States and the Soviet Union at the height of the Cold War. The United States and other interested governments and organizations should encourage regular, sustained, and multifaceted contact

between them in a wide variety of areas—trade, energy and resource development, the environment, food and population issues, education, cultural exchanges, travel freedom, commercial projects, telecommunications, sports, etc. Outsiders should also promote informal regional interactions, "Track II" diplomacy, and a "regularization" of intercourse at every official level.

In parallel with these efforts, the United States should concentrate on promoting escalation control and conflict avoidance measures. Low-key bilateral, trilateral, and multilateral military-to-military discussions, intelligence exchanges, exchanges of delegations and other transparency mechanisms, all can foster cooperative individual and institutional ties that may in turn erode the hostile images and suspicions that abound in the relationship, laying the groundwork for more substantive cooperation down the road. The United States should also offer both countries new verification technologies that could help them avoid false alarms and give them the confidence to reduce or redeploy their main forces, simultaneously saving money while enhancing each country's individual security. The United States should consider providing intelligence support to both sides to defuse suspicions and crises, helping to correct exaggerated fears on either side that may help drive unnecessarily destabilizing developments.

Finally, while there are obvious barriers to effective U.S. action in helping solve South Asia's long-standing problems of water, refugee flows, and communal tension, the United States can urge the countries of the region, including India, to address these and other issues through the South Asian Association of Regional Cooperation (SAARC). Over time, SAARC should be encouraged to evolve into an institutional counterpart to the Association of Southeast Asian Nations (ASEAN), and could serve as a regional forum for the discussion of multilateral security issues. South Asia could benefit in this regard from measures comparable to those the Organization for Security and Cooperation in Europe (OSCE) has facilitated in Europe, including prior notification of military exercises, agreements not to pursue exercises near contentious borders, and restraint in the area of missile testing.

U.S. Legislation

The Task Force considered at great length the issue of whether, and if so how, to modify existing legislation affecting U.S. relations with both India and Pakistan. A number of options were examined, ranging from maintaining the status quo to repealing existing laws. In the end, the Task Force concluded that measured reforms made the most sense for now, given U.S. nonproliferation-related interests in the region and beyond, recent actions in this realm by both India and Pakistan, the capacity of the president to initiate significant changes to U.S. policy under existing law, and the politics of Congress.

There are four major pieces of nonproliferation and foreign assistance–related legislation shaping U.S. policy in the region: the Glenn and Symington Amendments (most recently recodified in the Nuclear Proliferation Prevention Act of 1994; see Appendix 2), the Pressler Amendment to the International Security and Development Cooperation Act of 1985 (see Appendix 3), and the Brown Amendment to the Foreign Operations Appropriations Act of 1995 (see Appendix 4). All four amend the Foreign Assistance Act of 1961. The first two apply generally, while the last two focus only on Pakistan. We recommend that the executive branch exercise the fullest latitude to expand bilateral relations with India and Pakistan provided by this legislation, while simultaneously working to modify the law as necessary to support the full range of initiatives described above.

The Glenn amendment prohibits most assistance to any country that delivers or receives reprocessing equipment and cuts off assistance to any nonnuclear state, as defined in the NPT, that tests a nuclear device. Waiving the sanctions for testing requires a joint resolution of Congress. Any detonation of a nuclear explosive device by either India or Pakistan would trigger application of the Glenn amendment sanctions, including the termination of most forms of economic assistance, defense sales and services, credit guarantees, U.S. Export-Import Bank support for India, and more.

The Symington amendment forbids most assistance to any country that delivers or receives unsafeguarded nuclear enrichment equipment, materials, or technology. The provision for waiving it was

modified in 1994 and currently requires the president to certify that terminating aid "would have a serious adverse effect on vital U.S. interests" and that he has "received reliable assurances that the country in question will not acquire or develop nuclear weapons or assist other nations in doing so."

The Pressler amendment prohibits U.S. military and economic assistance to Pakistan unless the president certifies annually that Pakistan does not possess a nuclear explosive device and that the proposed assistance will significantly reduce the chance it will possess one in the future. Passed in 1985, it became a major factor shaping U.S. policy in 1990, when the Bush administration could no longer certify that Pakistan met the standards set out in the legislation. The sanctions specified in the act were levied automatically, prohibiting future assistance and interrupting transactions that had already been signed but not concluded, such as a large sale of F-16s.

The Brown amendment was designed to lift some of the Pressler amendment's more onerous provisions. It removes the restrictions on economic aid, military-to-military contacts, training, and humanitarian and civic assistance to Pakistan. It also permits the provision of assistance for antiterrorism and antidrug efforts, as well as for peacekeeping purposes—except for lethal military equipment, which can be used for peacekeeping purposes but must then be returned. The Brown amendment also resolves certain issues relating to arms sales signed before the passage of the Pressler amendment. It permits the delivery of equipment (other than the F-16s) that was in the pipeline in October 1990. Separate from the Brown amendment, the Clinton administration is seeking to resell the 28 F-16s paid for by Pakistan to a third party and transfer the proceeds to Pakistan. The amendment does not, however, override the Symington amendment, and full resumption of U.S. economic assistance programs were delayed following reports in early 1996 that Pakistan had bought ring magnets for its nuclear program from China.

Collectively, these pieces of legislation make it extremely difficult for the United States to pursue its multiple objectives toward India and Pakistan. That said, the executive branch does possess a degree of latitude under existing law that could and should be exercised.

Unsubsidized, commercial sales of military and dual-use equipment to both countries are allowed, and the executive branch could be more forthcoming with licenses. Similarly, other countries are free to sell or otherwise provide military equipment to both countries, and the U.S. government could provide licenses when U.S. components are needed to make that equipment.

Other options would require changes to existing legislation, most notably the Pressler amendment. One course of action would be for the executive branch and Congress to agree on what might be described as new or follow-on "Brown amendments." Such legislation could make it possible to provide economic and military assistance to Pakistan for a defined period of up to several years with the understanding that the waiver could be extended or even made permanent if Pakistan avoided crossing specified thresholds. Legislation of this sort could also permit limited government-to-government sales of arms.

Three legislative changes, however, should be instituted as soon as possible and unconditionally. (These were in the Brown amendment but could not be implemented when Pakistan imported ring magnets from China.) The first would be to allow military assistance to fund education and training programs for the Pakistani military. Regardless of what Pakistan may do in the nuclear realm, it is in U.S. interest to maintain ties to one of the most powerful institutions in that society. Second, economic assistance programs for Pakistan should similarly not be tied to nuclear developments. It is difficult to see how the United States benefits from denying help to efforts that are either humanitarian in nature or would contribute to social stability. Third, prohibitions against OPIC loans that facilitate U.S. business activity in Pakistan should be repealed. Again, such involvement serves both countries' interests regardless of nuclear-related developments.

U.S. Governmental Organization

The present U.S. governmental structure is not well suited to pursuing the policies outlined above. The question of how best to reorganize bureaucracies in this area, in fact, has a long history. The Murphy Commission recommended a separate South Asia bureau at the

State Department that could concentrate energy and attention on the region. The plan faced bureaucratic resistance, but such a bureau was created in 1992, largely because of congressional insistence. It was given only a small complement of staff, including, for example, only one deputy assistant secretary of state. At the Pentagon, the region is divided between two commands, with Pakistan in one and India the other. At the National Security Council and the Central Intelligence Agency, South Asia is handled as one of four subregions in the Near East and South Asia Directorate. One consequence of the latter structure is that South Asian issues are treated intermittently and secondarily by the relevant regional bureaus, while attracting constant and primary attention from functional experts in nonproliferation. This further distorts the lens through which India and Pakistan are perceived, contributing to the dominance of proliferation concerns over all others.

Most of the Task Force believes that a uniform organizational structure across agencies would better serve U.S. interests and that the most sensible choice would be to include India and Pakistan in a separate South Asia division. With such a structure, standing interdivision task forces could and should be used to address the region's ties to areas east and west. Moving to such an organizational structure across the board would mean that the U.S. military should revise its unified command plan and treat both India and Pakistan as part of the Pacific Command's rather than the Central Command's area of responsibility. If this proves impossible, there should be an integrated approach to India and Pakistan at senior levels of the Defense Department, and the assistant secretary of defense for international security affairs should have a deputy for South Asia. The National Security Council staff should have at least one full-time person assigned to South Asia.

Bureaucratic arrangements alone, however, cannot substitute for the development of a larger body of competent and committed individuals with South Asian expertise. Nor can they substitute for a basic decision to accord the region a higher priority. In the years ahead, both India and Pakistan will require an increasing amount of attention from the United States—whether to help prevent

tragedies, to help promote opportunities, or both. The time has come for the United States, not just the executive branch, to accept South Asian realities and potential and move forward toward a new policy. Maintaining the current approach will limit U.S. influence and jeopardize U.S. interests with two increasingly important countries in an increasingly critical part of the world.

ADDITIONAL AND DISSENTING VIEWS

Additional Views

Discussion among Task Force members revealed few indications that Congress is willing to modify existing law because of deep skepticism that any administration will achieve realistic nonproliferation objectives without congressional pressure. Thus, a more productive strategy to achieve the fundamental goals of the Task Force report would be for the executive branch to use its existing flexibility under the Nuclear Suppliers Group, 10 CFR 810, and the existing budget and policy authority of the secretary of energy, secretary of state, director of Arms Control and Disarmament Agency, and director of United States Information Service. These means can produce tangible incentives for India and Pakistan to test the proposition that U.S. cooperation can overcome the complex domestic political pressures in both India and Pakistan to move further down the nuclear weapons path. Only if real progress can be achieved using engagement and quiet diplomacy, and the administration is willing to provide Congress with details in a timely fashion in executive session, will it be productive to start consultations to amend current law. This process will require significant staff resources and will become a very public debate in the United States as well as in the region.

Thomas W. Graham
George Perkovich
Shirin R. Tahir-Kheli

Much in this report reflects both a timely and genuine desire to find new policy avenues for the solution of real regional problems and a search for methods that might elicit closer bilateral cooperation with both India and Pakistan. The report rightly reflects the common desire of U.S. specialists on South Asia to see Washington give higher priority to the region. It also reflects changing conditions in the post–Cold War environment, a hope that economic liberalization in

the subcontinent will pay off, an empathy with the enormous social and political challenges both countries face, and a concern that the long, paralyzing quarrel between them be transformed into mutual cooperation, accelerated growth, and genuine prosperity. The report shows a longing to defuse the frictions over India's and Pakistan's nuclear and missile programs, which inescapably collide with U.S. laws as well as with international arms control and nonproliferation imperatives, on the valid premise that progress in other channels of cooperation holds important keys to the future. The report is truly rich in aspiration.

Yet there are strands in this report that can and will be read various ways, and some that are prone to being misconstrued. The following gloss on two or three issues is offered in the spirit that it might help with some perspectives that are considered less extensively in the report than others. One concerns the prescriptive treatment of proliferation, another the craving for a strategic quality to important bilateral relationships, and the last the interdependence of power and responsibility.

On nuclear and missile proliferation, the report shows a consensus that positive incentives (and the velvet glove) would be more likely than new sanctions at this stage to encourage India and Pakistan to show restraint—the metaphor of staying on a plateau—as opposed to giving way to provocative acts and an outright nuclear and missile arms race. No one can doubt that restraint is a good thing. Unclear, though, is what the plateau consists of, how everyone knows that both sides are respecting it, and what recourse there will be if they do not. Ascribing legitimacy to the embryonic status of India and Pakistan as nuclear weapons states, a suggested new policy category, was not the general view, nor would most subscribe to asking international partners to retract Nuclear Suppliers Group and Missile Technology Control Regime guidelines as positive nonproliferation incentives. It is hard to see how dismantling the regimes could serve the interests of nonproliferation.

As this report was being drafted, the final Comprehensive Test Ban Treaty negotiations produced some startling results, notably India's reversal on signing the treaty. India abdicated its 1994 sponsorship of the treaty a year later but then in mid-1996 came out in full

opposition. In the real world, if not in the report, this development will give considerable pause. For the contents of this report, it also raises serious questions about whether the plateau policy has not already been overtaken by events. Another development late in the game may have a similar effect. Press reports that China may be supplying Pakistan with missile production facilities, which seems likely to trigger U.S. sanctions law, make it hard to see how positive incentives could work on that side of the equation either. It is difficult to take the friction out of nonproliferation policy on one side without taking proliferation out on the other.

Aspiring to a strategic quality in the relationship with India is an earmark of this report and an understandable rhetorical device for elevating a perennially neglected South Asia policy in Washington. Its post–Cold War meaning is also more than a little obscure. But whatever it means, can it take root if it is not wanted equally in India? It may be presumptuous to take this for granted. No doubt India desires an open relationship with the United States, but it has no track record of seeking a strategic alliance with Washington. It would not be a reasonable inference, either, to interpret the Task Force's consensus as calling for the building of a strategic relationship with India to support India as a nuclear counterweight in a post–Cold War system of containment of China. In fact, that said, it is not clear what proffering a strategic relationship would bring in return.

Finally, the report places considerable emphasis on India as an emerging great power as part of the report's rationale for a relationship with a strategic quality. It is both inevitable and to be welcomed that India's influence will rise if its economic liberalization continues and its trade momentum comes to resemble that of the tiger economies of East and Southeast Asia. But the question the report largely begs is: What responsibility flows from India's emergence as a great power? Of course, the answer in the first instance would be India's, but if the U.S. intent is to develop a closer and broader relationship with India, the United States is entitled to know what that emergence would bring and ought to have a formed view of what that responsibility should be. Among others, India's neighbors would have a very strong interest in the answer to this question. One strand in the report that is germane here is the observation that Indo-Pakistan relations are among the

world's most undeveloped. There is no ideological divide. A great power normally has many ways to develop win-win relations. But is that the only responsibility that matters to the rest of the world?

Rodney W. Jones

It is singularly difficult to develop policy recommendations that can promote regional, and thereby global, security in South Asia while at the same time not precipitating counterproductive reactions from New Delhi and/or Islamabad. The leaders of this Task Force deserve commendation for managing an open, thoughtful process of reconciling divergent views. I endorse the bulk of the report's recommendations, mindful of the many controversies lurking within them.

However, in addition to the comment in which I join Thomas Graham and Shirin Tahir-Kheli, I would like to note three other qualifications to the report's recommendations.

First, I believe that the United States should be highly reluctant to provide military sales to Pakistan under current circumstances. The greatest threat to Pakistani security today is internal, not external. It stems from the corruption and thorough-going cynicism of Pakistan's ruling elite and its unwillingness to reform the basic institutions and policies governing the political economy. Unless and until Pakistani leaders repair the internal apparatus of the state and rebuild the confidence of society (and the military), there is little reason to believe the provision of advanced U.S. weaponry will fundamentally improve Pakistan's circumstances or U.S. interests. The United States should do everything it can to maintain positive relations with Pakistan and with the Pakistani military, in particular, but it should not delude itself that advanced weaponry can contribute significantly to solving Pakistan's problems and serving the U.S. interests associated with them. Thus, whether or not legislative prohibitions on transfers of military equipment are removed, U.S. policy should not entail such transfers under current circumstances. Rather, economic and humanitarian assistance and the promotion of American investment should be the priorities of U.S. policy toward Pakistan.

Second, I agree with Rodney Jones's "Additional View" that the United States and India need to engage now to explore each other's assumptions about the responsibilities India is prepared to assume

for regional and global security as an emerging great power. India's recent debate on nuclear policy failed to address fundamental questions regarding how the nation is prepared to contribute to solving regional and global security problems. This will require a less solipsistic and narcissistic approach to international relations and cooperative security than India displayed in the Comprehensive Test Ban Treaty debate, just as the Task Force has recommended a more other-regarding policy for the United States.

Third, I believe, in rough parallel with Paul Kreisberg, that the U.S. *government* should not become actively involved in efforts to resolve the Kashmir dispute. History and current dynamics provide no reason to think that U.S. involvement would improve the prospects for resolving the dispute or deepening relations with both Pakistan and India.

George Perkovich

It appears that the Clinton administration has already embarked on the cautious departure we recommend for U.S. nonproliferation policy in South Asia. Shipments of military equipment to Pakistan are continuing under a narrow exception to the Pressler amendment, while military-to-military contacts with India have begun. The administration has publicly declared that the opening to Islamabad can continue only if there are no significant adverse changes in Pakistan's nuclear and missile programs, and the same rules implicitly guide the U.S. opening to New Delhi. Existing U.S. sanctions laws ensure, moreover, that not only would Washington end these and other incentives in the event of a major act of proliferation but also that the United States would impose significant penalties—an approach that helped deter India in late 1995 from conducting the nuclear test it was apparently planning.

The dual incentives-sanctions strategy has proven its worth recently in North Korea and Ukraine and may do so in South Asia. Unfortunately, developments in South Asia over the past year raise questions as to whether the time has not arrived to withdraw incentives and begin applying additional sanctions. In brief, if press reports quoting U.S. intelligence documents are accurate, Pakistan is currently completing its first plutonium-production reactor, fin-

ishing a plant to extract plutonium from the reactor's fuel, expanding its capacity to produce weapons-grade uranium, working to master new nuclear weapons designs (probably including that for a missile warhead), and building a ballistic missile factory. China is said to be assisting with every one of these projects—and testimony by CIA Director John Deutch in late May 1996 indicated that this aid continued even after China's May 10, 1996, pledge to cease assistance to nuclear installations, such as those just noted, that are not covered by International Atomic Energy Agency inspections. Fortunately, Pakistan has not yet crossed any major new proliferation thresholds, and China may yet abide by its May 10 pledge of restraint and its earlier commitments to implement the standards of the Missile Technology Control Regime. As for India, its nuclear test preparations and its obstruction of the Comprehensive Test Ban Treaty at the Conference on Disarmament are no less troubling. Moreover, it too is expanding its nuclear weapons and missile delivery capabilities.

Is this the moment for the United States to impose new sanctions, offer new incentives, or maintain its current cautious openings to both countries? This critical decision must depend on the facts on the ground. Unfortunately, a number of Task Force members are privy to classified information on this subject that others lack. At least one "insider" has implied that new proliferation shocks in South Asia may be in the offing.

Given this background, our watchword must be caution: The administration should hold new incentives and sanctions in abeyance for the moment, while remaining ready to expand the former only if India and Pakistan demonstrate further restraint—and to impose the latter in response to new proliferation setbacks.

The Task Force report explicitly accepts this approach in what I consider to be its key operative sections. Unfortunately, elsewhere the text speaks with excessive enthusiasm about major departures in U.S. relations with India and Pakistan, as though we were recommending these be implemented immediately.

I also cannot support the report's neuralgic denunciations of U.S. nonproliferation sanctions laws as unduly rigid. These have proven a valuable tool of U.S. nonproliferation policy in the past, and the

report itself acknowledges that they provide considerably more flexibility than might at first appear to be the case.

I also see no virtue in suggesting that India and Pakistan be accorded a special status, however tacitly, in the hierarchy of nuclear and nonnuclear states.

Finally, in the event that circumstances permit the United States to extend additional incentives to India and Pakistan, assistance to the two states' nuclear and space launch programs should be at the bottom of the U.S. incentives list; many, many other options, from increasing textile quotas to providing assistance for "least-cost" energy initiatives, should be pursued first.

Leonard S. Spector

Dissenting Views

The recommendation that the United States should resume arms sales to Pakistan cannot be justified and its implementation would directly conflict with the central recommendations of the report.

If adopted, this recommendation will undermine congressional legislation to deter nuclear proliferation. Paradoxically, it will also make it virtually impossible to accomplish the basic goals endorsed by the Task Force, which are to restore close working relations with Pakistan while developing a closer strategic partnership with India.

Congress in 1995 passed the Brown amendment for the express purpose of permitting the United States to restore normal relations with Pakistan without sacrificing its commitment to nuclear nonproliferation abroad. The Brown amendment modified the Pressler amendment of 1985, which banned *all* assistance to Pakistan if the president was unable to certify that Pakistan did not possess a nuclear explosive device. The inability of the president to provide such a certification, starting in 1990, reflects Pakistan's continuing nuclear weapons program. Nevertheless, the Brown amendment, in an effort to improve U.S.-Pakistan ties permitted the resumption of virtually all aspects of normal relations between the two countries, including economic assistance, military-to-military contact and training, humanitarian and civic assistance projects, peacekeeping and multilateral operations, cooperation on narcotics control, and antiterrorism activities.

The argument is now being made that the Brown amendment is insufficient to improve U.S.-Pakistan relations on two grounds. First, it cannot be implemented because it does not override the earlier Symington amendment, which banned economic aid as well as military aid to all countries engaged in the illegal import or export of materials and equipment required to make nuclear weapons. Second, "normal" U.S.-Pakistan relations cannot, according to the formulation in this report, be complete without resuming "limited conventional arms sales."

Neither of these arguments can withstand scrutiny. First, the provisions of the Brown amendment have not so far been implemented because recent intelligence reports have documented that Pakistan continues to illegally import components for its nuclear weapons program, specifically ring magnets from China; and these are in addition to the complete M-11 missile systems also supplied by China in 1992. Indeed, in 1979, after the Soviet invasion of Afghanistan, when Congress banned all assistance to Pakistan under the Symington amendment, a waiver was granted to Pakistan, and it was this waiver that was removed by the Pressler amendment. The fact that Pakistan refuses to stop illegally importing components for its nuclear weapons program is the reason for keeping the Brown amendment on hold. Removing this obstacle to resumption of "normal" relations, through "new or follow-on 'Brown amendments'" allowing extended waivers or even permanent waivers to provide military assistance to Pakistan, would make what is presently illegal entirely normal.

Second, one does not have to quarrel with the general principle that arms sales are a legitimate tool of American foreign policy to realize that in the case of U.S. arms supplies to Pakistan, history and national interest both dictate that the United States should forgo this right. The military assistance relationship between the United States and Pakistan was first begun in 1954 at the height of the Cold War. Intended to be limited in scale, it ultimately amounted to $10 billion by 1989 and included the most advanced U.S. conventional military equipment. There is no reason to believe that Pakistan aspires to anything less than this magnitude and quality of equipment, since its main focus is still on preventing India from establishing its natural superiority as the dominant military power in the

region. Indeed, it is possible that, as in the past, American equipment will be used to help arm Kashmiri insurgents and further escalate the conflict in the region.

The report is itself ambivalent about the rationale for supplying conventional military equipment to Pakistan at this time. It recognizes that the executive branch possesses latitude under existing law to allow unsubsidized commercial sales of military and dual-use equipment to both Pakistan and India. What is new in proposing waivers of the Brown amendment is legislation to permit limited government-to-government sales of arms to Pakistan, presumably on other than commercial terms. The reasons given to justify such a step are, first, to forestall other potentially unwelcome Pakistani military relationships and, second, to diminish Pakistan's incentives to fall back on nuclear weapons. Such vague goals are uncomfortably reminiscent of the 1954 military assistance agreement between Pakistan and the United States, and they could not be achieved without massive, rather than modest, military sales to Pakistan. It is also stretching credulity to assert that military sales of conventional equipment would cause Pakistan to draw back from its nuclear weapons program, since the greatest advances by Pakistan toward nuclear capability were made during the period of the largest U.S. arms sales, during the 1980s.

Possibly the most puzzling part of these recommendations is that they are combined with the stated goal of cultivating India as a potential strategic partner. The report recognizes that India is emerging as a true global partner across the board, while speculating that Pakistan may be a potential failed state. This is not the place to repeat the reasons for the U.S.-India estrangement over the last 40 years, but perhaps it will be sufficient to say that the beginning of this distrust dated from the 1954 U.S.-Pakistan military assistance agreement; resumption of military assistance to Pakistan without even the justification of the Cold War, at a time when India is asserting its claim to major power status, could be easily interpreted as hostility by the United States to India's new role.

Even worse, such recommendations are likely to harden India's view, forcefully stated in its opposition to the Comprehensive Test Ban Treaty, that the entire effort of the United States to establish

universal nonproliferation regimes that indefinitely perpetuate the inequality between the nuclear weapons states, including China, and nonnuclear weapons states, including India, is designed to relegate India to second-class status. It is a matter of urgent concern that this report, which appears to acquiesce in Pakistan's clandestine acquisition (with China's reported assistance) of nuclear and ballistic missiles technology, may provide the clinching argument needed by the advocates of testing in India to exercise openly the nuclear option.

Francine R. Frankel
Sumit Ganguly
Selig S. Harrison
Stephen Solarz
Raju G.C. Thomas

I support the central themes of the report calling for greater American recognition of the growing importance of India. However, I strongly dissent from its policy recommendations relating to nuclear and missile issues.

While properly urging that the United States shift from a policy of nuclear rollback in South Asia to a policy of nuclear restraint, these recommendations ignore the critical dimension of global nuclear arms control. In particular, they ignore the failure of the United States to link its efforts to promote nuclear restraint in South Asia with parallel efforts to promote the reduction and eventual elimination of the nuclear arsenals of the existing nuclear powers. Without this linkage, nuclear restraint in South Asia cannot be achieved, and the proposed use of incentives, together with the implicit threat of sanctions, will only serve to exacerbate Indo-U.S. tensions.

The United States is not making even a token effort to promote further reductions in U.S. and Russian nuclear weapons beyond START II levels and has not made even a rhetorical commitment to pursue progressive and balanced reductions in nuclear weaponry by the existing nuclear powers. In effect, the United States is committed to a frozen international power structure dominated by five countries claiming the right to a perpetual nuclear monopoly. India, with its aspiration to great power status second to none, is united in its refusal to accept or ratify such an inequitable global power structure. In conditioning its support for a comprehensive test ban on a time-bound pledge by existing nuclear weapon states to phase out their nuclear stockpiles, India was acting in accordance with the spirit and letter of the Nuclear Nonproliferation Treaty. Article Six of the NPT commits the nuclear weapon states to move cooperatively to reduce their nuclear arsenals in return for the commitment of the nonnuclear states to remain nonnuclear.

Unless the United States is ready to initiate a credible process of movement toward a nonnuclear world, however gradual, hard-line nationalists opposed to nuclear disarmament will prevail in Moscow. China will then seek to catch up with U.S. and Russian nuclear capabilities, and India, faced with growing Chinese nuclear strength, will feel increasingly compelled to deploy its *Agni* intermediate-range missiles with nuclear warheads. This in turn will intensify Pakistan's determination to enhance its own missile capabilities.

If, as the report correctly observes, the deployment of missiles with nuclear warheads by India or Pakistan would be profoundly destabilizing, the only realistic way to head off this danger is for the United States to take the lead in a global process of nuclear arms reductions with the declared goal of eliminating nuclear weapons altogether within a period of 20 to 30 years in parallel with nonproliferation efforts. In the final analysis, global and regional nuclear arms control are inseparable.

Selig S. Harrison

I support the basic views expressed in the Task Force Report with two cautions.

First, the United States should not become reengaged in efforts to resolve the Kashmir dispute. Organization of an international "contact group" focused on easing tensions, friction, and establishment of political normalcy in Jammu and Kashmir would be unwise.

The United States has long made clear to both countries its willingness to be helpful in seeking a resolution of tensions on the Kashmir issue and in providing technology to assist in monitoring any confidence-building measures. Japan, Germany, the United Kingdom, and other countries have also repeatedly made clear their willingness to be helpful in any dispute settlement regime.

A new "pressure group," as it is likely to be seen by both India and Pakistan, is unlikely to move policies or domestic sentiments in either country, as was evident in 1962 and 1963 when the last explicit effort at mediation was made.

The report would be on far stronger ground if it focused on the desirability of encouraging an international effort to promote greater economic cooperation between India and Pakistan on issues such as energy infrastructure, including oil and gas, and in encouraging international private investors in both countries to urge the importance of working toward opening regional markets as a means of building common interests that might over time help to ease political tensions.

Second, the strategy for constraining nuclear weapon and missile development in South Asia described in the report is a reasonable short-term one from a U.S. viewpoint but of limited effectiveness in removing nuclear issues as a long-term issue.

India is unlikely to abandon its nuclear option so long as a clear and unequivocal commitment to eliminate nuclear weapons has not been taken by other nuclear powers, particularly China. Pakistan will not change its policy unless India does. India's willingness to accept virtual isolation in the Comprehensive Test Ban Treaty negotiations underscores its national policy consensus on this issue. The United States, the United Kingdom, Japan, and other major developed nations have correctly concluded that India's position on the CTBT should not affect their policy relations with India on other issues.

If India and Pakistan eventually conclude that overriding national security interests require that they test, which the United States and other like-minded states should continue to urge neither to do, the importance of other U.S. policy interests in the region accurately described in the report will not disappear. Indeed, the importance of preserving and strengthening relations with both India and Pakistan will become even greater.

Termination of virtually all economic cooperation, which current U.S. legislation virtually mandates, and pressure by the United States on other developed states to follow suit will run directly counter to such interests.

Application of major economic sanctions to states that are not U.S. adversaries or threats to U.S. vital interests is not a plausible

national strategy. At the very least, the greater legislative flexibility for executive policymakers recommended in the Task Force report is a wise and needed step.

Paul H. Kreisberg

Plaudits are due to all those who have contributed so diligently to the Council's Task Force on South Asia, and especially to the Task Force's chairman, Richard Haass, and director, Gideon Rose. This report reflects the best efforts of the Task Force to balance the need for improved U.S. relations with both India and Pakistan, while seeking a more stable plateau against nuclear dangers on the subcontinent.

This balancing act has never been easy, and it has become far more difficult as the Task Force's deliberations have proceeded. Recent developments, particularly India's blocking action against the Comprehensive Test Ban Treaty and reports of a new missile production facility in Pakistan, constructed with significant Chinese assistance, are most distressing. More bad news from the region could follow and would not be terribly surprising.

Under these circumstances, many initiatives contained in this report could further exacerbate tensions rather than alleviate them. For example, I believe that the report's recommendations regarding further arms and dual-use technology transfers to the region are unwise at this time. In my view, the Task Force's recommendations ought to be viewed in India and Pakistan as possible avenues of greater cooperation with the United States that might follow—not precede—sensible efforts at reconciliation, including the firm establishment of a stable plateau against nuclear dangers. I strongly urge India and Pakistan to reconsider the dangerous course they are currently pursuing. If they could agree to a more stable bilateral relationship, one that includes ratification of the Comprehensive Test Ban Treaty and nondeployment of tension-generating, nuclear capable missiles, key figures in the U.S. executive and legislative branches might endorse, or at least accept, some of the more sensitive initiatives included in this report. It is simply not possible to do so under current circumstances.

Michael Krepon

The Council on Foreign Relations Task Force on South Asia is to be commended for taking a fresh look at the thorny issues that plague relations between India and Pakistan and today make this region more susceptible than any other to a horrible nuclear conflict. We are in complete agreement with the Task Force report's general premises that India and Pakistan deserve upgraded priority in U.S. foreign policy and that this policy should be given a more broadly conceived agenda than in the past. We concur with a substantial number of the report's specific recommendations, including its call for repeal of the Pressler nonproliferation amendment's straitjacket on pursuing most other elements of a constructive relationship with Pakistan and for removal of restrictions on limited conventional arms sales to the region. But the report's two supposedly "innovative" core proposals—one that would set aside important goals of nuclear nonproliferation policy and even the principles of the international nonproliferation regime, and the other that would proffer "strategic partnership" to India—seem to us not only to be misguided but almost bound to make matters worse.

On nonproliferation, the report urges Washington to redefine its nuclear policy in the region, to drop its principal efforts to persuade India and Pakistan to become full-fledged members of the nuclear nonproliferation regime, and essentially to acquiesce in the two countries' achievement of nuclear weapons capabilities, asking only that their nuclear capabilities be capped at their present levels (short of testing, deployment, or export). This hoped-for cap is then translated, in an astonishing leap of faith, into "a more stable plateau." The report even endorses something akin to making India and Pakistan "associate members" of the exclusive nuclear club. The report justifies its nuclear permissiveness by adopting a set of inducements, like the sale of heretofore embargoed dual-use technologies to India.

The report's criticisms of past legislative efforts to bind nonproliferation policy toward this region are to a certain extent warranted: the Pressler amendment, in particular, inflicted very heavy damage on U.S. relations with Pakistan, which was singled out in the legislation, without weaning Pakistan in any permanent way from its nuclear weapons program. Unfortunately, the report goes well beyond the Pressler amendment to recommend a weakening of virtually all congressionally mandated nuclear-related sanctions. Even worse it couples its sweeping dismissal of past U.S. nonproliferation efforts in the region with support for a "carrots for compliance" approach rooted in the very risky assumption that Indian and Pakistani conformity with nonproliferation norms can be won by dangling an assortment of political, economic, and military incentives in front of the two countries, but without addressing the root causes of their conflict. This approach assumes that removal of legislative brakes on proliferation will somehow automatically introduce creativity into U.S. policy toward India and Pakistan. It imprudently ignores the powerful motives driving the region's nuclear programs, and it also badly underestimates the ability of these two countries to continue playing a rather cynical nuclear proliferation game to their own advantage. In inviting just such an outcome, the report proposes less a new nuclear policy than a form of capitulation. Needless to say, this new double standard for South Asia would invite emulation, with corrosive effects elsewhere on the nonproliferation regime.

Even more extraordinary is the formula that the report urges be applied in determining the distribution of carrots. Remember, these rewards are not given to win compliance with U.S. nuclear nonproliferation objectives but merely for staying put on the "stable plateau" and not making matters worse. India, given its size and importance, inevitably is promised a lengthier and more enticing set of inducements. But one of these inducements—the report's assertion that "the time is ripe for the United States to work to develop a closer strategic partnership with India"—is of an entirely different quality than the others. It offers a comprehensive and open-ended relationship, one that "acknowledges India's growing power of importance" in Asia and might logically evolve in time into a full alliance or quasi alliance.

Now it is far from certain that India's leaders would genuinely welcome any such relationship with Washington. What is certain, however, is that this recommendation will be understood (correctly) in Islamabad as a prestigious private group's call for a U.S. strategic tilt toward India and an alarming bellwether of the post–Cold War drift of the United States that threatens Pakistan with yet further isolation. This in Pakistani ears is likely to drown out as disingenuous the report's protestations that Washington's links with Pakistan are to be

restored to "normalcy" and kept in good repair. Imperfectly executed though it be, one of the sound insights in the report is that further isolation of Pakistan will only accentuate the instability in South Asia and weaken U.S. influence in promoting constructive interests.

In short, in addition to its paucity of practical insight into how to mend fences between India and Pakistan, the most serious defect of this report is that its poor recommendations, rather than lessening the painful security dilemmas that beset South Asia, are likely to compound them.

Robert G. Wirsing
Shirin R. Tahir-Kheli

APPENDIXES

Appendix 1

The Simla Agreement on Bilateral Relations Between India and Pakistan

[Adopted at Simla, India, July 3, 1972]
[Entered into force, August 4, 1972]

Agreement on Bilateral Relations between the Government of India and the Government of Pakistan Signed in Simla by The Prime Minister of India, Mrs. Indira Gandhi, and The President of Pakistan, Mr. Zulfiqar Ali Bhutto

I. The Government of India and the Government of Pakistan are resolved that the two countries put an end to the conflict and confrontation that have hitherto marred their relations and work for the promotion of a friendly and harmonious relationship and the establishment of a durable peace in the subcontinent, so that both countries may henceforth devote their resources and energies to the pressing task of advancing the welfare of their peoples.

In order to achieve this objective, the Government of India and the Government of Pakistan have agreed as follows:

(1) That the principles and the purposes of the Charter of the United Nations shall govern the relations between the two countries.

(2) That the two countries are resolved to settle their differences by peaceful means through bilateral negotiations or by any other peaceful means mutually agreed upon between them. Pending the final settlement of any of the problems between the two countries, neither side shall unilaterally alter the situation and both shall prevent the organisation, assistance or encouragement of any acts detrimental to the maintenance of peaceful and harmonious relations.

(3) That the pre-requisite for reconciliation, good neighbourliness and durable peace between them is a commitment by both countries to peaceful coexistence, respect for each other's territorial integrity and sovereignty and non-interference in each other's internal affairs, on the basis of equality and mutual benefit.

(4) That the basic issues and causes of conflict which have bedeviled the relations between the two countries for the last 25 years shall be resolved by peaceful means.

(5) That they shall respect each other's national unity, territorial integrity, political independence and sovereign equality.

(6) That in accordance with the Charter of the United Nations, they will refrain from the threat or the use of force against the territorial integrity or political independence of each other.

II. Both Governments will take all steps within their power to prevent hostile propaganda directed against each other. Both countries will encourage the dissemination of such information as would promote the development of friendly relations between them.

III. In order progressively to restore and normalise relations between the two countries step by step, it is agreed that:

(1) Steps shall be taken to resume communications—postal, telegraphic, sea, land including border posts and air links including overflights.

(2) Appropriate steps shall be taken to promote travel facilities for the nationals of the other country.

(3) Trade and cooperation in economic and other agreed fields will be resumed as far as possible.

(4) Exchange in the fields of science and culture will be promoted. In this connection, delegations from the two countries will meet from time to time to work out the necessary details.

IV. In order to initiate the process of establishment of a durable peace, both Governments agree that:

(1) The Indian and Pakistani forces shall be withdrawn to their side of the international border.

(2) In Jammu and Kashmir the line of control resulting from the

cease-fire of December 17, 1971 shall be respected by both sides without prejudice to the recognised position of either side. Neither side shall seek to alter it unilaterally irrespective of the mutual differences and legal interpretations. Both sides further undertake to refrain from the threat or the use of force in violation of this line.

(3) Withdrawals shall commence upon the entry into force of this Agreement and shall be completed within a period of 30 days thereafter.

V. This Agreement will be subject to ratification by both countries in accordance with their respective constitutional procedures and will come into force with effect from the date on which the Instruments of Ratification are exchanged.

VI. Both Governments agree that their respective heads will meet again at a mutually convenient time in the future and that, in the meanwhile, the representatives of the two sides will meet to discuss further the modalities and arrangements for the establishment of a durable peace and the normalisation of relations, including the questions of repatriation of prisoners-of-war and civilian internees, a final settlement of Jammu and Kashmir and the resumption of diplomatic relations.

Appendix 2

The Glenn and Symington Amendments

Nuclear Proliferation Prevention Act of 1994 (Amends Arms Export Control Act)

Sec. 102. Nuclear Reprocessing Transfers, Illegal Exports for Nuclear Explosive Devices, Transfers of Nuclear Explosive Devices, and Nuclear Detonations (Glenn)

(a) Prohibitions on Assistance to Countries Involved in Transfer of Nuclear Reprocessing Equipment, Materials, or Technology; Exceptions, Procedures Applicable.

(1) Except as provided in paragraph (2) of this subsection, no funds made available to carry out the Foreign Assistance Act of 1961 or this Act may be used for the purpose of providing economic assistance (Including assistance under chapter 4 of part II of the Foreign Assistance Act of 1961), providing military assistance or grant military education and training, providing assistance under chapter 6 or part II of that Act, or extending military credits or making guarantees, to any country which the President determines—

(A) delivers nuclear reprocessing equipment, materials, or technology to any other country on or after August 4, 1977, or receives such equipment, materials, or technology from any other country on or after August 4, 1977 (except for the transfer of reprocessing technology associated with the investigation, under international evaluation programs in which the United States participates, of technologies which are alternatives to pure plutonium reprocessing), or

(B) is a non-nuclear-weapon state which, on or after August 8, 1985, exports illegally (or attempts to export illegally) from the United States any material, equipment, or technology which would contribute significantly to the ability of such country to manufacture a nuclear explosive device, if the President determines that the material, equipment, or technology was to be used by such country in the manufacture of a nuclear explosive device.

For the purposes of clause (B), an export (or attempted export) by

a person who is an agent of, or is otherwise acting on behalf of or in the interests of, a country shall be considered to be an export (or attempted export) by that country.

(2) Notwithstanding paragraph (1) of this subsection, the President in any fiscal year may furnish assistance which would otherwise be prohibited under that paragraph if he determines and certifies in writing during that fiscal year to the Speaker of the House of Representatives and to the chairman of the Committee on Foreign Relations of the Senate that the termination of such assistance would be seriously prejudicial to the achievement of United States non-proliferation objectives or otherwise jeopardize the common defense and security. The President shall transmit with such certification a statement setting forth the specific reasons therefor.

(3)(A) A certification under paragraph (2) of this subsection shall take effect on the date on which the certification is received by the Congress. However, if, within 30 calendar days after receiving this certification, the Congress enacts a joint resolution stating in substance that the Congress disapproves the furnishing of assistance pursuant to the certification, then upon the enactment of that resolution the certification shall cease to be effective and all deliveries of assistance furnished under the authority of that certification shall be suspended immediately.

(B) Any joint resolution under this paragraph shall be considered in the Senate in accordance with the provision of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

(b) Prohibitions on Assistance to Countries Involved in Transfer or Use of Nuclear Explosive Devices; Exceptions; Procedures Applicable: (1) Except as provided in paragraphs (4), (5), and (6), in the event that the President determines that any country, after the effective date of part B of the Nuclear Proliferation Prevention Act of 1994.

(A) transfers to a non-nuclear-weapon state a nuclear explosive device,

(B) is a non-nuclear-weapon state and either:

(i) receives a nuclear explosive device, or

(ii) detonates a nuclear explosive device,

(C) transfers to a non-nuclear-weapon state any design information or component which is determined by the President to be important to, and known by the transferring country to be intended by the recipient states for use in, the development or manufacture of any nuclear explosive device, or (D) is a non-nuclear-weapon state and seeks and receives any design information or component which is determined by the President to be important to, and intended by the recipient states for use in, the development or manufacture of any nuclear explosive device, then the President shall forthwith report in writing his determination to the Congress and shall forthwith impose the sanctions described in paragraph (2) against that country.

(2) The sanctions referred to in paragraph (1) are as follows:

(A) The United States Government shall terminate assistance to that country under the Foreign Assistance Act of 1961, except for humanitarian assistance or food or other agricultural commodities.

(B) The United States Government shall terminate:

(i) sales to that country under this Act of any defense articles, defense services, or design and construction services and

(ii) licenses for the export to that country of any item on the United States Munitions List.

(C) The United States Government shall terminate all foreign military financing for that country under this Act.

(D) The United States Government shall deny to that country any credit, credit guarantees, or other financial assistance by any department, agency, or instrumentality of the United States Government, except that the sanction of this subparagraph shall not apply:

(i) to any transaction subject to the reporting requirements of title V of the National Security Act of 1947 (relating to congressional oversight of intelligence activities), or

(ii) to humanitarian assistance.

(E) The United States Government shall oppose, in accordance with section 701 of the International Financial Institutions Act (22 U.S.C. 262d), the extension of any loan or financial or technical assistance to that country by an international financial institution.

(F) The United States Government shall prohibit any United States bank from making any loan or providing any credit to the

government of that country, except for loans or credits for the purpose of purchasing food or other agricultural commodities.

(G) The authorities of section 6 of the Export Administration Act of 1979 shall be used to prohibit exports to that country of specific goods and technology (excluding food and other agricultural commodities), except that such prohibition shall not apply to any transaction subject to the reporting requirements of title V of the National Security Act of 1947 (relating to congressional oversight of intelligence activities).

(3) As used in this subsection:

(A) the term 'design information' means specific information that relates to the design of a nuclear explosive device and that is not available to the public; and

(B) the term 'component' means a specific component of a nuclear explosive device.

(4)(A) Notwithstanding paragraph (1) of this subsection, the President may, for a period of not more than 30 days of continuous session, delay the imposition of sanctions which would otherwise be required under paragraph (1)(A) or (1)(B) of this subsection if the President first transmits to the Speaker of the House of Representatives, and to the chairman of the Committee on Foreign Relations of the Senate, a certification that he has determined that an immediate imposition of sanctions on that country would be detrimental to the national security of the United States. Not more than one such certification may be transmitted for a country with respect to the same detonation, transfer, or receipt of a nuclear explosive device.

(B) If the President transmits a certification to the Congress under subparagraph (A), a joint resolution which would permit the President to exercise the waiver authority of paragraph (5) of this subsection shall, if introduced in either House within thirty days of continuous session after the Congress receives this certification, be considered in the Senate in accordance with subparagraph 2 of this paragraph.

(C) Any joint resolution under this paragraph shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

(D) For purposes of this paragraph, the term "joint resolution"

means a joint resolution of the matter after the resolving clauses of which is as follows: "That the Congress having received on a _____ certification by the President under section 102(b)(4) of the Arms Export Control Act with respect to _____ the Congress hereby authorizes the President to exercise the waiver authority contained in section 102(b)(5) of that Act," with the date of receipt of the certification inserted in the first blank and the name of the country inserted in the second blank.

(5) Notwithstanding paragraph (1) of this subsection, if the Congress enacts a joint resolution under paragraph (4) of this subsection, the President may waive any sanction which would otherwise be required under paragraph (1)(A) or (1)(B) if he determined and certifies in writing to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate that the imposition of such sanction would be seriously prejudicial to the achievement of United States nonproliferation objectives or otherwise jeopardize the common defense and security. The President shall transmit with such certification a statement setting forth the specific reasons therefor.

(6)(A) In the event the President is required to impose sanctions against a country under paragraph (1)(C) or (1)(D), the President shall forthwith so inform such country and shall impose the required sanction beginning 30 days after submitting to the Congress the report required by paragraph (1) unless, and to the extent that, there is enacted during the 30-day period a law prohibiting the imposition of such sanctions.

(B) Notwithstanding any other provision of law, the sanctions which are required to be imposed against a country under paragraph (1)(C) or (1)(D) shall not apply if the President determines and certifies in writing to the Committee on Foreign Relations of the Senate and the Committee on Governmental Affairs of the House of Representatives that the application of such sanctions against such country would have a serious adverse effect on vital United States interests. The President shall transmit with such certification a statement setting forth the specific reasons therefor.

(7) For purposes of this subsection, continuity of session is broken only by an adjournment of Congress sine die and the days on which

either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of any period of time in which Congress is in continuous session.

(8) The President may not delegate or transfer his power, authority, or discretion to make or modify determinations under this subsection.

(C) Non-Nuclear-Weapon State defined. As used in this section, the term 'non-nuclear-weapon state' means any country which is not a nuclear-weapon state, as defined in Article IX(3) of the Treaty on Non-Proliferation of Nuclear Weapons.

Sec. 101. Nuclear Enrichment Transfers (Symington)

(a) Prohibitions; Safeguards and Management.

Except as provided in subsection (b) of this section, no funds made available to carry out the Foreign Assistance Act of 1961 or this Act may be used for the purpose of providing economic assistance (including assistance under chapter 4 of part II of the Foreign Assistance Act of 1961), providing military assistance or grant military education and training, providing assistance under chapter 6 of part II of that Act, or extending military credits or making guarantees, to any country which the President determines delivers nuclear enrichment equipment, materials, or technology to any other country on or after August 4, 1977, or receives such equipment, materials, or technology from any country on or after August 4, 1977, unless before such delivery:

(1) the supplying country and receiving country have reached agreement to place all such equipment, materials, or technology, upon delivery, under multilateral auspices and management when available; and

(2) the recipient country has entered into an agreement with the International Atomic Energy Agency to place all such equipment, materials, technology, and all nuclear fuel and facilities in such country under the safeguards system of such Agency.

(b) Certification by President of Necessity of Continued Assistance; Disapproval by Congress.

(1) Notwithstanding subsection (a) of this section, the President may furnish assistance which would otherwise be prohibited under such subsection if he determines and certifies in writing to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate that (A) the termination of such assistance would have a serious adverse effect on vital United States interests; and

(B) he has received reliable assurances that the country in question will not acquire or develop nuclear weapons or assist other nations in doing so.

Such certification shall set forth the reasons supporting such determination in each particular case.

(2)(A) A certification under paragraph (1) of this subsection shall take effect on the date on which the certification is received by the Congress. However, if, within thirty calendar days after receiving this certification, the Congress enacts a joint resolution stating in substance that the Congress disapproves the furnishing of assistance pursuant to the certification, then upon the enactment of that resolution the certification shall cease to be effective and all deliveries of assistance furnished under the authority of that certification shall be suspended immediately.

(B) Any joint resolution under this paragraph shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

Appendix 3

The Pressler Amendment

This Act may be cited as the "International Security and Development Cooperation Act of 1985"

Sec. 902. Nuclear Non-Proliferation Conditions on Assistance for Pakistan.

Section 620E of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new subsection:

"(e) No assistance shall be furnished to Pakistan and no military equipment or technology shall be sold or transferred to Pakistan, pursuant to the authorities contained in this Act or any other Act, unless the President shall have certified in writing to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate, during the fiscal year in which assistance is to be furnished or military equipment or technology is to be sold or transferred, that Pakistan does not possess a nuclear explosive device and that the proposed United States assistance program will reduce significantly the risk that Pakistan will possess a nuclear explosive device."

Committee Comments

G. Assistance to Pakistan

The Committee adopted a provision offered by Senators Mathias, Pressler, and Boschwitz to strengthen the nuclear non-proliferation conditions on our assistance and military sales to Pakistan. The amendment requires the President, as a condition of further assistance and military sales, to certify that Pakistan does not possess a nuclear explosive device and that the proposed U.S. assistance will reduce significantly the risk of Pakistan possessing such a device.

The amendment is identical to one adopted by the Committee last year. The Administration testified in support of the amendment that U.S. intelligence focuses on potential nuclear proliferation risks and that "we believe we would have the capability to know whether or not a country has such a device."

The Committee believes that continued U.S. assistance to the people of Pakistan is in the national security interests of both coun-

tries. The Committee is deeply concerned by the continued development of military capabilities in Pakistan's unsafeguarded nuclear program which jeopardizes future U.S. economic and military assistance.

The amendment is directed to Pakistan because that country is the only aid recipient with a statutory exemption from the existing nuclear non-proliferation requirements contained in Section 669 of the Foreign Assistance Act. The Committee is also deeply concerned about nuclear proliferation risks worldwide.

The Committee is also concerned about India's nuclear program. The Committee notes that India actually detonated a nuclear explosive device in 1974, that India has rejected Pakistani proposals that both countries sign the Nuclear Non-Proliferation Treaty, and that India is now operating unsafeguarded reactors. The Committee believes that any Indian effort to exploit the military capabilities of its nuclear program will seriously harm prospects for future U.S. assistance or cooperation with that country.

Appendix 4

The Brown Amendment

At the appropriate place in the bill, add the following new section:

SEC. 510. Clarification of Restrictions Under Section 620E of the Foreign Assistance Act of 1961.

Subsection (e) of section 620E of the Foreign Assistance Act of 1961 (P.L. 87-195) is amended—

(1) by striking the words 'No assistance' and inserting the words 'No military assistance';

(2) by striking the words 'in which assistance is to be furnished or military equipment or technology' and inserting the words 'in which military assistance is to be furnished or military equipment or technology'; and

(3) by striking the words 'the proposed United States assistance' and inserting the words 'the proposed United States military assistance';

(4) by adding the following new paragraph:

'(2) The prohibitions in this section do not apply to any assistance or transfer provided for the purposes of:

(A) International narcotics control (including Chapter 8 of Part I of this Act) or any provision of law available for providing assistance for counternarcotics purposes;

(B) Facilitating military-to-military contact, training (including Chapter 5 of Part II of this Act) and humanitarian and civic assistance projects;

(C) Peacekeeping and other multilateral operations (including Chapter 6 of Part II of this Act relating to peacekeeping) or any provision of law available for providing assistance for peacekeeping purposes, except that lethal military equipment shall be provided on a lease or loan basis only and shall be returned upon completion of the operation for which it was provided;

(D) Antiterrorism assistance (including Chapter 8 of Part II of this Act relating to antiterrorism assistance) or any provision of law available for antiterrorism assistance purposes';

(5) by adding the following new subsections at the end:

(f) Storage Costs.—The President may release the Government

of Pakistan of its contractual obligation to pay the United States Government for the storage costs of items purchased prior to October 1, 1990, but not delivered by the United States Government pursuant to subsection (e) and may reimburse the Government of Pakistan for any such amounts paid, on such terms and conditions as the President may prescribe, provided that such payments have no budgetary impact.

(g) Return of Military Equipment.—The President may return to the Government of Pakistan military equipment paid for and delivered to Pakistan and subsequently transferred for repair or upgrade to the United States but not returned to Pakistan pursuant to subsection (e). Such equipment or its equivalent may be returned to the Government of Pakistan provided that the President determines and so certifies to the appropriate congressional committees that such equipment or equivalent neither constitutes nor has received any significant qualitative upgrade since being transferred to the United States.

(h) Sense of Congress and Report:

(1) It is the sense of the Congress that:

(A) fundamental U.S. policy interests in South Asia include:

(1) resolving underlying disputes that create the conditions for nuclear proliferation, missile proliferation and the threat of regional catastrophe created by weapons of mass destruction;

(2) achieving cooperation with the United States on counternarcotics, international peacekeeping and other U.S. international efforts;

(3) achieving mutually verifiable caps on fissile material production, expansion and enhancement of the mutual 'no first strike pledge' and a commitment to work with the United States to cap, roll-back and eliminate all nuclear weapons programs in South Asia;

(B) to create the conditions for lasting peace in South Asia, U.S. policy toward the region must be balanced and should not reward any country for actions inimical to the United States [sic] interest;

(C) the President should initiate a regional peace process in South Asia with both bilateral and multilateral tracks that includes both India and Pakistan;

Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1996 (Senate—September 21, 1995)

Brown Amendment Text

Add the following subparagraph to section 620E of the Foreign Assistance Act of 1961:

(_) Applicability: (a) The restrictions of section 620E(e) of the Foreign Assistance Act of 1961 shall continue to apply to contracts for the delivery of F-16 aircraft to Pakistan.

(b) Notwithstanding the restrictions contained in section 620E(e), military equipment, technology or defense services, other than F-16 aircraft, may be transferred to Pakistan pursuant to contracts of cases entered into before October 1, 1990.

Impact of the Brown Amendment

The proposed legislation would authorize the release of approximately $368 million worth of military equipment purchased by Pakistan before the imposition of Pressler sanctions (1 October 1995) but not delivered to Pakistan due to Pressler sanctions. Specifically prohibited from release to Pakistan under this legislation are the 28 F-16s. Items to be released include:

Item	Stored quantity
Army:	
C-NITE modification kits	18
M198 Howitzers	24
TPQ-36 radars	4
M-Series rebuild parts	NA
TOW launchers	135
2.75 inch rockets	16,720
Miscellaneous Army items	NA
Navy:	
P-3C aircraft	3
Harpoon missiles	28
AIM-9L missile components	360
MK-46/Mod 2 torpedo components	NA
Miscellaneous Navy items	NA

Air Force:	
Peace Gate II support equipment,	
220E engine kits	30,968
Depot engine spares program	4,746
ILC kits:	
Spares for ILC, ALQ-131, F-100,	
and ALR-69 support	2,035
Peace Gate III support package:	
Peculiar support equipment	37

Appendix 5

The Military Balance

		India	Pakistan
GDP	1994	$301B	$51B
	1995	$330B	$56B
GDP per capita	1994	$1,300	$2,200
	1995	$1,400	$2,200
Growth	1994	4.8%	4.0%
	1995	6.2%	6.1%
Inflation	1994	10.2%	12.4%
	1995	10.3%	12.4%
Defense Exp.	1994	$7.5B (2.5% GDP)	$3.5B (6.9% GDP)
	1995	$8.3B (2.5% GDP)	$3.6B (6.4% GDP)
Population		950M	133M
Armed Forces			
Active		1.145M	.587M
Reserves		1.185M	.513M
Other Paramilitary Forces		1.944M	.247M
Army		980,000	520,000
Corps		11	9
Divisions		3 Armored	2 Armored
		4 "Rapid"	—
		18 Infantry	19 Infantry
		9 Mountain	1 Area Cmd (DivEqiv)
		1 Arty	9 Arty Bde
		15 Indep Bde	16 Indep Bde
		1 SSM Regt	18 SSMs
		16 AD Bde	8 AD Bde
		3 Eng Bde	7 Eng Bde

The Military Balance

	India	Pakistan
Army (continue)		
Main Battle Tanks	2,400	2,050
Armored Combat Vehicles	1,350	850
Self-Propelled Artillery	80	240
Towed Artillery	3,575	1,580
Air Defense Guns	2,400	2,000
SAMs	1,795	850
Helo Sqn	14	8
Deployment:		
North: 2 Corps—10 Div		
West: 3 Corps—9 Div		
Central: 1 Corps—3 Div		
East: 3 Corps—8 Div		
South: 2 Corps—4 Div		
Navy	55,000	22,000
Subs	13	9
Principal Surface Comb	26	11
Carriers	2	—
Amphibs	9	—
Mine Warfare	20	5
Naval Combat Aircraft	68	4
Naval Armed Helos	75	12
Air Force	110,000	45,000
Combat Aircraft	778	430
Armed Helos	34	—
SAMs	280	150

SOURCE: *The Military Balance 1996/97* (London, England: Oxford University Press for the IISS, 1996), pp. 159–61, 165–6. Items in storage not included in tabulations. 'B' abbreviation for billions; 'M' abbreviation for millions.

Appendix 6

Contributions to U.N. Peacekeeping Missions

	India	Pakistan
Total Forces Abroad	1,987	918
Iraq/Kuwait	7 Mil Obs	8 Mil Obs
Angola	13 Civ	—
	1,063 Troops	7 Troops
	20 Mil Obs	6 Mil Obs
Liberia	9 Mil Obs	8 Mil Obs
Rwanda	853 Troops	22 Mil Obs
Western Sahara	—	5 Mil Obs
Former Yugoslavia	—	14 Troops
	—	8 Mil Obs
Georgia	—	8 Mil Obs
Haiti	—	854 Troops

SOURCE: U.N. Military Staff Committee Monthly Summary of Troop Contributions to Peacekeeping Operations, as of February 29, 1996. 'Mil Obs' is an abbreviation for military observers.

A New U.S. Policy Toward India and Pakistan

Report of an Independent Task Force

The time has come to rethink the U.S. approach to the Indo-Pakistani nuclear rivalry, says a Council-sponsored independent Task Force. Instead of continuing the current policy of trying to roll back India's and Pakistan's de facto nuclear capabilities, the United States should work with both countries to pursue more limited but potentially achievable objectives, such as to discourage nuclear testing, nuclear weapons deployment, and the export of nuclear weapon or missile-related material and technology.

According to the report, U.S. relations with the regional powers of South Asia have been hamstrung by differences between congressional and executive opinion, and action on a broad range of U.S. interests—from economics to security—has been held hostage to the unrealistic expectations of the current policy.

The report further recommends that the United States expand its economic, political, and military relations with India and Pakistan simultaneously, seeking positive improvements in relations with both countries, as opposed to the either/or approach that marked past U.S. efforts to deal with the rivalry. It also urges a closer strategic relationship with India and the resumption of limited conventional arms sales to Pakistan.

On the issue of Kashmir, the report calls for incremental steps to ease tensions and advises against ambitious diplomacy designed to solve this long-standing problem.

Among the report's other key recommendations: the United States should strongly support Indian and Pakistani economic reforms, work to promote robust democratic institutions in the region, and restructure its own bureaucracy to better deal with South Asia.

The Task Force—chaired by Richard N. Haass, director of Foreign Policy Studies at the Brookings Institution, and directed by Council Fellow Gideon Rose—includes U.S. experts and former senior policymakers. This report, which includes important documentation as well as the additional and dissenting views of several Task Force members, provides a comprehensive and creative examination of U.S. policy toward India and Pakistan.