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E.O. 12958: DECL: 01/24/06 1.6X1
TAGS: PINR, PREL, IN
SUBJECT: INTSUM: INDIA: NUCLEAR TEST UNLIKELY (C)

LONDON FOR TUELLER
PARIS FOR ALLEGrone
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(TEXT) THE FOLLOWING IS AN INTELLIGENCE ASSESSMENT THAT RAN IN THE SECRETARY'S MORNING SUMMARY ON THE DATE INDICATED. IN THE INTEREST OF PROMOTING WIDER DISSEMINATION, CERTAIN CLASSIFICATIONS OF INFORMATION CANNOT BE INCLUDED.

1. SUMMARY: PRIME MINISTER RAO PROBABLY WILL NOT AUTHORIZE A NUCLEAR TEST IN THE NEAR FUTURE DESPITE SECRET

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PAGE 03 STATE 012345 242212Z INDICATIONS THAT A SITE IN WESTERN INDIA IS BEING UPGRADED FOR THAT PURPOSE. THOUGH A NUCLEAR TEST MIGHT BOOST HIS RE-ELECTION PROSPECTS IN APRIL, IT WOULD ALMOST CERTAINLY PROVOKE INTERNATIONAL SANCTIONS AGAINST INDIA AND FURTHER JEOPARDIZE HIS GOVERNMENT'S ECONOMIC LIBERALIZATION PROGRAM. END SUMMARY (S/NF)

2. WE FIRST BECAME AWARE LAST NOVEMBER OF INCREASED ACTIVITY NEAR THE LOCATION OF INDIA'S 1974 "PEACEFUL NUCLEAR EXPLOSION." THE ACTIVITY INCLUDED IMPROVED PERIMETER SECURITY, OTHER INFRASTRUCTURAL UPGRADES, AND PLACEMENT OF A LARGE AMOUNT OF DIRT - BELIEVED TO BE STEMMING MATERIAL TO COVER A DEVICE ONCE IT HAS BEEN LOWERED DOWN A TEST HOLE - NEXT TO DRILL SHAFTS. (S/NF)

3. TECHNICIANS WANT TO TEST... THE ACTIVITY BRINGS
THE SITE TO A HEIGHTENED STATE OF READINESS IN THE EVENT RAO MAKES A DECISION TO CONDUCT A TEST, BUT IT SAYS NOTHING ABOUT HIS INCLINATION TO DO SO. RAO'S SCIENTISTS MAY BE PUSHING FOR ONE OR MORE TESTS OF INDIA'S UNPROVEN NUCLEAR DESIGNS, WHICH PROBABLY NEEDED SIGNIFICANT REWORKING AFTER THE NEAR-FAILURE OF THE 1974 TEST. THIS PERCEIVED NEED IS MADE MORE URGENT BY THE COMPREHENSIVE TEST BAN TREATY (CTBT) TALKS. IT WOULD BE VINTAGE RAO, HOWEVER, TO ANSWER BUILDING PRESSURE FROM THE NUCLEAR "HAWKS" IN HIS SCIENTIFIC COMMUNITY BY ALLOWING THEM TO PROCEED WITH PREPARATIONS FOR A TEST, WHILE NOT AUTHORIZING THEM TO CONDUCT ONE. (S/NF).

4... BUT RAO DOES NOT. RAO MIGHT HAVE BEEN TEMPTED TO AUTHORIZE A NUCLEAR TEST TO HELP HIS CHANCES IN THE SECRET

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PAGE 04  STATE  012545  242212Z  APRIL ELECTIONS, BUT IT IS BY NO MEANS CLEAR HOW MUCH OF AN ELECTORAL BOOST HE COULD EXPECT. MOST RESPONDENTS IN AN EARLY-DECEMBER PUBLIC OPINION POLL SAID THEY FAVORED INDIA CONDUCTING A NUCLEAR TEST. BUT THE QUESTION WAS AT THE BOTTOM OF THEIR LIST OF IMPORTANT CONCERNS FACING THE COUNTRY. (S)

5. THOUGH INITIAL MEDIA REACTION TO REPORTS OF NUCLEAR TEST PREPARATIONS STRONGLY SUPPORTED SUCH A MOVE IN DEFIANCE OF FOREIGN PRESSURE, THE PRESS HAS RECENTLY ADOPTED A MORE MEASURED TONE. SOME OBSERVERS EVEN ARGUE THAT INDIA SHOULD SIGN THE CTBT AND REFRAIN FROM CONDUCTING A NUCLEAR TEST. THE MAIN OPPOSITION PARTY, THE HINDU NATIONALIST JHARATIYA JANATA PARTY (BJP), HAS NOT ALTERED ITS LONG-HELD PUBLIC POSITION THAT INDIA SHOULD EXPLICITLY DEVELOP NUCLEAR WEAPONS, BUT IT HAS NOT TRIED TO INCREASE THE PRESSURE ON RAO TO DO SO SINCE MID DECEMBER, WHEN ARTICLES ABOUT TEST PREPARATIONS FIRST APPEARED. (S)

6. EVEN WITHOUT A NUCLEAR TEST, THERE ARE SIGNS THAT RAO'S ELECTORAL PROSPECTS ARE BEGINNING TO IMPROVE. RECENT ALLEGATIONS THAT MANY OF RAO'S OPPONENTS, BOTH INSIDE AND OUTSIDE HIS CONGRESS PARTY, MAY HAVE BEEN INVOLVED IN A MAJOR CORRUPTION SCANDAL HAVE GIVEN HIM A TACTICAL ADVANTAGE AS THE CAMPAIGN COMMENCES. MANY ANALYSTS PREDICT THE CONGRESS PARTY WILL WIN SUFFICIENT SEATS IN THE NEW PARLIAMENT TO COBBLE TOGETHER A
COALITION GOVERNMENT DESIGNED TO EXCLUDE THE BJP FROM POWER. (C)
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7. HIS LAST HURRAH. AS HE PREPARES TO FIGHT AN AGGRESSIVE ELECTION CAMPAIGN, RAO PROBABLY HAS ONE EYE ON POSTERITY. A RELUCTANT PRIME MINISTER EVEN IN 1991, RAO IS NOW NEARLY 75 YEARS OLD AND IN INDIFFERENT HEALTH. HE ALMOST CERTAINLY HOPES HE WILL BE REMEMBERED FOR HIS MOST IMPORTANT CONTRIBUTION, THE LIBERALIZATION OF INDIA'S ECONOMY. FOR THE ECONOMY TO CONTINUE TO GROW AND ATTRACT FOREIGN INVESTMENT, RAO MUST AVOID PROVOKING THE WEST -- IN PARTICULAR THE UNITED STATES -WHICH WOULD SEEK TO RESTRICT INTERNATIONAL AID AND INVESTMENT TO INDIA IN THE EVENT OF A TEST. THESE HARD REALITIES, COUPLED WITH RAO'S NATURAL CAUTION, PROBABLY WILL CONSTRAIN HIM FROM APPROVING A TEST. (C)

(DRAFTED BY INR/NESA: STEVE GHITELMAN, JANUARY 24, 1996)
CHRISTOPHER

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