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ASSISTANT SECRETARY OF DEFENSE
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25 APR 1957

MEMORANDUM OF CONVERSATION

SUBJECT: Meeting Between the Secretary of Defense and Mr. L. K. Jha,
Tuesday, 18 April at 10 a.m.

Participants:

Indian Side

Mr. L. K. Jha, Secretary to the Indian Cabinet
Dr. Sarabhai, Director of Indian Atomic Energy
Ambassador B. K. Nehru (joined the meeting after the first 20 minutes)
Mr. Prakash Shah, Second Secretary, Indian Embassy

United States Side

The Secretary of Defense
Mr. Townsend Hoopes, Principal Deputy/ISA
Mr. Carlton Coon, Department of State

The Secretary opened the meeting by expressing the US awareness of the need for assurances against nuclear threats. He noted the President's statement of October 1964. Before we could do anything more definitive, he said, we must see the Soviet text to which Mr. L. K. Jha had referred in earlier talks in Washington. He thought that parallel declarations were the best approach, and welcomed such declarations by the USSR, UK, and France, supplemented by a UN endorsement. China's nuclear growth will be slow, but will nevertheless have psychological effects on non-nuclear states in the same region. To put the matter candidly, the danger is that India will overreact to the Chinese threat. India's military forces are already too large, and India must take special care not to waste its resources. The US faces a similar risk of overreaction; that is to say, Congress tends to appropriate more money for defense needs than is requested by the Secretary of Defense.

Jha said that the psychological effects of the Chinese nuclear program make the credibility of assurances essential, to deter both Indian expenditure and Chinese attack. The Secretary replied that the President's statement of 1964 was a very strong one and constitutes a real deterrent. The Chinese Communists cannot "hurt" the US for many years; therefore, we can offset a threat to India "without risk." This is not to say that the 1964 statement should not be altered and improved. We would welcome a parallel statement by the USSR.

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Dr. Sarabhai referred to the recent US announcement of its intention to resume the sale of "lethal spares" to the subcontinent. He said this has introduced an unfortunate new element. The Secretary expressed the view that India is overreacting. The US objective is to gain "another lever" in the interests of arms restraint in the subcontinent. Sale of spares will be considered only on a case-by-case basis; the new policy will be used as an inducement to Pakistan to extend the life of its American equipment and thus to forego major capital investment for new equipment. The United States is not going to contribute to an arms race.

Jha agreed with the US objective, but thought the US action would "delay" the Indo-Pak dialogue on political issues. The Pak response to the Chagla letter had been received, but was the usual negative. Could it have been influenced by foreknowledge of the shift in US arms policy? The Secretary reiterated the US intention not to act in any way as to stimulate an arms race, but he understood that this is an emotional subject.

Jha said, with respect to the NPT, that there are two major obstacles to Indian acceptance: One is the security problem vis-a-vis China; the other is the fact that India has developed nuclear technology which contributes to Indian confidence and prestige, but which appears threatened by serious curtailment if India adheres to the NPT. He said the NPT is "a rough treaty"--i.e., strongly discriminatory against the non-nuclear weapons states. The Secretary said the only discrimination is with respect to peaceful explosions; there is no inhibition on the development of nuclear power plants.

Jha replied that discrimination lies in the fact that the nuclear weapons powers do not submit their peaceful facilities to inspection, whereas the non-nuclear states must submit. Dr. Sarabhai added that the Soviet unwillingness to submit its own peaceful facilities to inspection "prevents confidence." The Secretary said it is true that there is less than full equality between nuclear and non-nuclear states, but that the history of nuclear negotiations over the past 20 years indicates that the non-nuclear states have been consistently wrong in refusing such safeguards as were available at various stages in the process. Acceptance of the NPT will no doubt involve some risks for the non-nuclear states, but they will face even greater dangers if they don't participate.

Dr. Sarabhai said the NPT is often spoken of as a "first step" toward disarmament, but India does not see anything beyond the NPT. For example, India does not see any indication that the USSR or the US intend to slow down the growth of their own nuclear weapons and delivery systems. The Secretary said he thought this was not true, that there were in fact strong impulses in both countries for talks leading to restraint.

Jha said the NPT puts the total burden of disarmament on the non-nuclear states. This burden should be shared by nuclear states as well. The Secretary

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said that, beyond a reasonable point, he saw an inconsistency in this position. We know that China will not sign the NPT; indeed it is for this reason that India seeks assurances from the US. At the same time, you say that you want us to disarm. But our disarmament would weaken our ability to provide you credible assurances. Nevertheless, some restraint by the US and USSR is feasible and desirable.

Dr. Sarabhai said that if disarmament is not to be the next step, then India is reluctant to give up the option of building the bomb. The NPT, with its discriminatory inspection, "compounds the asymmetry of the power balance, and makes the treaty very difficult to sell." The Secretary said that India must look hard at the real alternatives facing non-nuclear states in the absence of the NPT. If Israel or Japan should build a bomb, other powers with the capability would inevitably follow suit. Ambassador Nehru asked why India would be forced to make bombs if it had a US nuclear assurance. The Secretary said life is irrational. If there is no treaty, then others with the capability would build bombs and India would be irresistibly caught up in the momentum; it would be politically unavoidable to follow suit.

Dr. Sarabhai said that the Indian purpose in these Washington talks is to point out the need for security assurances. The present NPT is "not salable" in India, but he hoped that Indian recalcitrance would not be seen as hiding a secret desire to build a bomb. The Secretary said he accepted that Indian statement; the difficulty is that people don't see their own self-interest. Dr. Sarabhai said that the developing international nuclear situation possesses the characteristics of a Greek tragedy in which the actors are drawn inexorably to fates which they are seeking to avoid.

Jha said that, even if China signs the NPT, this provides no control over further Chinese nuclear weapons development. India's security problem thus remains. The hopeful new element in the situation is the Soviet willingness to step up and face China. The Secretary said that China would be "immensely impressed" by parallel US and USSR declarations; together they would represent "a very credible deterrent." He was therefore pleased by the apparent shift in the Soviet position and anxious to study the Soviet text, so that the matter could move forward.

As the meeting was breaking up, Ambassador Nehru referred to the Secretary's earlier statement that India's military forces were already too large. He said that in 1964, when Indian expenditure was about 2.5% of GNP, the Secretary had said that India should do more. Now when expenditure is about 4.2% of GNP, he is counseling that a reduced effort should be made. What is the right position for India?

The Secretary replied that speaking "candidly and frankly, and not entirely without reference to analysis," it was his judgment that India could reduce its military budget by 25% and its force level by 200,000 men.

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The Ambassador asked whether this judgment would hold true even in the light of the new US willingness to supply "lethal spares" to Pakistan. The Secretary said that the new US policy would not affect his judgment "by more than a few percentage points." The meeting adjourned at approximately 11:05.

Townsend Hoopes
Townsend Hoopes
Principal Deputy

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