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Additional testimony and Q's and A's for Congressional Briefing

Preventative Diplomacy -- Indian Nuclear Test Preparations

Ambassador Wisner has conveyed to Prime Minister's Office our serious concern about the activities we have observed at India's nuclear test site. We have urged India not to conduct a test, and have laid out the serious consequences a test would have for India. In addition to the likely international and regional ramifications, we stressed the great damage a test would do our bilateral relations. We explained that an immediate consequence would be Glenn Amendment sanctions, under Section 102(b) of the Nuclear Proliferation Prevention Act of 1994 (which amended the Arms Export Control Act), and that the U.S. would be required to terminate most forms of economic assistance, defense sales and services, and credit guarantees to non-nuclear weapon states that detonate a nuclear explosion. The Glenn Amendment would also cut off U.S. Export-Import Bank support for India, and require the U.S. Government to block American bank loans as well as exportis of dual-use technology. We would also be required to oppose World Bank and other IFI loans to India. The implications of these sanctions for India's economic reforms is significant.

We are coordinating with key other governments to encourage them to urge India not to test. It is essential that India not perceive that testing is just an American concern. We are confident these countries we have approached will be responsive, and that their views will have a postive impact in New Delhi. We are also counseling the Pakistanis to exercise maximum restraint and will be asking several key countries, including China, todo so as well.

Regarding developments in Pakistan, we have made it clear to the Pakistani Government our serious concerns about the consequences of resumed Pakistani production of fissile material beyond the 3-5 percent level. In addition, since July we have explained to Pakistani officials on several occasions and in detail the implications for Pakistan of the Symington Amendment in Section 101 of the Nuclear Proliferation Prevention Act of 1994 regarding the importation by a non-nuclear weapon state of any nuclear enrichment equipment, material or technology.

Pakistan has insisted that it continues to exercise self restraint and that it is not producing highly enriched uranium. We are still assessing the latest intelligence reports, which continue to suggest that Pakistan has begun or is seriously contemplating new HEU production. This is a serious matter, but frankly, as a practical matter the new problem of a possible Indian nuclear test will make it difficult to engage the Pakistanis constructively on nonproliferation status quo issues.

REVIEW AUTHORITY: Archie Bolster, Senior Reviewer

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- Q. Do the intelligence reports about enriched uranium production mean Pakistan has changed the nonproliferation status quo?
- A. We are still assessing the information. We told Pakistan last month that by nonproliferation status quo we mean no fissile material production beyond the 3-5 percent level.
- Q. Does the President still support the Brown Amendment?
- A. The Adminstration fully supports the Brown Amendment. How it is implemented will depend on our assessment of the situation relating to the nonproliferation status quo.
- Q. Do you think India will test a nuclear weapon?

We do not know. The decision will be up to Prime Minister Rao. There is no doubt that a nuclear test explosion would be politically popular in India, at least initially, but our strategy is to get PM Rao to focus on and consider the broader and longer-term costs to India of a test.

- O. Are you planning to offer India inducements not to test?
- A. We do not believe presenting the issue to India as negotiable is practical or desirable. Our focus is to make PM Rao aware of the full costs and bilateral, regional, and international implications of a nuclear test, and to leave it to him to draw the right conclusion.
- Q. Is India doing this in reaction to the Brown Amendment?
- A. We have seen no evidence linking test preparations to the Brown Amendment.
- Q. Why is India making preparations for a test?

Indians in and out of the government who support testing have argued that India needs to test for the following reasons: 1) to demonstrate its determination to preserve its strategic "open options" capabilities in the post-NPT renewal climate, which they say legitimized forever the advantage of the nuclear haves at the expense of the nuclear have nots; 2) to preserve the political and strategic credibility of India's nuclear capabilities in the run-up to the CTBT; and 3) to gain needed technical information from a test before the CTBT window closes. PM Rao, who faces a tough reelection battle next year, has been charged by the opposition with being "soft" on defense. Some of his fellow Congress (I) members have urged him to test, or deploy Prithvi SRBMs, to counter that allegation. Having said that, PM Rao is by temperament and character a cautious and

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practical man not given to rash actions. There is no direct evidence he has made a decision to test.

- Q. How is Pakistan likely to respond?
- A. Pakistan would view the test as a provocation and as evidence of hostile intent. Pakistani leaders would undoubtedly feel compelled to respond assertively, although we cannot predict in what way. Preparations for a counter-test could follow or Pakistan could take other measures. An Indian test would constrain our ability to persuade Pakistan to exercise nonproliferation restraint, even in the context of the Brown Amendment. In the event of an Indian test, we will talk plainly to Pakistan's leaders, and explain that they will be hurt more than India by such escalation given India's far greater self-sufficiency.

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Policy Points and Q/A's for Congressional Briefing

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PM/RNP:DMcCullough

H:PYeo

INR/SPA:AVincent

T:JTimbie

D:GPyatt

P:JMarty

L/PM:RMeyer

ACDA:CRussell

NSC:DPoneman/SGrummon

OSD:LSmith