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FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
#1 memo	NSAM 355 <i>NLS 93-65, 11/16/92</i> S 1 p	8/1/66	A
#3 memo	Read to Rostow <i>Open 7/10/01 NS 97-247</i> S 55 p	8/18/67	A
#4 memo	Rostow to Read <i>Open 6.9.98 MLT 97-252</i> S 1 p	11/7/66	A
#4a memo	Wriggins to Rostow <i>Exempt 2/7/02 NLT 97-244</i> S 2 p	11/4/66	A
#4b memo	Read to Rostow <i>Open 7/10/01 NS 97-247</i> S 10 p	10/31/66	A
#4c memo	Intelligence Memorandum S 4 p <i>Exempt 6.16.04 NS 97-245</i>	10/28/66	A
#5b memo	Rusk to President <i>Declassified by NSC 7/14/93</i> S 24 p	7/25/66	A
#6a memo	Read to Rostow <i>Open 7/10/01 NS 97-247</i> S 6 p	8/31/66	A
#7 memo	NSAM 355 <i>NLS 93-65 11/16/92</i> S 24 p <i>NSC (JOW) 7/14/93</i>	8/1/66	A
#8 memo	Wriggins to Rostow <i>Open 6.9.98 MLT 97-252</i> S 1 p	8/1/66	A
#9 memo	Rostow to President <i>Exempt 2/7/02 NLT 97-244</i> S 2 p <i>Open 6.18.09</i>	8/1/66	A
#10 memo	Rusk to President <i>Open 7/10/01 NS 97-247</i> PCI 1 p	7/25/66	A
#11 rpt	Index <i>Serialized 7/10/01 NS 97-247</i> S 13 p	undated	A

FILE LOCATION

NSF, NSAM, NSAM 355--Indian Nuclear Weapons Problem, further to NSAM 351 Box 9

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#12b rpt	"The Indian Nuclear..." S 12 p <i>open 6-18-09</i>	<del>8/2/67</del>	<del>A</del>
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THE WHITE HOUSE  
WASHINGTON

~~SECRET~~

August 1, 1966

NATIONAL SECURITY ACTION MEMORANDUM NO. 355

TO: The Secretary of State

SUBJECT: The Indian Nuclear Weapons Problem, further  
to NSAM 351

The President has approved the recommendations contained in the Secretary of State's memorandum to the President of July 25, 1966, concerning the Indian Nuclear Weapons Problem, as requested in NSAM 351. These recommendations are attached.

He asks that the Secretary of State assume responsibility for implementing these recommendations. Where appropriate, the Secretary may, in consultation with other agencies, delegate to these agencies responsibility for implementing specific recommendations.

Within one month, I would appreciate it if the Department of State could report to this office the assignment of operational responsibility for the specific tasks called for by these recommendations. By November 1 we would hope for the first progress report on implementation.

*W W Rostow*  
W. W. Rostow

DECLASSIFIED  
E.O. 12356, Sec. 3.4  
NLJ 93-65  
By ing, NARA, Date 11-16-82

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*Reading*  
DEPARTMENT OF STATE  
WASHINGTON

3 200  
*Hamilton*  
*2-121*  
August 18, 1967  
3

MEMORANDUM FOR MR. WALT W. ROSTOW  
THE WHITE HOUSE

Subject: Transmittal of Contingency Study under  
NSAM No. 355 -- The Indian Nuclear  
Weapons Problem

The attached staff study entitled "The Indian Nuclear Weapons Problem: Planning for Contingencies" has been prepared in response to the requirement of NSAM No. 355 for an initial look at steps we might take if India were about to "go nuclear" or actually embarked on a nuclear weapons program.

The study was prepared by the Policy Planning Council and the Bureau of Near Eastern and South Asian Affairs in close consultation with the inter-agency Working Group which has been established to assist in implementing NSAM No. 355. The study has also been discussed in the Inter-Agency Planning Group.

There is general agreement that the study accurately identifies the major alternatives that would confront us if the foregoing contingencies should arise. There is also substantial agreement on the weight tentatively assigned to these alternatives. Some disagreement does exist concerning the specific circumstances in which given actions might be taken, and it is generally agreed that these uncertainties cannot be resolved at this time.

DECLASSIFIED

E.O. 12958, Sec. 3.6

NLJ 97-247

By *dbm*, NARA Date *6-21-01*

*Benjamin H. Read*  
Benjamin H. Read  
Executive Secretary

Enclosure:

The Indian Nuclear Weapons Problem:  
Planning for Contingencies  
A Report Under NSAM No. 355

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No. 1

DEPARTMENT OF STATE

**SANITIZED**  
**E.O. 12958, Sec. 3.6**  
**NLJ 97-247**  
**By cbm, NARA Date 6-21-01**

THE INDIAN NUCLEAR WEAPONS PROBLEM:  
PLANNING FOR CONTINGENCIES  
A REPORT UNDER NSAM NO. 355

August 2, 1967

GROUP I

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THE INDIAN NUCLEAR WEAPONS PROBLEM:  
PLANNING FOR CONTINGENCIES

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THE INDIAN NUCLEAR WEAPONS PROBLEM:  
PLANNING FOR CONTINGENCIES

SUMMARY

Purpose

Pursuant to NSAM No. 355, this report considers three questions:

- What steps might we take vis-a-vis India if we were to learn that an Indian pro-nuclear decision was imminent?
- What policy should we adopt if India were in fact to "go nuclear"?
- What steps might we take vis-a-vis other countries to cushion the impact of such a decision?

Since our choices would depend heavily on the circumstances at the time, no specific recommendations are presented here. However, a checklist of the principal alternatives as they now appear is presented below and explored in greater detail in the full report.

For present purposes, it has been assumed that a non-proliferation treaty has been achieved before these contingencies arise; and that the U.S. and Soviet Union have provided some type of security assurance to non-nuclear countries. One effect of these assumptions is to suggest an increased possibility -- although not a certainty -- of joint or parallel action with the Soviets to "enforce" the treaty.

Recent

Recent Indian statements have raised serious questions as to whether India will sign what it regards as an "unequal" treaty. The analysis presented here would, of course, be altered in some respects if India did not sign. But the basic choices confronting us in the event of an imminent or actual Indian pro-nuclear decision would remain much the same as those explored below.

It has also been assumed that the most likely proximate cause giving rise to the contingencies covered in this paper would be increasing Indian concern about Communist China's nuclear progress and intentions, coupled with uncertainty respecting the desirability or adequacy of any general security assurance that had been offered to non-nuclear countries.

\* \* \*

I. Alternatives: Assuming Prior Notice of an Indian Pro-Nuclear Decision.

We would have a better chance of averting a pro-nuclear decision before India's leaders had publicly committed their country to a nuclear weapons program than of reversing the decision once a public stand had been taken. All the same, the task confronting us would not be easy if we were to learn of an impending Indian pro-nuclear decision (for example, if they were to consult us).

A key question is whether the U.S. and Soviet Union would work together in seeking to dissuade India from adopting a pro-nuclear decision. This question would arise in two inter-related contexts.

First, the present text of the non-proliferation treaty requires that the Security Council be notified of the intent of any party to withdraw. If India had signed the treaty and followed the procedure provided for withdrawal, the presence or absence of U.S.-Soviet cooperation would strongly influence the effectiveness of any Security Council debate intended to exert pressure on India not to carry out its intended withdrawal.

Second,



Second, the effectiveness of direct pressures and inducements (such as those in the first three alternatives below) would also hinge importantly on whether the U.S. and Soviets adopted a common front.

Exploring the possibility of U.S.-Soviet cooperation should, therefore, be the first item on our agenda, and we should seek to convince the Soviets that their own interests would best be served by joint or parallel action.

Alternative 1: To exert maximum pressure to avert the decision. We might, for example, threaten to terminate economic and technical aid and serve notice that we would not back India up in future clashes with Communist China. Such threats might backfire if they convinced the Indians that they should not rely on our "good will". There would be a greater chance of pressuring the Indians into remaining non-nuclear if the Soviets joined us, and we should not start down this road unless the Soviets proved ready to go the route with us. However pressure alone -- unaccompanied by any effort to meet security problems the Indians regarded as both real and pressing -- might still fail. On balance, some combination of pressures and inducements such as those examined in the next two alternatives below would seem preferable to relying solely on pressure. Moreover, given the fact that both the U.S. and Soviets have continuing interests in India, one of the next two alternatives might also afford a better basis for common action.

Alternative 2: To seek to avert the decision by emphasizing inducements and substantial (but not maximum) pressures. The key inducements would be stronger assurance of our support (and of Soviet support if they were ready) against the ChiCom nuclear threat, and some increase in economic aid. Such inducements would work best before India's leaders had arrived at the brink

of

of nuclear decision. However, a package approach might be tried at the last minute -- contrasting positive gains with the large economic and security penalties that could flow from a pro-nuclear decision. (Separate study should be given to whether and how an offer for anti-ballistic missile defenses might figure in the foregoing approach if we ourselves deploy ABM's for city defense.)

Alternative 3: To seek to buy time. If India's leaders were not prepared to commit themselves indefinitely against "going nuclear," we might urge them to defer their decision for a period of years. Here again, the chance of success would be enhanced if the U.S. and Soviets took the same position. The main hope would be that subsequent developments might relieve pro-nuclear pressures. Inducements would be similar to those under Alternative 2 (economic aid plus a strengthened nuclear security assurance). In addition, if India's leaders feared that delay would serve only to put them just that much farther behind the ChiCom's, it might be necessary at least to promise that if they did defer their decision but were eventually to "go nuclear," any nuclear security assurance would hold firm until they achieved an initial deterrent capability. Since the contingency being examined here posits a situation in which India is already at the brink of nuclear decision, an offer along the latter lines would not make a pro-nuclear decision any more inevitable than already was the case.

Alternative 4: To concentrate on dealing with the decision's effects rather than on trying to alter the decision itself. If we thought there was no real chance of averting or delaying India's decision or if the price was too high, we could make our objections clear but focus our efforts on the problems outlined in the next two sections -- those bearing on our subsequent policy toward India and on the impact of an Indian pro-nuclear decision on other countries.

II.



II. Policy Toward India: Assuming an Announced Pro-Nuclear Decision.

If India should publicly commit itself to a pro-nuclear decision, we would have to choose among three main approaches:

Alternative 1: We might seek reversal of the decision. This might be tried, but once India's leaders had publicly opted for nuclear weapons, they would be hard put domestically to justify bowing to outside pressure or selling out to outside promises. Again, Soviet attitudes would have to be explored at the time. If both the U.S. and Soviets exerted pressure, there would be a greater chance that the Indians would yield. But it would be hazardous to view this outcome as a certainty in view of the domestic pressures which would inevitably confront the Indian Government at the time. Such pressures might conceivably be off-set if the U.S. and Soviets could work out an adequate face-saving device for India's leaders (possibly some step such as contingency planning to bolster security assurances, or some step in arms control); however, coming late in the game, such devices might or might not prove successful.

Alternative 2: We might seek to "make an example" of India with a view to curtailing further proliferation elsewhere. This would mean adopting a generally punitive policy toward India in order to convince other nuclear capable countries that if they too were to "go nuclear", they would suffer similar consequences. On the one hand, the effect on other countries is clearly a factor that should influence our policy toward an India that had opted for nuclear weapons. If we did not protest at all, or if we adopted a soft line, others could reasonably doubt our seriousness of purpose. On the other hand, adoption of a hard line in the case of India

would

would not necessarily deter others. If, in the circumstances at the time, there seemed to be no chance of reversing an Indian pro-nuclear decision, an effort to "make an example" of India solely in the hope of deterring others could destroy U.S.-Indian relations but still leave us confronted with formidable battles elsewhere on the proliferation front.

Alternative 3: We might seek to construct an approach geared partly to restraining further proliferation but also to maintaining our relations with India on a workable basis. The main elements would be as follows:

-- If, in order to obtain fissionable materials for use in nuclear weapons, India abrogated the "peaceful use only" commitments or agreements which apply to its reactors, a specific punitive action would be necessary to avoid undercutting the safeguards system. For example, we might terminate further cooperation in the peaceful uses of atomic energy. Moreover, we should support or encourage demands that India surrender any materials obtained in this way. In this connection, consideration could be given to bringing the matter before the Security Council if an effective Security Council action could be designed.

-- We should probably avoid any automatic cutback in economic aid but might announce a review of aid policy. The following ground rules might then be adopted: (1) our aid policy would be conditioned primarily on India's economic performance; (2) we would reduce aid if India's nuclear weapons program imposed such a drain on talent and resources that achievement of development objectives was retarded.

Such

-- Such a policy might exert a restraining influence on the pace and scale of India's nuclear weapons/delivery vehicle effort. From the standpoint of our non-proliferation objectives, this would seem preferable to a more ambitious Indian program. (On the other hand, the time might conceivably come when we might see our overall interests best served by a more ambitious Indian effort than suggested here. This might come about if, for example, we wished to be absolved of any responsibility for India's nuclear security and if we had come to view as inevitable in any event what are portrayed in this paper as adverse effects of an Indian pro-nuclear decision.)

-- Within the foregoing economic limits, we would need to consider whether our interests might be served by directly or indirectly providing technical advice or assistance to lessen the chance that India's nuclear force might turn out to be accident-prone, unreliable, and highly vulnerable to ChiCom attack.

III. Cushioning the Impact of an Indian Pro-Nuclear Decision.

Apart from effects on U.S.-Indian relations, the principal effects of an Indian pro-nuclear decision would be as follows:

- A sharply adverse Pak reaction;
- Additional opportunities for ChiCom trouble-making in the Sub-Continent (for example, by exploiting Pak fears and possibly by offering the Paks a nuclear security assurance of some type against India);

-- A

- A heightening of Japan's interest in acquiring nuclear weapons;
- A more intense re-examination of the nuclear security issue throughout the Asian-Pacific region; and
- A general, though probably not decisive, lowering of inhibitions against further proliferation in other areas.

Pakistan:

The unquestionably adverse Pak reaction provides an additional reason for encouraging India and Pakistan to work toward reduction of their differences and to enter into joint economic or other arrangements in which both might acquire a continuing stake.

In addition, depending on the circumstances at the time, steps serving the following purposes might be useful:

- A conciliatory gesture by India toward the Paks. For example, the Indians might formally announce that the sole purpose of their program would be to deter ChiCom nuclear aggressions, and that their weapons would be targetted only against Communist China.

- A U.S. gesture toward Pak nuclear security. We might make clear to the Paks that we would regard any declaration of assurances for non-nuclear countries as applying to situations involving India and Pakistan. We might undertake to inform the Indians of this position.

-- Responsiveness



-- Responsiveness to Pak nuclear arms control suggestions. We should seek at least to avoid any Pak conclusion that we had thwarted any reasonable suggestion they might make concerning nuclear arms control.

Such steps would not forestall a Pak pro-nuclear decision. However, such a decision would be technically difficult for the Paks to implement under foreseeable conditions, and steps along the foregoing lines might help preserve a more tolerable situation in the Sub-Continent and in U.S.-Pak relations.

Japan:

In advance of an Indian pro-nuclear decision, we should stress steps serving two purposes:

-- Demonstrating that U.S.-Japanese nuclear security relations can keep pace with changing conditions. One possibility would be to offer nuclear consultative arrangements along the lines of those established with our NATO allies. (The question of anti-ballistic missile defense would need to be considered in this case as well as that of India if we deploy such defenses to protect our cities against ChiCom nuclear attack.)

-- Avoiding dealing with the Japanese in arms control and other matters as if they were a "have not" nation.

Progress along the foregoing lines should stand us in good stead in the aftermath of an Indian pro-nuclear decision, but we will need to look for additional steps which might help hold the line in Japan.

Regional Security:

Regional Security: Although beyond the scope of this paper, we should take a hard look at the way regional nuclear security might evolve under varying assumptions concerning non-proliferation or proliferation in the cases of India, Japan, and also, over the longer-term, Australia (where the nuclear issue is apparently also beginning to stir).

Proliferation: As in the case of regional security, the question of how to bolster our general non-proliferation policy in the event of an Indian pro-nuclear decision falls outside the scope of this paper. However, one need would be to place greater emphasis on case-by-case and regional (or sub-regional) approaches designed to deal with the proliferation issue in the context in which it arises -- a context that is invariably, as in the case of India, an admixture of local as well as broadly international factors.

THE INDIAN NUCLEAR WEAPONS PROBLEM:  
PLANNING FOR CONTINGENCIES

Purpose

1. Pursuant to NSAM No. 355, this report presents an initial examination of three questions related to the Indian nuclear weapons problem:

-- What steps might we take vis-a-vis India if we were to learn that an Indian pro-nuclear decision was imminent?

-- What policy should we adopt toward India in the event that such a decision was in fact made?

-- What steps might we take vis-a-vis other countries to cushion the impact of an Indian nuclear weapons program?

2. We cannot now predict when -- or whether -- the situations envisaged by these questions will arise, or what the circumstances would be at the time. Accordingly, the present report should be viewed as a checklist of major considerations and principal alternatives that would need to be reviewed in the light of changing conditions.

3.

3. The report has been prepared by the Policy Planning Council and the Bureau of Near Eastern and South Asian Affairs in close consultation with the inter-agency Working Group which has been established to assist in implementing NSAM No. 355. It has been discussed in the Inter-Agency Planning Group. There is general agreement that the report accurately identifies the major alternatives. There is also substantial agreement on the relative weight tentatively assigned to these alternatives. Some disagreement does exist, but this relates to uncertainties concerning the specific circumstances that would attend the contingencies considered here. It is generally agreed that these uncertainties cannot be resolved at this time.

4. For present purposes, it has been assumed that a non-proliferation treaty has been achieved; that India has signed the treaty; and that the U.S. and Soviet Union have provided some type of security assurance to non-nuclear countries. One effect of these assumptions is to suggest an increased possibility -- although not a certainty -- of joint or parallel



parallel action with the Soviets to "enforce" the treaty. Recent Indian statements, however, have raised serious questions as to whether India will sign what it regards as an "unequal" treaty. The analysis presented here would, of course, be altered in some respects if India did not sign. But the basic choices confronting us in the event of an imminent or actual Indian pro-nuclear decision would remain much the same as those explored below.

5. A further assumption is that a comprehensive nuclear test ban has not been achieved and that India might limit itself to underground testing.

#### Introduction

1. An Indian pro-nuclear decision would confront the U.S. with a series of difficult problems related to:

- Our subsequent political and economic relations with India;
- The reaction of Pakistan;
- Additional opportunities for ChiCom trouble-making in the Sub-Continent;
- The

- The impetus to further proliferation, especially in Japan;
- Cumulative effects of this unfolding chain of developments on our political and security interests in the Asian-Pacific region; and
- Possible repercussions on the nuclear issue in Western Europe if and as nuclear weapons spread in Asia.

2. The complexity of the foregoing problems underscores the need to continue our efforts to dissuade India from "going nuclear." However, although we regard it as a major objective to preclude further proliferation of nuclear weapons, some further proliferation may occur despite our best efforts.

3. Consequently, if the contingencies discussed below should arise, a key question would be whether we could devise a strategy designed:

- To carry our non-proliferation objective as far forward as possible;
- While

-- While preserving basic political relationships (including our relations with India) in order to make tolerable a world in which nuclear weapons may reach the hands of some additional nations.

4. How we might seek to achieve such a balancing of our interests is explored in the following tentative conclusions concerning:

- What we might do if India were about to "go nuclear";
- What our policy toward India should be if India should reach a pro-nuclear decision; and
- What steps we might take vis-a-vis other countries.

I.

ALTERNATIVES: ASSUMING PRIOR NOTICE OF AN INDIAN-PRO-NUCLEAR DECISION

A. The Range of Choice:

1. If we were to learn that India was about to "go nuclear," we would be confronted with four main choices:

Alternative 1:

Alternative 1: We might exert maximum pressure to avert a pro-nuclear decision indefinitely.

Alternative 2: We might seek to avert the decision by emphasizing inducements and applying substantial (but not maximum) pressures.

Alternative 3: We might seek to buy time.

Alternative 4: If none of the foregoing seemed feasible, we might make our objections clear but concentrate on dealing with the effects of the decision, rather than on seeking to alter decision itself.

2. The choice among these alternatives would depend heavily on the circumstances at the time. Before examining the alternatives in greater detail, four general considerations should be noted.

a. We would have relatively more room for maneuver in seeking to avert a pro-nuclear decision



decision before India's leaders had publicly committed themselves and their country to a nuclear weapons effort (the contingency discussed in this part of the present report) than in trying to reverse the decision after it had been publicly announced (the contingency considered in Part II). Under the latter circumstances, India's leaders would have boxed themselves in both from the standpoint of the domestic political situation and that of their country's international prestige (as they viewed it).

b. However, to say that we would have relatively more room for maneuver before a decision had been taken and announced does not mean that the situation would be entirely fluid. The issue would have reached an advanced stage of debate among the leadership and probably in public forums as well; and  
the weight

the weight of the arguments (as seen by India's leaders) would be mainly pro-nuclear, this being a necessary assumption if the contingency considered here should materialize. At present reading, the most likely proximate cause would be increased concern about Communist China's nuclear progress and intentions, coupled with uncertainty (or disenchantment) respecting security assurances previously given by the U.S. and Soviet Union. A pro-nuclear trend occasioned by such developments would be difficult to stem.\*

c. India would argue that its security concerns provided ample justification for withdrawal from a non-proliferation treaty. We might disagree about the seriousness of these concerns and the appropriateness of India's "going nuclear" as a remedy. However, in a

test

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\*It is conceivable, though perhaps less likely under foreseeable circumstances, that the proximate cause might be the rise to power in India of highly nationalistic elements. This could, of course, affect our choice among the available alternatives while at the same time making all alternatives more difficult to carry out.

test of competing interpretations of the withdrawal clause, India could have the support of a number (possibly a majority) of non-nuclear countries. A number of these already argue that in pressing for a non-proliferation treaty, the major nuclear powers are incurring a moral obligation to meet the nuclear security needs of those who refrain from acquiring nuclear weapons. Such countries would view the argument in "have not" versus "have" terms and would consider their own interests potentially jeopardized if the U.S. sought to enforce its interpretation of the treaty while at the same time maintaining that it could not accept any real responsibility for the security of such countries as India.

d. Finally, there is the question of whether the U.S. and Soviet Union would stand together to quell India's incipient "insubordination" and/or to find

to find a more effective approach to the security issue. This question would arise in two contexts:

-- First, the present text of the non-proliferation treaty requires that the Security Council be notified of the intent of any party to withdraw. If India had signed the treaty and followed the procedure provided for withdrawal, the presence or absence of U.S.-Soviet cooperation would strongly influence the effectiveness of any Security Council debate intended to exert pressure on India not to carry out its intended withdrawal.

-- Second, the effectiveness of direct pressures and inducements (such as those in the first three alternatives below) would also hinge importantly on whether the U.S. and Soviets adopted a common front.

Exploring



Exploring the possibility of U.S.-Soviet cooperation should, therefore, be the first item on our agenda, and we should seek to convince the Soviets that their own interests would best be served by joint or parallel action.

B. Alternative 1: Maximum Pressure to Avert a Decision.

1. With a view to precluding an Indian pro-nuclear decision, we might inform the Indians that we were contemplating the following steps if they embarked on a nuclear weapons program.

- Termination of economic aid, possibly permitting only food assistance to continue;

- Ending scientific and technical cooperation; and

- Withholding support in the event of future Indian-ChiCom crisis or conflict.

2. The following considerations would have to be weighed in determining the utility of such an approach:

- a. One effect could be to stimulate among India's leaders the conviction that India would  
be

be better off not to rely on the "good will" of a country which had made extreme threats such as the foregoing. Moreover, if such a U.S. position became publicly known, the U.S. would become intensely unpopular in India, and any Indian government which bowed to U.S. threats would share that unpopularity. An Indian pro-nuclear position might thus harden under maximum pressure despite the potential penalties involved.

b. This hardening of position would be especially likely if the Indians believed that the Soviet Union would stand by them. To seal this "escape route", we might seek to enlist the Soviets in a joint effort to apply maximum pressure. Whatever their general interest in the non-proliferation treaty, we would have to expect the Soviets to weigh the issue of an impending Indian pro-nuclear decision in the light of its bearing on specific Soviet interests at that time. It is impossible to judge now what conclusions

conclusions they would reach in the circumstances. On the one hand, given the heavy Soviet investment in India, it remains to be seen whether they would jump at the chance to share with us the political costs of a maximum pressure approach. On the other hand, they might see an Indian pro-nuclear decision as setting-off a chain reaction which would increase the chance of West Germany's somehow obtaining control of nuclear weapons. If they should join us, the chance that maximum pressure would dissuade the Indians would be substantially increased. Even then, pressure alone -- unaccompanied by any effort to meet security needs the Indians considered real and pressing -- might not provide an answer.

c. There is, in any event, an inherent weakness in the types of threats mentioned above: the effect of implementing them -- if it came to that -- would be to increase instability in the Sub-Continent, and to increase the Sub-Continent's vulnerability to ChiCom threats and incursions.

d. In

d. In weighing these factors, we would also need to take into account any effect on the views of other countries that might be occasioned by our adoption of a "maximum pressure" approach in the case of India: what the effect would be if we tried and failed; how others would react if we succeeded in preventing an Indian nuclear weapons program but only at the cost noted in (c) above; what they would make of the situation if the U.S. and Soviets stood together or failed to do so.

3. In summary, maximum pressure by the U.S. alone might not achieve the objective of averting an Indian pro-nuclear decision, and the Soviet Union's willingness to identify itself with such an approach must at this juncture be considered problematical. These considerations -- together with the consequences that would flow from implementation of extreme threats against India if matters came to that -- suggest that maximum pressure should not be tried unless the Soviets actively joined us, and that

some

some combination of pressures and inducements such as those examined in the next two alternatives below would be preferable to relying on pressures alone. Moreover, given the fact that both the U.S. and Soviets have continuing interests in India, one of the next two alternatives might also offer a better basis for common action.

C. Alternative 2: Inducements Plus Pressures to Avert Decision.

1. A different approach to averting a pro-nuclear decision would emphasize inducements together with substantial (but not maximum) pressures. Such an approach would have a greater chance of succeeding if tried early in the game. It is questionable whether the approach would work at the eleventh hour when India's "mental" commitment to "going nuclear" had already brought the country to the brink of decision. However, consideration could be given to a last minute package which would include such elements as the following:

- a. A firmer security assurance than had previously been offered. This might take any of several forms -- more forceful parallel  
declarations

declarations by the U.S. and Soviet Union than those which might be issued initially; a joint U.S.-Soviet declaration if that could be achieved; or possibly a U.S. offer to India of concrete steps to implement existing assurances.\* Soviet association with such approaches could strengthen our position; however, action on our part to take any of these steps -- even if the Soviets were not ready to join us -- would provide a more effective basis for arguing the strategic case against an Indian effort to "go it alone" in the nuclear weapons field.

b. Increased economic aid. The Indians would in effect be confronted with a choice between more rapid economic growth that increased aid would help make possible, and the setbacks that would ensue if the effort to develop and produce nuclear weapons, to acquire suitable delivery vehicles (either by developing them or procuring them if possible), and to manage these complex programs drained talent and resources from development

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\*Basic considerations bearing on the security issue are explored in the paper "The Indian Nuclear Weapons Problem: Security Aspects" (January, 1967), which was prepared in response to NSAM No. 355.

development and if, for that reason, we had to reconsider the utility of aid. If we had also taken some further step on the security side of the coin (as suggested above), we could reject any Indian argument that we were asking them to choose between dollars and defense.

c. Dealing with security and economic aspects would be essential ingredients of any package. In addition, some offer of enhanced political status for a non-nuclear India might possibly be considered. For example, we might consider the feasibility of some such move as supporting the enlargement of the permanent membership of the UN Security Council (we would necessarily have to support membership for other countries, in particular Japan, in addition to India). The political difficulties of effecting such a change would be substantial and would have to be weighed against the political consequences of an Indian pro-nuclear decision. A possible alternative, though doubtless having far less attraction from

India's



India's standpoint, might be to encourage India to take the lead in forming a continuing caucus of major civil nuclear powers (that is, the major "have not" countries under the non-proliferation treaty) with a view to improving the bargaining position of those powers in technological and arms control matters.

2. Three additional points should be kept in mind:

a. If proposed U.S.-Soviet talks about slowing down the strategic arms race should lay the basis for a new and perceptible degree of restraint in the superpower arms race, we would have a strong basis for arguing against India's upsetting the nuclear apple cart. Moreover, India would have greater cause for believing in a degree of mutuality of interest between the two superpowers than would be the case if the superpower strategic arms race should escalate to a new level.

b. Since the debate about anti-ballistic missile (ABM) deployment in the U.S. can be viewed as magnifying the ChiCom nuclear threat and as reflecting

our

our own doubts about the effectiveness of our strategic nuclear deterrent vis-a-vis Communist China, it would be important for official U.S. statements to portray ABM's as a "bonus" rather than a necessity.

c. If the U.S. should proceed to deploy ABM's to defend American cities against the emerging ChiCom nuclear threat, we would need to give serious consideration to offering ABM's (possibly sea-based) to our allies in the Asian-Pacific region. The Sub-Continent might conceivably be included within the scope of such defenses. Although a period of years would be needed to bring such a system into being, it would also take a number of years for India to achieve a credible deterrent, and the choice is one the Indians might find worthy of serious consideration. This approach would, of course, require separate, detailed study.

D. Alternative 3: Buying Time.

1. The chief alternative to an effort to avert an Indian pro-nuclear decision more or less indefinitely  
would

would be to try to stave-off the decision for a period of years. Here again, Soviet cooperation would be important if it could be achieved. Delay could serve a number of purposes:

-- Subsequent changes in the international situation might relieve pressures for India to "go nuclear." New alternatives (or barriers) to such a course, possibly including new steps in arms control, might materialize.

-- Additional progress in economic development might to some extent lessen the internal impact of an eventual Indian nuclear weapons program.

-- Advances might be achieved in Indian-Pak relations.

-- Pro-nuclear pressures in Japan might not reach a critical mass as early as might otherwise be the case.

2. However, "buying time" might conceivably be as difficult (or as costly) as securing an Indian commitment to refrain indefinitely from "going nuclear." The starting point

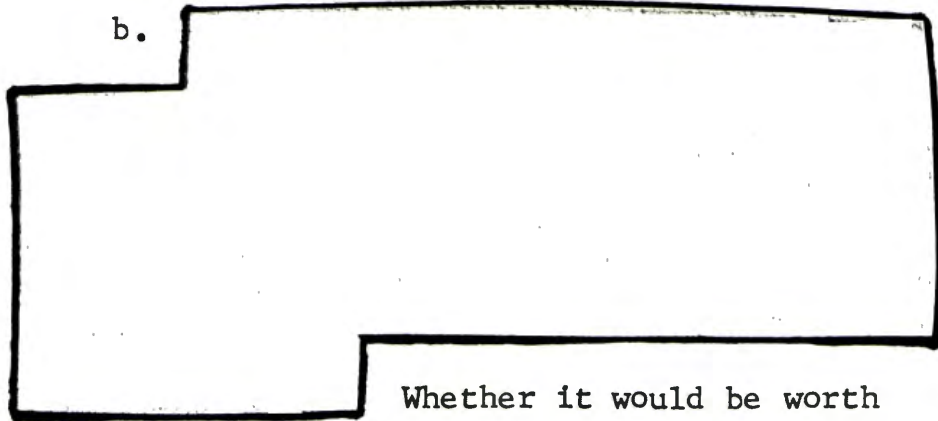
point of an approach designed to "buy time" would be a package of inducements and pressures similar to those outlined under Alternative Two above. In addition, we might have to deal with the fact that from India's standpoint, leadtime pressures generated by Communist China's nuclear weapons program could argue against a further delay which would mean that India would be just that much more behind if and when it did embark on a nuclear weapons effort.

3. There are several facets to this key question of minimizing the consequences of a delay from India's standpoint.

a. We might offer a firm assurance against ChiCom nuclear aggression not only for the period during which a pro-nuclear decision was deferred, but also for the period thereafter that would be needed for India to achieve an initial deterrent capability. This approach might seem to encourage a pro-nuclear decision later if not sooner. However, since the contingency being examined here posits a situation in which such a decision is all but made, an

an offer along these lines would not make the decision any more inevitable than was already the case.

b.

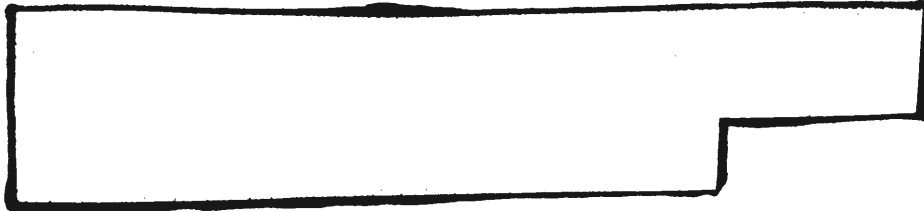


Whether it would be worth considering would depend in part on how much delay could be bought in this way (and no other); how essential we thought such a delay might prove to be; and what the effect would be on the attitudes (and appetites) of other nuclear capable countries.

c. Finally, India itself would face one basic problem which could suggest to the Indians that a period of delay might be useful. India now has no facilities

facilities for producing fissionable materials which are not subject to either "peaceful uses only" pledges or to international safeguards. As will be further explored below, abrogation of such agreements would present a major issue in India's relations with the U.S. and others.

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3.4(b)(6)

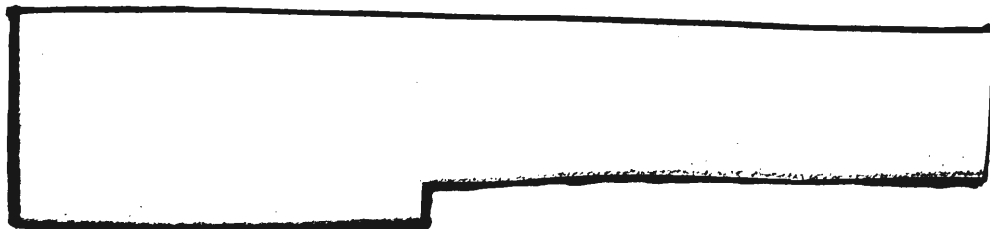


E. Alternative 4: Focussing on Effects Rather than Combatting the Decision.

1. It may be that circumstances would make clear that none of the preceding alternatives was feasible in terms of effectiveness or acceptable to us in terms of price. Under these circumstances, we might view India's period of decision primarily from the standpoint of shifting gears to deal with potential effects rather than from the standpoint of seeking to avert or delay the decision itself.

2. Under

1.5(d)  
3.4(b)(6)



2. Under this approach, points to be emphasized in our relations vis-a-vis India and others would reflect considerations such as those set forth in the remainder of the paper which considers:

-- Our policy toward India in the event of a pro-nuclear decision; and

-- Steps we might take vis-a-vis other countries to cushion the impact of such a decision.

## II.

### POLICY TOWARD INDIA: ASSUMING AN ANNOUNCED PRO-NUCLEAR DECISION

#### A. The Range of Choice

1. If India should publicly commit itself to a nuclear weapons program, we would have to choose between three main approaches:

Alternative 1: We might seek reversal of the decision.

Alternative 2: We might seek to "make an example" of India with a view to curtailing further proliferation elsewhere.

Alternative 3:



Alternative 3: We might seek to construct an approach geared partly to restraining further proliferation but also to maintaining our relations with India on a workable basis.

2. The choice among these alternatives should not be viewed as a choice between opening the door wide to still further proliferation and shutting it tight against that hazard. If that were the real choice, we might with good conscience opt for either of the first two alternatives above. The reasons why the choice is not likely to be this clear-cut are explored in the following sections.

B. Hardline Approaches

1. Barring some change of circumstances which might alter our present view of the consequences of an Indian pro-nuclear decision, we would presumably urge India's leaders to reverse their position. But once they have publicly opted for a nuclear weapons capability, they would be hard put domestically to justify either bowing to outside pressure or selling out to outside promises.

2. The

2. The attitude of the Soviet Union would be particularly important. If the Soviets estimated it to be likely that an India pro-nuclear decision would lead to further proliferation -- especially on the part of West Germany -- they might be willing to join us in trying to stop the Indians. On the other hand, if they had concluded stopping India was a lost cause, they would probably not want to waste much prestige or effort. We would need to explore the Soviet position very carefully. The chance of reversing an Indian decision would be greater if the U.S. and Soviets should join forces. However, even then, India's leaders would face strong domestic pressures, and it is difficult to say now what would be the fate of an Indian government that capitulated to seemingly unreasonable demands by the superpowers. Domestic pressures might conceivably be off-set if the U.S. and Soviets could work out an adequate face-saving device for India's leaders (possibly some step such as contingency planning to bolster security assurances, or some step in arms control); however, coming late in the game, such devices might or might not prove successful.

3. Even if

3. Even if there proved to be no prospect of reversing India's decision, there might arise the question of whether we should try to "make an example" of India. This would mean adopting a generally punitive policy toward India in order to convince other nuclear capable countries that if they too were to "go nuclear", they would suffer similar consequences. On the one hand, the effect on other countries is clearly a factor that should influence our policy toward an India that had opted for nuclear weapons. If we did not protest at all, or if we adopted a soft line, others could reasonably doubt our seriousness of purpose. On the other hand, adoption of a hard line in the case of India would not necessarily deter others. An effort to "make an example" of India solely in the hope of deterring others could destroy U.S.-Indian relations but still leave us confronted with formidable battles elsewhere on the proliferation front.

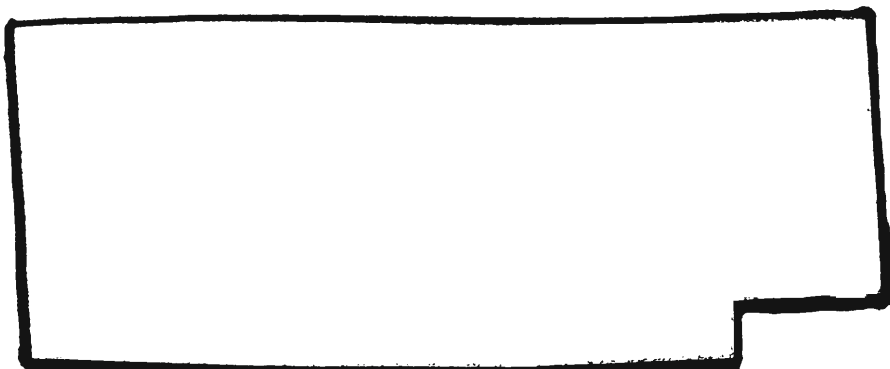
C. Elements of a Balanced Approach


1. The main alternative to the foregoing would be to accompany a public expression of our regret and  
disapproval

disapproval of India's action with an approach focussed on four key aspects of the problem:

- the safeguards issue;
  - the question of future economic aid;
  - the related question of the pace and scale of India's nuclear weapons effort;
- and

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3.4(b)(6)



2. Although a general punitive policy toward India would raise the questions discussed above, we would necessarily have to take some specific punitive action if, in order to "go nuclear", India were to renege on the "peaceful uses only" pledges and international safeguards agreements which apply to all of its present and prospective sources of fissionable materials 

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3.4(b)(6)



If such an  
action

action went unchallenged, the structure of the safeguards system would be gravely weakened. An appropriate response on our part might, for example, be to terminate further cooperation with India in the peaceful uses of atomic energy. This step would not reverse India's decision but might be impressive to numerous other developing countries less advanced in nuclear matters than India. Moreover, we should support or encourage demands that India surrender any materials obtained in this way. In this connection, consideration could be given to bringing the matter before the Security Council if an effective Security Council action could be designed.

3. The second major problem would relate to our economic aid policy. On the one hand, we would not wish to subsidize -- or appear to be subsidizing -- an Indian nuclear weapons effort. On the other hand, economic aid would continue to be an important factor in maintaining stability in India and the Sub-Continent as a whole. One way out of this dilemma might be to adopt a policy along the following lines:

a. We

a. We should probably not automatically cut economic aid.

b. On the other hand, we might announce that we were reviewing our policy toward economic aid for India. This step might conceivably be desirable from the standpoint of Congressional relations,\* domestic policy, or impact on other nuclear capable countries.

c. In any event, the actual ground rules we might adopt could be that: (1) our aid policy would be conditioned primarily on India's economic performance; (2) that we would reduce aid if India's nuclear weapons program imposed a drain on talent and resources which retarded the achievement of development objectives.

4. If India desired continued economic aid under these circumstances, the net effect of the foregoing policy might be to exert a restraining influence on the pace

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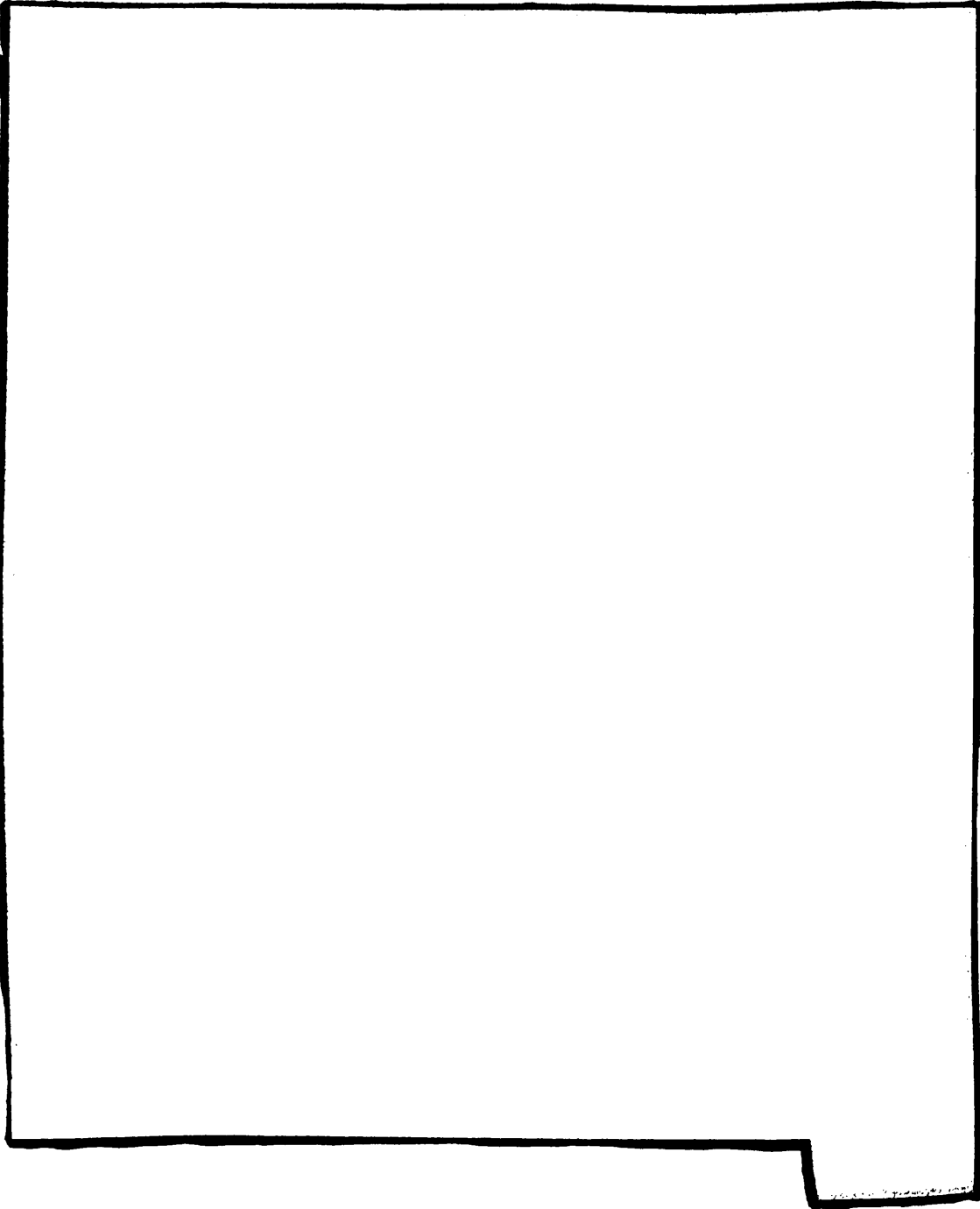
\*It is not assumed here that the majority view in the Congress at the time would necessarily oppose continuing aid to an India that was seeking nuclear security vis-a-vis Communist China -- and by that token possibly relieving us of some part of our security burdens.

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the pace and scale of the Indian nuclear weapons effort.

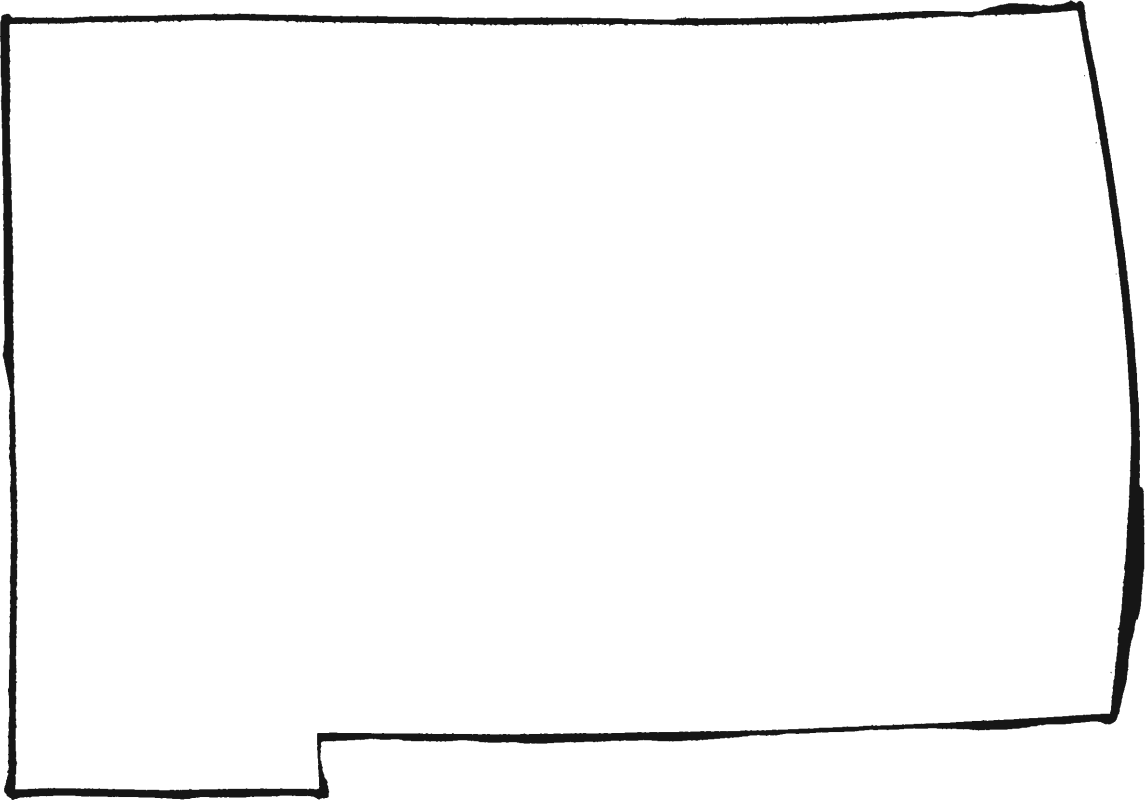
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III.

CUSHIONING THE IMPACT OF AN INDIAN PRO-NUCLEAR DECISION

A. Problems of Major Concern

1. Looking beyond the questions for bilateral U.S.-Indian relations that would be presented if India were to "go nuclear", four areas of major concern can be predicted at least in broad terms:

- A sharply adverse Pak reaction, which  
would, among other effects, open the way  
for

for increased opportunities for ChiCom

trouble-making in the Sub-Continent;

- A heightening of Japan's interest in acquiring nuclear weapons;
- A more intense re-examination of the nuclear security issue throughout the Asian-Pacific region; and
- A general lowering of inhibitions against further proliferation in other areas.

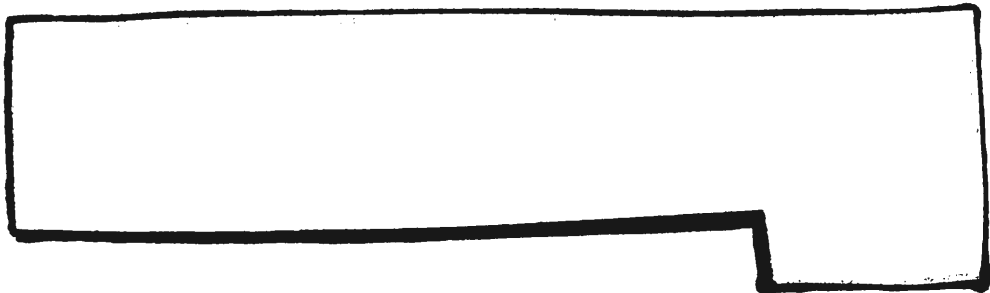
2. These problems are considered below from the standpoint of identifying objectives and planning requirements which might usefully be pursued in advance of an Indian pro-nuclear decision with a view to cushioning its impact.

B. Objectives vis-a-vis Pakistan

1. Pakistan's reaction would be sharp; its options would be limited. The Pak's would doubtless announce a nuclear weapons effort of their own. However, inadequacies of their present technical base suggest that a Pak nuclear weapons

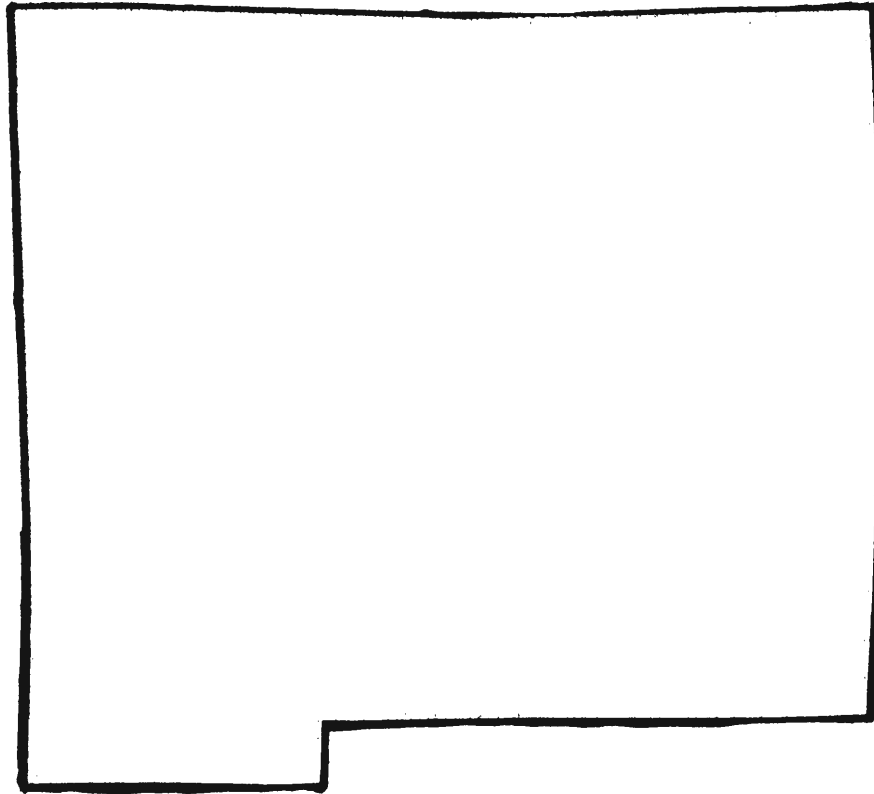
weapons capability would not emerge for some years unless assistance could be obtained from external sources. More immediate practical problems would arise from worsened Indian-Pak relations, the possibility of closer Pak security ties with Communist China, the resulting increased opportunity for ChiCom trouble-making in the Sub-Continent, and possible Pak efforts to force the U.S. to choose between India and Pakistan.

2. No clear-cut approach to these problems can now be defined. They may, however, be somewhat ameliorated if we could -- in advance of an Indian pro-nuclear decision -- succeed in encouraging India and Pakistan to work toward reduction of their differences and enter into joint economic and other arrangements in which both might acquire a continuing stake. Consideration of steps which would serve the following purposes would also be useful.



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1.5(d)  
3.4(b)(6)



b. A U.S. gesture toward Pak nuclear security. One step the Paks might take could be to request a U.S. nuclear guarantee against India. Depending on the circumstances (for example, all bets ought to be off if the Paks allowed themselves to become thoroughly entangled with Communist China), we might respond in either or both of the following ways:

- (1) By making clear to the Paks (and so informing the Indians) that we would regard any  
general

general declaration of assurances for non-nuclear countries as applicable to situations involving India and Pakistan as long as the latter remained non-nuclear.

(2) By issuing a statement expressing our continuing interest in the nuclear peace of the Sub-Continent whether that peace might be jeopardized by ChiCom nuclear threats against India, or by Indian nuclear threats against Pakistan.

c. A more forthcoming attitude toward Pak suggestions for nuclear arms control. It would be detrimental to U.S.-Pak relations following an Indian pro-nuclear decision if the Paks believed we had actively opposed any and all of their suggestions bearing on nuclear arms control. One case has already arisen: our negative attitude toward the Pak idea of a conference of non-nuclear countries. Although we should not identify ourselves with possible Pak initiatives clearly and solely designed to embarrass India, we should generally adopt a forthcoming -- or at least neutral -- attitude toward other Pak proposals except those plainly harmful to our own interests.

C. Objectives

C. Objectives vis-a-vis Japan

1. In Japan as well as India, Communist China's nuclear weapons program has stimulated a reassessment of the nuclear weapons issue. Political and security interests figure in this reassessment. An Indian pro-nuclear decision would be likely to compress the period of debate in Japan and accelerate the timing of a decision.

2. For this as well as other reasons, we should move ahead on a timely basis with the planning and implementation of steps designed for the following purposes:

a. To demonstrate that U.S.-Japanese relations in nuclear security matters can keep pace with changing problems of the Asian-Pacific region. The range of possibilities, which is larger than in the case of a non-aligned India, includes nuclear consultative arrangements (similar in concept to those recently instituted in NATO).

b. To avoid dealing with Japan in arms control and other matters as if it were a

"have

"have not" nation whose voice doesn't count.

Our long-term interests are only served by making clear that such countries as Japan do not have to "go nuclear" to make themselves heard.

3. Progress along the foregoing lines should stand us in good stead in the aftermath of an Indian pro-nuclear decision, but we will need to look for additional steps which might help hold the line in Japan.

4. The factors bearing on the anti-ballistic missile question in the case of Japan are similar to those outlined in Part I in the case of India:

-- If the U.S. should decide to deploy ABM's to defend American cities against future ChiCom ICBM's, we would need to consider offering ABM's for defense of our allies in the Asian-Pacific region, in particular Japan.

-- We would also need to minimize the risk that ABM deployment in the U.S. would have the effect of magnifying the ChiCom

nuclear



nuclear threat and be interpreted in Japan and elsewhere as reflecting doubts about the effectiveness of our strategic nuclear deterrent vis-a-vis Communist China. From this standpoint, ABM's should be portrayed as a bonus, not a prerequisite to our own security or that of the region.

D. Enhancing the Nuclear Security of the Asian-Pacific Region.

1. No other countries in the Asian-Pacific region could move as rapidly toward a nuclear capability as Communist China is now doing, and as India and Japan might be able to do. But other countries (for example, Australia) are already taking a closer look at the nuclear weapons question.

2. An Indian pro-nuclear decision would intensify the on-going re-examination of the nuclear security of the region, and if Japan were also to "go nuclear", all countries of the region, including the U.S., would be confronted with an increasingly complex pattern

of

of security interests and arrangements. Moreover, if and as Indian and Japanese capabilities began to emerge, questions would arise concerning whether and how the capabilities of the Asian-Pacific Free World nuclear powers (India, Japan, and the U.S.) might need to be coordinated in the event of conflict with Communist China, and what role the Soviet Union might play under those circumstances.

3. The foregoing considerations suggest the need for a hard look at how we might expect nuclear security arrangements to evolve in the region under various assumptions concerning non-proliferation and proliferation. Such an examination falls outside the scope of this report.

E. Strengthening the U.S. Approach to Non-Proliferation.

1. It has been assumed here that a non-proliferation treaty will have been achieved prior to the contingencies discussed in this paper. The achievement of such a treaty should in itself lead to a re-structuring of the U.S. approach to non-proliferation, for while the treaty would represent a useful step, it would not provide a full answer.

For

For present purposes, the key points are that some restructuring of our approach will be needed whether or not India "goes nuclear" and that steps to that end could serve to cushion the impact of an Indian pro-nuclear decision.

2. From the standpoint of our non-proliferation objectives, the most direct impact of an Indian pro-nuclear decision would fall on Pakistan (where technical capabilities are limited) and Japan (where technical capabilities are large). However, an Indian pro-nuclear decision would also, to some extent, lower inhibitions against proliferation elsewhere (possibly even in Western Europe), and if both India and Japan should "go nuclear" the effect would be substantial although not necessarily decisive in and of itself.

3. As in the case of future security arrangements in the region, an examination of our future non-proliferation policy goes beyond the scope of this report. However, the considerations noted here suggest the need not only to continue efforts to strengthen general barriers to proliferation

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proliferation (e.g., safeguards, additional steps in arms control), but also to examine ways of placing substantially greater emphasis on case-by-case and regional (or sub-regional) approaches designed to deal with the proliferation issue in the context in which it arises -- a context that is invariably, as in the case of India, an admixture of local as well as broadly international factors.

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4  
November 7, 1966

MEMORANDUM FOR MR. BENJAMIN READ  
S/S Department of State

SUBJECT: Progress Report on NSAM 355

Thank you for your November 1 report on progress in connection with NSAM 355.

I take it that the steps thus far taken, though undramatic, are likely to be affecting the way the Indians assess their options.

The further studies in progress appear promising. In view of China's latest test, we hope that the timetable for the studies noted in paragraph B-4 could be foreshortened by two weeks, i. e. submission by December 15.

W. W. Rostow

DECLASSIFIED  
E.O. 12958, Sec. 3.6  
NLJ 97-252  
By jis, NARA Date 6-9-98

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Dispatched 11/7/66 - Ref # 322



DEPARTMENT OF STATE  
WASHINGTON

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October 31, 1966

4b

MEMORANDUM FOR MR. WALT W. ROSTOW  
THE WHITE HOUSE

Subject: The Indian Nuclear Weapons Problem: NSAM 355

NSAM 355 asked for a report by November 1 on progress made in implementing recommended USG actions contained in the July 25 report for the President.

The requested report is enclosed. Also enclosed is a copy of my memorandum of August 31 on the same subject.

*John P. Walsh*  
Benjamin H. Read  
Executive Secretary

Enclosures:

1. Memorandum.
2. Copy of Memorandum of August 31.

DECLASSIFIED  
E.O. 12958, Sec. 3.6

NLJ 97-247

By cbm, NARA Date 6-21-01

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Group-3

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3. Copy of Memorandum of August 31.  
1. Memorandum.

Enclosures:

Executive Secretary  
Benjamin H. Reed  
*[Signature]*

Copy of my memorandum of August 31 on the same subject.  
The requested report is enclosed. Also enclosed is a  
the July 32 report for the President.  
made in implementing recommended U.S. actions contained in  
NSAM 322 asked for a report by November 1 on progress

Subject: The Indian Nuclear Energy Program: NSAM 322

THE WHITE HOUSE  
MEMORANDUM FOR MR. ARTHUR M. BOSTON



SECRET

WASHINGTON

DEPARTMENT OF STATE

October 31, 1966

*[Handwritten notes and signatures]*

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NSAM 355: The Indian Nuclear Weapons Problem

Progress Report

I. Current Assessment of the Situation

The Working Group has been reviewing the July 25 Report to the President in the light of information that has subsequently become available which relates to the GOI's nuclear policy and the options available to us for influencing that policy. The Working Group has concluded that the July 25 Report remains valid in all major respects, although review of the actions recommended has resulted in some refinement of certain proposed U.S. tactics. This process of review and refinement is expected to continue in the months ahead.

II. Operation of Working Group

As noted in our interim report of August 30, we have established a Working Group " . . . to examine current developments bearing on the Indian nuclear weapons problem, to keep track of and coordinate specific steps under way to implement recommended actions, to prepare progress reports, and to consider possible further steps not presently under consideration."

The Working Group has met frequently during the past three months and has proven useful as a mechanism for securing a consensus on policy within the differing Washington organizations interested in the Indian problem, and as an institutional mechanism for implementing agreed policy. For example:

--The Working Group has thoroughly discussed modalities for impressing Indian opinion leaders

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with the heavy costs and complexities of a nuclear weapons program, and has concluded that at least at this time, cost and related data on this subject should generally be made available to Indian opinion leaders indirectly, preferably through third-country articles and opinion, without USG attribution;

--We have agreed that in determining how we publicly portray our estimate of the Chinese Communist threat to peripheral countries such as India, our interest in maintaining our credibility requires that we neither exaggerate nor downplay the threat as we see it, but rather play it straight while trying to keep it in perspective;

--The Working Group has drawn on the resources of a variety of offices within the Department and other government agencies to further its policy review and implementation of recommended actions, an example being the study of existing Indo-U.S. cooperation in the fields of nuclear energy, space, and general science which has been prepared by the Department's Science Office. (See Section (III) (D) (6) below).

### III. Progress in Implementing Specific Recommended Actions

#### A. Economic Pressures and Inducements

1. Recommended Action: "We should continue indirect pressures designed: (a) to focus India's attention on improving economic performance; and (b) to limit over-all defense expenditures. We should stress the political as well as economic importance to India of successfully carrying out the present five-year plan."

Action to Date: We have not considered that this recommendation required specific action within the context of the Working Group's responsibilities, since it involves general policy considerations with which the Department generally, and NEA in particular, are concerned on a day-to-day basis. In formulating our policy on such questions as how to get India to improve its economic performance and to limit over-all defense expenditures, NEA gives due weight to the relevance of such policy to the Indian nuclear problem.

2. Recommended Action: "In support of foregoing, we should make available both to Indian governmental leaders and to non-governmental opinion leaders additional materials designed to make clear: (a) the difficulties and costs of achieving and of maintaining the continuing effectiveness of a militarily useful nuclear deterrent force; and (b) the drain such an effort would impose on scientific, technical, and managerial personnel sorely needed for development. We should utilize both official and unofficial channels and should prepare such special materials (including classified and unclassified materials) as may be necessary."

Action to Date: A quantitative study of costs that India might have to face in carrying out a nuclear weapons program has been prepared and sent to Embassy New Delhi (and to other posts for information), for the background use of appropriate members of the U.S. official community in India in oral discussions with Indian opinion leaders. As indicated above, we have concluded that it would probably be counter-productive to circulate such material in writing directly to Indian audiences in a manner which would make its USG origin evident. (This view, by the way, has been strongly supported by our embassy in New Delhi and was specifically reiterated by Ambassador Bowles during his recent consultation here). We are now working on the problem of stimulating or generating useful articles by private U.S. scholars and particularly by scholars and other informed persons in third countries, for discreet replay in India.

Meanwhile, we have been responding to a limited number of requests for unclassified cost data from Indian leaders known to be opposed to a nuclear weapons program. Dr. Vikram Sarabhai, chairman of the Indian Atomic Energy Commission, and Dr. Bhagavantam, who heads India's research and development establishment in the Ministry of Defense, have independently and privately asked different USG agencies for data which could support their thesis that India cannot afford a nuclear weapons program. We have responded by providing them with such material as carefully selected magazine articles and unclassified transcripts of testimony before Congressional committees which give some idea of the costs and complexities of our own programs.

3. Recommended Action: "We should avoid direct threats that we would cut back (or eliminate) economic aid in the event of a pro-nuclear decision. However, if India's leaders should ask us what our reaction would be, we should consider expressing the view that we doubt that the U.S. Congress would agree to subsidizing, even indirectly, an Indian nuclear weapons program."

Action to Date: We have, of course, avoided threatening India with a reduction of our economic aid in the event of a pro-nuclear decision. The contingency on which the second half of this recommended action is based has not arisen to date.

4. Recommended Action: "If India's leaders should come to us in a year or two seeking increased aid levels, and if we were prepared to respond favorably in the light of India's actual economic performance, we should consider making continuation of India's "no bomb" policy an implicit part of the deal."

Action to Date: The contingency referred to here has not yet arisen.

B. Security Aspects

1. Recommended Action: "We should make available privately to India's leaders such information and analyses as might, without falsely discounting ChiCom progress, make clear difficulties and limitations still confronting the ChiCom nuclear weapons program and aid in keeping the potential ChiCom nuclear threat in strategic perspective as far as India's interests are concerned."

Action to Date: Intelligence data have been passed to the GOI. Details will be set forth in a separate report. The Working Group is currently considering utilization of unclassified analyses for broader dissemination within the Government of India.

2. Recommended Action: "In our own public statements, we should avoid magnifying the ChiCom nuclear threat."

Action to Date: This action, together with the first four actions recommended under section (D) below, relate primarily to our public posture. We have prepared a message providing guidance for our public statements and informational activities generally which is designed to give effect to all five of these recommended actions. A copy is attached as Annex 1. It has been given rather wide geographic distribution, since in many cases our public posture needs to be consistent in all countries if it is to be effective in any one.

3. Recommended Action: "We should make a further determined effort to interest the Soviet Union in a UN resolution of assurances for non-nuclear countries along the lines of our 1965 draft."

Action to Date: In bilateral discussions between the U.S. and the Soviet Union in New York, we have urged the Soviets to agree that assurances should be embodied in a UN resolution along the lines of our 1965 draft, rather than inserted in a non-proliferation treaty as a clause limiting

the use of nuclear weapons against non-nuclear parties (Kosygin proposal). The discussion with the Soviets has not progressed to the point where we can determine what would be the best next steps.

4. Recommended Action: "When it becomes clear whether or not such a resolution can be achieved, we should address the question of whether to offer India a private security assurance. In order to facilitate prompt future consideration of this possibility, detailed studies should now be mounted of: (a) the circumstances in which we might be called upon to prevent the Chinese from using "nuclear blackmail" in that part of the world, a policy enunciated in connection with the explosion of the first Chinese nuclear device; (b) how we would be likely to react in the event that Communist China were to mount (or threaten imminently to mount) a nuclear attack against India; (c) what tangible steps might eventually need to be taken to bolster the credibility of a private security assurance; and (d) what further steps in the security field might need to be considered if it should become apparent that India, nevertheless, was determined to have a nuclear role."

Action to Date: These studies are in progress and we expect to complete them by the end of the year.

#### C. Arms Control Measures

Recommended Action: "While we should not expect arms control agreements alone to prevent an Indian nuclear decision, we should continue our efforts to seek agreements in this area. In assessing costs and benefits to the U.S., due regard should be given to the fact that a comprehensive or threshold nuclear test ban would be likely to help restrain an Indian decision to go nuclear."

Action to Date: In presenting possible test ban proposals within the U.S. government, ACDA has called attention to the fact that an extension of the limited test ban would be likely to help restrain an Indian decision to go nuclear. ACDA will request that due regard be given to this fact in deciding on possible new test ban proposals.

D. Political Prestige of Non-Nuclear Countries

1. Recommended Action: "Although it will be difficult to deflect the widespread trend toward speaking in terms of "five nuclear powers," we should ourselves avoid this term and try to blunt this tendency. We should adopt a negative attitude toward proposals based on the assumption that the five nuclear countries which have tested nuclear weapons have in common some special interest not shared by others."

Action to Date: See paragraph (3) (A) of Annex 1, and section (B) (2) above.

2. Recommended Action: "Henceforth, in documents and public statements on this subject, we should refer to "civil nuclear powers" (including India and all others not having nuclear weapons) in contradistinction to "military nuclear powers" (i.e., the five powers which now have nuclear weapons) as a means of alleviating the unpleasant effects derived from differentiating between "nuclear and non-nuclear powers.""

Action to Date: See paragraph (3) (B) of Annex 1, and section (B) (2) above.

3. Recommended Action: "We should encourage the view that the several countries (including India) which have achieved advanced peaceful nuclear capabilities but have refrained from seeking nuclear weapons are entitled not only to respect for their restraint, but to a special voice in nuclear matters."

Action to Date: See paragraph (3) (C) of Annex 1, and section (B) (2) above.

4. Recommended Action: "We should emphasize the relevance of economic strength to political influence."

Action to Date: See paragraph (3) (C) (2) of Annex 1, and section (B) (2) above.

5. Recommended Action: "We should bear in mind that, if the U.K., as a former colonial power, were to phase out of national nuclear deterrence, the impact on India's thinking about nuclear weapons would be highly significant."

Action to Date: The Department of State has recently examined whether the U.K. might phase out its national nuclear deterrent, and reached the conclusion that at this time the U.K. does not intend to take such action. USG officials concerned with this question are aware of its relevance to the subject of Indian non-proliferation.

6. Recommended Action: "A special study should be made of more specific steps, including scientific and technical projects, that might be taken to enhance India's political prestige."

Action to Date: The Working Group is currently reviewing, with the Department's Science Office, the current state of Indo-U.S. cooperation in the fields of nuclear energy, space, and general science, as a first step toward identifying areas in which either the further intensification of existing cooperation or the initiation of new departures appears both feasible, and relevant to our non-proliferation objective. In addition, USIA is continuing a project, started some time ago, to publicize, through its worldwide facilities, India's achievements in all fields of science.

#### E. Intelligence Requirements

Recommended Action: "In order to have as much warning as possible of any impending shift in India's present no-bomb



policy, increased priority should be assigned to the collection and analysis of relevant intelligence data."

Action to Date: CIA is submitting a separate report on this.

F. Contingency Planning

Recommended Action: "A long-term planning study should be initiated of alternative approaches it might be in the U.S. interest to adopt in the event India should decide to proceed with a national nuclear weapons program."

Action to Date: We expect to complete this study by January 1.

Annex - State Circular 73836



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Johnson  
Keeney  
File (Orig)  
Wiggins

H. Rowen (see attached note)

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→ Ruth

7/27/66 5a

N Wriggins telephoned &  
asked that a copy of July 25  
State paper on Indian  
Nuclear Problem be sent  
to Henry Rowen

OK BKS LN

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THE SECRETARY OF STATE  
WASHINGTON

Copies to:

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July 25, 1966

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MEMORANDUM FOR THE PRESIDENT

Subject: Report to the President on the  
Indian Nuclear Weapons Problem

In accordance with NSAM 351 there is trans-  
mitted herewith a report on the Indian Nuclear  
Weapons Problem. The report has been approved  
by the Senior Interdepartmental Group, by the  
Secretary of Defense and by the Director of the  
Arms Control and Disarmament Agency.

The report recommends no dramatic steps  
to discourage the Indians from starting a  
nuclear weapons program; this is because we have  
been unable to devise anything dramatic which  
would not cost us more than any anticipated  
gain. The report does, however, recommend that  
a number of further studies be made, as this  
is a developing rather than a static situation.  
We have all agreed that our purpose with respect  
to the Indians is to buy time during which,  
hopefully, we can move forward on broader fronts  
to bring under more permanent control the dangers  
inherent in the proliferation of nuclear weapons.

/s/ Dean Rusk  
Dean Rusk

S/S  
A True Copy

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1966 JUL 25 PM 4 43

TO: DIRECTOR, FBI  
FROM: SAC, ROSTOW  
SUBJECT: [Illegible]  
[Illegible text block containing several lines of a memorandum or letter, mostly obscured by fading and bleed-through.]

RE: [Illegible]  
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ADMINISTRATIVE - [Illegible]

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REPORT FOR THE PRESIDENT  
IN RESPONSE TO NSAM NO. 351:  
THE INDIAN NUCLEAR WEAPONS PROBLEM

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DECLASSIFIED

Authority E.O. 12356; S. TILLEY NSC

By JOW, NARA, Date 7/14/93



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REPORT FOR THE PRESIDENT  
IN RESPONSE TO NSAM NO. 351:  
THE INDIAN NUCLEAR WEAPONS PROBLEM

I. RECOMMENDATIONS

A. Economic Pressures and Inducements

1. We should continue indirect pressures designed: (a) to focus India's attention on improving economic performance; and (b) to limit over-all defense expenditures. We should stress the political as well as economic importance to India of successfully carrying out the present five-year plan.

2. In support of the foregoing, we should make available both to Indian governmental leaders and to non-governmental opinion leaders additional materials designed to make clear: (a) the difficulties and costs of achieving and of maintaining the continuing effectiveness of a militarily useful nuclear deterrent force; and (b) the drain such an effort would impose on scientific, technical, and managerial personnel sorely needed for development. We should utilize both official and unofficial channels and should prepare such special materials (including classified and unclassified materials) as may be necessary.

3. We should avoid direct threats that we would cut back (or eliminate) economic aid in the event of a pro-nuclear decision. However, if India's leaders should ask us what our reaction would be, we should consider expressing the view that we doubt that the U.S. Congress would agree to subsidizing, even indirectly, an Indian nuclear weapons program.

4. If India's leaders should come to us in a year or two seeking increased aid levels, and if we were prepared to respond favorably in the light of India's actual economic performance, we should consider making continuation of India's "no bomb" policy an implicit part of the deal.

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B. Security Aspects

1. We should make available privately to India's leaders such information and analyses as might, without falsely discounting ChiCom progress, make clear difficulties and limitations still confronting the ChiCom nuclear weapons program and aid in keeping the potential ChiCom nuclear threat in strategic perspective as far as India's interests are concerned.

2. In our own public statements, we should avoid magnifying the ChiCom nuclear threat.

3. We should make a further determined effort to interest the Soviet Union in a UN resolution of assurances for non-nuclear countries along the lines of our 1965 draft.

4. When it becomes clear whether or not such a resolution can be achieved, we should address the question of whether to offer India a private security assurance. In order to facilitate prompt future consideration of this possibility, detailed studies should now be mounted of: (a) the circumstances in which we might be called upon to prevent the Chinese from using "nuclear blackmail" in that part of the world, a policy enunciated in connection with the explosion of the first Chinese nuclear device; (b) how we would be likely to react in the event that Communist China were to mount (or threaten imminently to mount) a nuclear attack against India; (c) what tangible steps might eventually need to be taken to bolster the credibility of a private security assurance; and (d) what further steps in the security field might need to be considered if it should become apparent that India, nevertheless, was determined to have a nuclear role.

C. Arms Control Measures

While we should not expect arms control agreements alone to prevent an Indian nuclear decision, we should

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continue our efforts to seek agreements in this area. In assessing costs and benefits to the U.S., due regard should be given to the fact that a comprehensive or threshold nuclear test ban would be likely to help restrain an Indian decision to go nuclear.

D. Political Prestige of Non-Nuclear Countries

1. Although it will be difficult to deflect the widespread trend toward speaking in terms of "five nuclear powers," we should ourselves avoid this term and try to blunt this tendency. We should adopt a negative attitude toward proposals based on the assumption that the five nuclear countries which have tested nuclear weapons have in common some special interest not shared by others.

2. Henceforth, in documents and public statements on this subject, we should refer to "civil nuclear powers" (including India and all others not having nuclear weapons) in contradistinction to "military nuclear powers" (i.e., the five powers which now have nuclear weapons) as a means of alleviating the unpleasant effects derived from differentiating between "nuclear and non-nuclear powers."

3. We should encourage the view that the several countries (including India) which have achieved advanced peaceful nuclear capabilities but have refrained from seeking nuclear weapons are entitled not only to respect for their restraint, but to a special voice in nuclear matters.

4. We should emphasize the relevance of economic strength to political influence.

5. We should bear in mind that, if the U.K., as a former colonial power, were to phase out of national nuclear deterrence, the impact on India's thinking about nuclear weapons would be highly significant.

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6. A special study should be made of more specific steps, including scientific and technical projects, that might be taken to enhance India's political prestige.

E. Intelligence Requirements

In order to have as much warning as possible of any impending shift in India's present no-bomb policy, increased priority should be assigned to the collection and analysis of relevant intelligence data.

F. Contingency Planning

A long-term planning study should be initiated of alternative approaches it might be in the U.S. interest to adopt in the event India should decide to proceed with a national nuclear weapons program.

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## II. THE INDIAN NUCLEAR WEAPONS PROBLEM

### A. Background

NSAM No. 351 requested a report and recommendations concerning the following interrelated issues emerging from the National Security Council review of June 9, 1966, concerning the Indian nuclear weapons problem:

-- The extent to which it might be in the U.S. interest to use our economic leverage more explicitly to discourage an Indian national nuclear program.

-- The effect which various arms control agreements might have on Indian nuclear intentions, and what price the U.S. should be prepared to pay for such agreements.

-- How far it is in the U.S. interest to go in meeting Indian security concerns, what form such action might take, and what the optimum timing might be.

-- Whether there are other approaches to the problem which need to be pursued.

### B. Basic Considerations

1. In examining specific actions bearing on the Indian nuclear weapons problem, four basic considerations need to be recognized.

a. The source of the problem is basically two-fold:

-- The problem arises in part from political and prestige concerns to which a nuclear capability may be pertinent. These concerns relate importantly

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to India's future position vis-a-vis Communist China in Asia, and to whether an effort to "go it alone" militarily (including nuclear as well) will come to be regarded as essential to exerting independent political influence.

-- The problem also stems in part from security concerns--the need to deter or to counter future Communist Chinese nuclear blackmail or attack.

The situation is complicated by public pressures generated by those who neither fully understand nor coolly weight political and security considerations. Because the problem has more than a single root, no single action we might take can be expected to provide a full answer.

b. Both political and security aspects will change over time. Political and prestige concerns are already much in evidence and will be sharpened by any move that appears to enhance Communist China's status as a result of its entry into the "nuclear club". Security concerns will continue to mount as Communist China's nuclear weapons program proceeds. Because we are confronted with a moving rather than a fixed target, steps we might take in the short-term will not necessarily add up to a long-term solution.

c. We cannot accurately predict when the issue may come to a head. We do not believe a decision is "imminent" in the sense of confronting us this week or this month. Nor do we now expect that a decision to go nuclear will be made this year--although conditions could change rapidly if further Communist Chinese tests should arouse even stronger Indian anxieties. However, we cannot gauge the need for action solely in terms of the periodic rise and fall of Indian public sentiment. Consequently, we will

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need to keep under continuing review both what can usefully be done at any particular time, and also what might be done if and as the issue appears to be reaching an acute stage.

d. Too much direct and pointed U.S. pressure in the short-term could lead to the growth of a "go it alone" philosophy in India for the long term. Although our ability to influence India's decision is limited, we do hold some important cards; but our effectiveness will depend not only on these cards but also on how we play our hand. India's leaders continue to hew to a policy of foregoing a national nuclear weapons capability. At least for the present, our stance should be that of supporting an existing Indian policy which serves India's interests, rather than one of questioning the sincerity of that policy and of preparing to battle possible change. Unless a basis of mutual confidence and respect can be constructed, there will be virtually no chance of averting an eventual pro-nuclear decision.

2. If these considerations suggest the difficulties of finding "permanent solutions", the fact remains that an Indian nuclear decision would adversely affect our own interests:

-- By imposing an increasing burden on India's economy, thereby jeopardizing the development of the economic base required for future political stability;

-- By stimulating Pakistan's fears, encouraging the Paks to seek nuclear weapons of their own, and opening further opportunities for Communist China to seek to pose as Pakistan's "protector";

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-- By aggravating the nuclear weapons issue in Japan, since an Indian nuclear weapons program would directly confront the Japanese with the question of how best to ensure their own future political position; and

-- By indirectly encouraging proliferation elsewhere to the extent that existing inhibitions would be further reduced.

3. It can be argued that a successful Indian nuclear weapons program might relieve us of future military burdens we might be called upon to bear if India refrains from "going nuclear". Nevertheless, we believe adverse effects such as those identified above outweigh this consideration. Moreover, certain of these adverse effects of an Indian pro-nuclear decision would be felt immediately. Continued Indian restraint would provide further time for developing long-term approaches, for permitting more favorable evolution in India-Pak relations and perhaps within Communist China, and for taking steps which might ease the impact of an Indian decision if our efforts to prevent it should not prove successful.

4. Accordingly, even if we cannot now describe a "permanent solution", delaying actions will be useful. Because we cannot be sure over the long-term of effecting more than a delay, we will want to bear in mind the need to protect our continuing interests in India even in the event it should eventually go nuclear, and to study what our reactions should be in this contingency.

### C. Course of Action

#### 1. Economic Pressures and Inducements

##### a. Discussion

We are currently using our economic aid leverage with India to insist on major internal economic reforms which

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are moving the country much closer to economic policies advocated by the U.S. than the Indians have heretofore been prepared to go. India's leaders have recognized that these reforms are in their country's interest, and they have taken courageous and publicly unpopular steps to introduce them. If these steps are to pay off, India will need to concentrate its resources on development. This creates pressures against going nuclear.

Although we have not directly insisted that India remain non-nuclear as part of the bargain, we have made clear that our willingness to follow through is contingent not only on continued peace with Pakistan, but on limitation of India's (and Pakistan's) defense expenditures. This adds to pressures on India to forego—or at least delay—a nuclear weapons effort.

It seems clear that economic considerations loom large in the present decision of India's leaders against going nuclear. However, we believe they have submitted to about as much direct economic pressure from us as the political situation within the country will tolerate at this time. Under existing circumstances, a direct warning that we would have to cut back (or even eliminate) our economic aid would be received by India's leaders as a challenge to their sincerity, an inducement to demonstrate their independence, and a spur toward a policy of "going it alone" while perforce relying more on the Soviet Union.

On the other hand, depending on the circumstances existing at the time, we might be able to prolong India's non-nuclear weapons policy by levying an implied no-bomb requirement if, in another year or two, India's leaders would come to us seeking increased aid levels on the grounds that increases were warranted in the light of economic performance. If this were indeed the case and if we were prepared to respond, continuation of India's "no bomb" policy might be made an implicit

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part of the deal. This would not be construed as an attempt to "buy off" the Indians since the determining considerations would clearly be economic performance and promise.

The success of indirect economic pressures and the usefulness of economic inducements will depend, in part, on whether we can convince Indian leaders--both within and outside the government--that a nuclear weapons program would in fact represent an increasing burden, not only in terms of the financial strains it would impose (including demands on foreign exchange) but also in terms of the drain on scientific, technical, and managerial talent which might be increasingly diverted from the priority task of economic development.

It should be recognized that a "demonstration" weapons test or "token" capability would not be costly. On the other hand, achievement of a useful capability would not only mean development and production of warheads, but also development (or procurement if feasible) of relatively long-range delivery vehicles, of communications systems, and of warning systems. Moreover, the experience of all countries which have entered the nuclear weapons field shows that major continuing effort is required to keep all these elements of an effective capability up to date. There is no reason to suppose that India's experience would prove to be different.

Such points need to be gotten across to a broad spectrum of governmental officials and non-governmental opinion leaders. If this can be done, there will be a better chance of convincing India to stick with economic development as the most promising route to a strong international political position, and the best ground on which to challenge Communist China.

b. Recommendations Respecting Economic Pressures and Inducements.

(1) We

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(1) We should continue indirect pressures designed: (a) to focus India's attention on improving economic performance; and (b) to limit over-all defense expenditures. We should stress the political as well as economic importance to India of successfully carrying out the present five-year plan.

(2) In support of the foregoing, we should make available both to Indian governmental leaders and to non-governmental opinion leaders additional materials designed to make clear: (a) the difficulties and costs of achieving and of maintaining the continuing effectiveness of a militarily useful nuclear deterrent force; and (b) the drain such an effort would impose on scientific, technical and managerial personnel sorely needed for development. We should utilize both official and unofficial channels and should prepare such special materials (including classified and unclassified materials) as may be necessary.

(3) We should avoid volunteering direct threats that we would cut back (or eliminate) economic aid in the event of a pro-nuclear decision. However, if India's leaders should ask us what our reaction would be, we should consider expressing the view that we doubt that the U.S. Congress would agree to subsidizing, even indirectly, an Indian nuclear weapons program.

(4) If India's leaders should come to us in a year or two seeking increased aid levels, and if we were prepared to respond favorably in the light of India's actual economic performance, we should consider making continuation of India's "no bomb" policy an implicit part of the deal.

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## 2. Security Aspects

### (a) Discussion

The Communist Chinese political and military threat to India is real.

The military threat today is, of course, conventional, and for the present, India's military as well as political leaders are giving priority to conventional defense.

The nuclear "threat" will be low at least for several years, and even when Communist China achieves a militarily significant nuclear capability, there will be political inhibitions against using it as well as the military risks such an action might entail.

Nonetheless, against the background of past Sino-Indian conflict, and given the leadtime problems involved in all defense efforts, pressures in India to meet the potential ChiCom nuclear threat will mount. These pressures will be larger to the extent that the Indians form an exaggerated impression of Communist China's nuclear progress. Since public attention is claimed by each ChiCom nuclear test, such an impression of progress tends to emerge regardless of hurdles that remain to be overcome before Communist China can actually achieve and deploy a capability that might be effectively directed against India.

Although U.S. information and estimates on Communist China's nuclear weapons and delivery vehicle program are by no means as complete as we would like, they are undoubtedly better than India's. We should use them privately vis-a-vis the Indians to encourage a more objective view which, without falsely discounting such progress as Communist China is making, would take into account remaining difficulties and

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limitations. Moreover, we should seek to keep the problem in perspective by helping Indian opinion leaders to develop an increasingly clear understanding of strategic problems.

Such U.S. efforts will, however, fail if our own public statements exaggerate the ChiCom nuclear threat. For example, public discussion of the view that we should ourselves deploy anti-ballistic missiles as a defense against Communist China can have the effect of magnifying and "accelerating" the emergence of the ChiCom nuclear threat in India's eyes.

The fact remains that Communist Chinese nuclear capabilities will increase. So long as India refrains from seeking nuclear weapons of its own, the Indians will, whether publicly admitting it or not, count on us to deter ChiCom nuclear aggression. During the period when the threat will be negligible or low, such implicit reliance should not present an unacceptable burden for either country.

Over the longer-term, more concrete arrangements would be needed if some degree of continuing reliance on the U.S. is to provide an alternative to an Indian national nuclear capability. It may be possible--but it will not be easy--to work out a mutually acceptable balancing of the political and military interests of the two countries, including India's interests in pursuing politically independent policies while maintaining good relations with the U.S. and Soviet Union, and our own interest in limiting our commitments.

The short-term problem would be eased by adoption of our 1965 draft resolution, which would express the intention of UN members "to provide or support immediate assistance to any state not possessing nuclear weapons that is the victim of an act of aggression in which nuclear weapons are used."

Although the necessarily vague and generalized language of such a resolution would probably not provide sufficient

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assurance from India's standpoint, a resolution of this character could provide an "umbrella" under which private security assurances might more easily be offered by the U.S., and also by the Soviet Union if and when it may be prepared to take that step. Within limits, the resolution could also provide a framework facilitating steps to bolster private assurances over the longer-term.

However, the Soviet Union has not shown any interest to date either in offering private security assurances to India or in joining us in a multilateral assurance along the lines of our draft UN resolution.

We should make a further effort to interest the Soviets in supporting such a resolution. It should be noted, however, that the prospect of winning Soviet support is not good, partly because they have been pushing their own approach-- a pledge by nuclear countries not to use nuclear weapons against non-nuclear countries which have no nuclear weapons on their territory. This Soviet proposal, which seems designed specifically to try to undercut U.S. nuclear deployments abroad, is likely to be popular in the UN.

In order to capitalize on the U.S. draft resolution, if it can be achieved, we should be prepared to consider promptly at that time approaching India's leaders with a private security assurance. This is because although a UN resolution along the lines we have drafted should have a useful impact on public opinion in India, India's leaders would be well aware of its practical deficiencies. Accordingly, the resolution would not substitute for private security assurances.

In the more likely event that the Soviet Union continues not to support a useful UN resolution, we will still need to consider offering a private security assurance, and to do

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so before pro-nuclear trends in India pass the point of no return. For in the absence of a UN resolution, India's leaders might have a more difficult task in coping with public concerns about security. However, even then the task of holding public pressures in check might not be impossible, and a private security assurance on which India's leaders felt they could rely would give them more incentive and justification for vigorously addressing the task.

In either of the foregoing circumstances (that is, under the "umbrella" of a UN resolution or without such a resolution if it cannot be achieved) a private U.S. security assurance of the type envisaged here would involve going beyond our general offer of October, 1964, to support non-nuclear countries threatened by nuclear blackmail. In defining its terms, the following factors should be taken into account.

(1) The objective would be to discourage ChiCom nuclear blackmail efforts and deter ChiCom nuclear aggression.

(2) The assurance would apply only to cases where Communist China threatened or initiated nuclear aggression.

(3) The deterrent to such threats or aggression would not rest on a unilateral public commitment (which we would not want to give a non-ally, and which a non-aligned India would not want), but on evident U.S. interest in India and evident U.S. opposition to ChiCom aggression.

(4) In the event of actual nuclear attack, our response would be measured; possible responses would include selective retaliation (presumably nuclear retaliation) focussed on ChiCom nuclear delivery, support and production capabilities.

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(5) In the event of ChiCom conventional attack only, we would, of course, stand by our 1963 commitment to consult with India on air defense.

Such an arrangement would entail possible involvement in a nuclear conflict under unforeseeable and perhaps ambiguous circumstances. This risk will be low during the period when Communist China's nuclear capabilities are limited. However, as Communist China's capabilities grow, the possible risks would be more significant from India's standpoint and our own. Unless such an assurance were bolstered by tangible steps to increase its credibility, it would probably not be effective in delaying an Indian pro-nuclear decision for as long as, say, five years.

If the U.S. should decide to offer a private security assurance, an effort might be made to encourage the Soviet Union to follow a similar course.

We are not at this time recommending approval of the type of private assurance discussed here. A decision need not be considered until the outcome of further efforts to secure a UN resolution has become more clear; the question will need to be reviewed in the light of circumstances existing at that time. In order to be prepared to consider the matter on a timely basis then, three aspects of the problem should now receive further, detailed analysis:

-- How we would be likely to react if, in fact, the Communist Chinese should mount (or threaten imminently to mount) a nuclear attack on India: What political and military considerations would be involved; how these might change depending on the circumstances; what risks would be entailed in supporting India or in standing by.

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— What steps might eventually be taken to bolster the credibility of a private security assurance, if one were offered and proved of interest to the Indians.

— What further steps in the security field might still need to be considered if it should become apparent that India was, nevertheless, determined to have a nuclear role.

b. Recommendations Respecting Security Aspects.

(1) We should make available privately to India's leaders such information and analyses as might, without falsely discounting ChiCom progress, make clear difficulties and limitations still confronting the ChiCom nuclear weapons program and aid in keeping the potential ChiCom nuclear threat in strategic perspective as far as India's interests are concerned.

(2) In our own public statements, we should avoid magnifying the ChiCom nuclear threat.

(3) We should make a further determined effort to interest the Soviet Union in a UN resolution of assurances for non-nuclear countries along the lines of our 1965 draft.

(4) When it becomes clear whether or not such a resolution can be achieved, we should address the question of whether to offer India a private security assurance. In order to facilitate prompt future consideration of this possibility, detailed studies now should be mounted of: (a) the circumstances in which

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we might be called upon to prevent the Chinese from using "nuclear blackmail" in that part of the world, a policy enunciated in connection with the explosion of the first Chinese nuclear device; (b) how we would be likely to react in the event that Communist China were to mount (or threaten imminently to mount) a nuclear attack against India; (c) what tangible steps might eventually need to be taken to bolster the credibility of a private security assurance; and (d) what further steps in the security field might need to be considered if it should become apparent that India, nevertheless, was determined to have a nuclear role.

### 3. Arms Control Measures.

#### a. Discussion

Within the U.S. Government, the following approaches, listed here in order of the stage of consideration they have reached, are being reviewed:

— A threshold test ban. This proposal has been considered by the Committee of Principals, and arguments for and against are being forwarded. (Pending the outcome of consideration of a threshold test ban, no specific action is now being proposed on a comprehensive test ban.)

— Non-proliferation agreement. A revised draft is under consideration by the Committee of Principals.

— Non-use of nuclear weapons. ACDA has suggested consideration (in the context of a non-proliferation agreement) of a prohibition against using nuclear weapons against a non-nuclear country except in defense against an act of aggression in which a state owning nuclear weapons is engaged.

At present.

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At present, there is little prospect of U.S.-Soviet agreement on a non-proliferation agreement or extension of the test ban, unless a marked change should be made in the position of one country or the other.

From the standpoint of the Indian nuclear weapons problem the potential significance of an extension of the nuclear test ban and achievement of a non-proliferation agreement would vary considerably.

Either would help buy time. This is true in part because of the political (and to a lesser extent technical) inhibitions that such agreements would create. In India's case, an additional factor would be India's view that, as a general matter, its own interests are served by any steps which seem to bring the U.S. and Soviet Union closer together and which, conversely, deepen the Sino-Soviet split. Further arms control agreements would serve this function.

However, with respect to a non-proliferation agreement, Indian spokesmen have expressed the following views (also expressed by spokesmen of several other "nuclear capable" countries): (i) that a "have" versus "have not" issue is involved, and (ii) that there should be a balance of "sacrifices" military nuclear and civil nuclear countries are called upon to make. An extension of the nuclear test ban would come closer than a non-proliferation agreement to meeting these views and would, in India's view, have the added attraction of implying international criticism of continued nuclear testing by Communist China. Against the background of public debate on the nuclear issue in India, an extension of the test ban would, for these reasons, give India's leaders a stronger position domestically than a non-proliferation agreement.

If the U.S. and Soviet Union should agree on either proposal, India would feel under pressure to adhere. However, both agreements will have escape clauses, and it should be

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recognized that continuing Indian adherence would depend in large measure on subsequent events.

b. Recommendation Respecting Arms Control Measures

While we should not expect arms control agreements alone to prevent an Indian nuclear decision, we should continue our efforts to seek agreements in this area. In assessing costs and benefits to the U.S., due regard should be given to the fact that a comprehensive or threshold nuclear test ban would be likely to help restrain an Indian decision to go nuclear.

4. Other Factors: Political Status and Prestige.

a. Discussion

Given the high political content of India's interest in nuclear weapons, we should: (i) seek to avoid aggravating the "have" versus "have not" aspects of the issue, particularly as regards India's status vis-a-vis that of Communist China, (ii) see whether any specific steps can be taken to bolster the political status and prestige of India (and of other countries which have achieved advanced nuclear capabilities but have not sought nuclear weapons).

b. Recommendations Respecting Political Prestige of Non-Nuclear Countries.

(1) Although it will be difficult to deflect the widespread trend toward speaking in terms of "five nuclear powers," we should ourselves avoid this term and try to blunt this tendency. We should adopt a negative attitude toward proposals based on the assumption that the five countries which have tested nuclear weapons have in common some special interest not shared by others.

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(2) Henceforth, in documents and public statements on this subject, we should refer to "civil nuclear powers" (including India and all others not having nuclear weapons) in contradistinction to "military nuclear powers" (i.e., the five powers which now have nuclear weapons) as a means of alleviating the unpleasant effects derived from differentiating between "nuclear and non-nuclear powers."

(3) We should encourage the view that the several countries (including India) which have achieved advanced peaceful nuclear capabilities but have refrained from seeking nuclear weapons are entitled not only to respect for their restraint, but to a special voice in nuclear matters.

(4) We should emphasize the relevance of economic strength to meaningful political influence.

(5) We should bear in mind that, if the U.K., as a former colonial power, were to phase out of national nuclear deterrence, the impact on India's thinking about nuclear weapons would be highly significant.

(6) A special study should be made of more specific steps, including scientific and technical projects, that might be taken to enhance India's political prestige.

D. Special Recommendation Respecting Intelligence Requirements.

In order to have as much warning as possible of any impending shift in India's present no-bomb policy, increased priority should be assigned to the collection and analysis of relevant intelligence data.

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E. Special Recommendation Regarding Contingency Planning.

A long-term planning study should be initiated of alternative approaches it might be in the U.S. interest to adopt in the event India should decide to proceed with a national nuclear weapons program.

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DEPARTMENT OF STATE  
WASHINGTON

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August 31, 1966

MEMORANDUM FOR MR. WALT W. ROSTOW  
THE WHITE HOUSE

Subject: The Indian Nuclear Weapons Problem: NSAM 355

NSAM 355 requested that by September 1, the Department ". . . report to this office the assignment of operational responsibility for the specific tasks called for by these recommendations." (The recommendations are those contained in the July 25 Report for the President.)

The requested report is attached.

*BHR*

Benjamin H. Read  
Executive Secretary

Enclosure:  
Report

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Group-3

Downgraded at 12-year intervals;  
not automatically declassified.

**DECLASSIFIED**

**E.O. 12958, Sec. 3.6**

**NLJ 97-247**

**By cbm, NARA Date 6-21-01**

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NSAM 355: The Indian Nuclear Weapons Problem

Designation of Operational Responsibility for Recommended Actions

I. Establishment of Working Group

The Department has established a small Working Group to examine current developments bearing on the Indian nuclear weapons problem, to keep track of and coordinate specific steps under way to implement recommended actions, to prepare progress reports, and to consider possible further steps not presently under consideration.

The Working Group is chaired by the Country Director for India, Nepal and Ceylon (NEA). S/P, INR, G/PM, ACDA, and DOD/ISA will regularly be represented, and representatives of other interested organizations will be invited on an ad hoc basis.

II. Assignment of Responsibility for Specific Recommended Actions

A. Economic Pressures and Inducements

1. Recommended Action: "We should continue indirect pressures designed: (a) to focus India's attention on improving economic performance; and (b) to limit over-all defense expenditures. We should stress the political as well as economic importance to India of successfully carrying out the present five-year plan."

Responsibility Assigned To: NEA

2. Recommended Action: "In support of foregoing, we should make available both to Indian governmental leaders and to non-governmental opinion leaders additional materials designed to make clear: (a) the difficulties and costs of achieving and of maintaining the continuing effectiveness of a militarily useful nuclear deterrent force; and (b) the drain such an effort would impose on scientific, technical, and managerial personnel sorely needed for development. We should utilize both official and unofficial channels and should prepare such special materials (including classified and unclassified materials) as may be necessary."

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Responsibility Assigned To: To be carried out on a continuing basis by the working group under NEA direction, drawing primarily on the resources of CIA, but with inputs as appropriate from other members of the intelligence community, ACDA, and perhaps others. For purposes of implementing this recommendation, USIA shall be included in the Working Group.

3. Recommended Action: "We should avoid direct threats that we would cut back (or eliminate) economic aid in the event of a pro-nuclear decision. However, if India's leaders should ask us what our reaction would be, we should consider expressing the view that we doubt that the U.S. Congress would agree to subsidizing, even indirectly, an Indian nuclear weapons program."

Responsibility Assigned To: NEA

4. Recommended Action: "If India's leaders should come to us in a year or two seeking increased aid levels, and if we were prepared to respond favorably in the light of India's actual economic performance, we should consider making continuation of India's 'no bomb' policy an implicit part of the deal."

Responsibility Assigned To: NEA and AID

#### B. Security Aspects

1. Recommended Action: "We should make available privately to India's leaders such information and analyses as might, without falsely discounting ChiCom progress, make clear difficulties and limitations still confronting the ChiCom nuclear weapons program and aid in keeping the potential ChiCom nuclear threat in strategic perspective as far as India's interests are concerned."

Responsibility Assigned To: Data to be prepared by appropriate members of the intelligence community, such as CIA and DIA, coordinating with the Working Group through INR; decisions on how and when to convey such data to be recommended by the working group and determined on each occasion by the Assistant Secretary, NEA, or at higher levels, as appropriate.



2. Recommended Action: "In our own public statements, we should avoid magnifying the ChiCom nuclear threat."

Responsibility Assigned To: The Working Group, under NEA's direction, and in collaboration with USIA, should prepare a policy paper for wide circulation within the U.S. Government covering not only this point but also actions recommended under section D below (points D 1-4).

3. Recommended Action: "We should make a further determined effort to interest the Soviet Union in a UN resolution of assurances for non-nuclear countries along the lines of our 1965 draft."

Responsibility Assigned To: ACDA in collaboration with IO.

4. Recommended Action: "When it becomes clear whether or not such a resolution can be achieved, we should address the question of whether to offer India a private security assurance. In order to facilitate prompt future consideration of this possibility, detailed studies should now be mounted of: (a) the circumstances in which we might be called upon to prevent the Chinese from using "nuclear blackmail" in that part of the world, a policy enunciated in connection with the explosion of the first Chinese nuclear device; (b) how we would be likely to react in the event that Communist China were to mount (or threaten imminently to mount) a nuclear attack against India; (c) what tangible steps might eventually need to be taken to bolster the credibility of a private security assurance; and (d) what further steps in the security field might need to be considered if it should become apparent that India, nevertheless, was determined to have a nuclear role."

Responsibility Assigned To: Working group should implement this under general supervision of NEA, with S/P, G/PM, and ISA as primary agents. INR and CIA should be involved in 4 (a); JCS should be consulted and requested to do studies as appropriate.

### C. Arms Control Measures

Recommended Action: "While we should not expect arms control agreements alone to prevent an Indian nuclear decision, we should continue our efforts to seek agreements in this area. In assessing costs and benefits to the U.S., due regard should be given to the fact that a comprehensive or threshold nuclear test ban would be likely to help restrain an Indian decision to go nuclear."

Responsibility Assigned To: ACDA

### D. Political Prestige of Non-Nuclear Countries

1. Recommended Action: "Although it will be difficult to deflect the widespread trend toward speaking in terms of 'five nuclear powers,' we should ourselves avoid this term and try to blunt this tendency. We should adopt a negative attitude toward proposals based on the assumption that the five nuclear countries which have tested nuclear weapons have in common some special interest not shared by others."

Responsibility Assigned To: See B (2) above

2. Recommended Action: "Henceforth, in documents and public statements on this subject, we should refer to 'civil nuclear powers' (including India and all others not having nuclear weapons) in contradistinction to 'military nuclear powers' (i.e., the five powers which now have nuclear weapons) as a means of alleviating the unpleasant effects derived from differentiating between 'nuclear and non-nuclear powers.'"

Responsibility Assigned To: See B (2) above

3. Recommended Action: "We should encourage the view that the several countries (including India) which have achieved advanced peaceful nuclear capabilities but have refrained from seeking nuclear weapons are entitled not only to respect for their restraint, but to a special voice in nuclear matters."

Responsibility Assigned To: See B (2) above

4. Recommended Action: "We should emphasize the relevance of economic strength to political influence."

Responsibility Assigned To: See B (2) above

5. Recommended Action: "We should bear in mind that, if the U.K., as a former colonial power, were to phase out of national nuclear deterrence, the impact on India's thinking about nuclear weapons would be highly significant."

. Responsibility Assigned To: No immediate action. Working group to watch for opportunities to implement this action.

6. Recommended Action: "A special study should be made of more specific steps, including scientific and technical projects, that might be taken to enhance India's political prestige."

Responsibility Assigned To: Working group should examine possibilities and farm out assignments as appropriate, e.g. to SCI, AEC, NASA.

#### E. Intelligence Requirements

Recommended Action: "In order to have as much warning as possible of any impending shift in India's present no-bomb policy, increased priority should be assigned to the collection and analysis of relevant intelligence data."

Responsibility Assigned To: CIA (coordinating with INR)

#### F. Contingency Planning

Recommended Action: "A long-term planning study should be initiated of alternative approaches it might be in the U.S. interest to adopt in the event India should decide to proceed with a national nuclear weapons program."

Responsibility Assigned To: S/P. Interested agencies such as DOD and JCS should be consulted as appropriate.

THE WHITE HOUSE  
WASHINGTON7~~SECRET~~

August 1, 1966

## NATIONAL SECURITY ACTION MEMORANDUM NO. 355

TO: The Secretary of State

SUBJECT: The Indian Nuclear Weapons Problem, further  
to NSAM 351

The President has approved the recommendations contained in the Secretary of State's memorandum to the President of July 25, 1966, concerning the Indian Nuclear Weapons Problem, as requested in NSAM 351. These recommendations are attached.

He asks that the Secretary of State assume responsibility for implementing these recommendations. Where appropriate, the Secretary may, in consultation with other agencies, delegate to these agencies responsibility for implementing specific recommendations.

Within one month, I would appreciate it if the Department of State could report to this office the assignment of operational responsibility for the specific tasks called for by these recommendations. By November 1 we would hope for the first progress report on implementation.

*W W Rostow*  
W. W. Rostow

## Distribution:

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**E.O. 12356, Sec. 3.4**  
**NIJ 93-65**  
**By *WQ*, NARA, Date 11-16-92**

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*Dispatched 8/5/66 - Rept. #256*

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REPORT FOR THE PRESIDENT  
IN RESPONSE TO NSAM NO. 351:  
THE INDIAN NUCLEAR WEAPONS PROBLEM

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**DECLASSIFIED**  
**Authority** E.O. 12356; S. TILLEY, NSC  
**By** JDW, **NARA, Date** 7/16/93



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REPORT FOR THE PRESIDENT  
IN RESPONSE TO NSAM NO. 351:  
THE INDIAN NUCLEAR WEAPONS PROBLEM

I. RECOMMENDATIONS

A. Economic Pressures and Inducements

1. We should continue indirect pressures designed: (a) to focus India's attention on improving economic performance; and (b) to limit over-all defense expenditures. We should stress the political as well as economic importance to India of successfully carrying out the present five-year plan.

2. In support of the foregoing, we should make available both to Indian governmental leaders and to non-governmental opinion leaders additional materials designed to make clear: (a) the difficulties and costs of achieving and of maintaining the continuing effectiveness of a militarily useful nuclear deterrent force; and (b) the drain such an effort would impose on scientific, technical, and managerial personnel sorely needed for development. We should utilize both official and unofficial channels and should prepare such special materials (including classified and unclassified materials) as may be necessary.

3. We should avoid direct threats that we would cut back (or eliminate) economic aid in the event of a pro-nuclear decision. However, if India's leaders should ask us what our reaction would be, we should consider expressing the view that we doubt that the U.S. Congress would agree to subsidizing, even indirectly, an Indian nuclear weapons program.

4. If India's leaders should come to us in a year or two seeking increased aid levels, and if we were prepared to respond favorably in the light of India's actual economic performance, we should consider making continuation of India's "no bomb" policy an implicit part of the deal.

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B. Security Aspects

1. We should make available privately to India's leaders such information and analyses as might, without falsely discounting ChiCom progress, make clear difficulties and limitations still confronting the ChiCom nuclear weapons program and aid in keeping the potential ChiCom nuclear threat in strategic perspective as far as India's interests are concerned.

2. In our own public statements, we should avoid magnifying the ChiCom nuclear threat.

3. We should make a further determined effort to interest the Soviet Union in a UN resolution of assurances for non-nuclear countries along the lines of our 1965 draft.

4. When it becomes clear whether or not such a resolution can be achieved, we should address the question of whether to offer India a private security assurance. In order to facilitate prompt future consideration of this possibility, detailed studies should now be mounted of: (a) the circumstances in which we might be called upon to prevent the Chinese from using "nuclear blackmail" in that part of the world, a policy enunciated in connection with the explosion of the first Chinese nuclear device; (b) how we would be likely to react in the event that Communist China were to mount (or threaten imminently to mount) a nuclear attack against India; (c) what tangible steps might eventually need to be taken to bolster the credibility of a private security assurance; and (d) what further steps in the security field might need to be considered if it should become apparent that India, nevertheless, was determined to have a nuclear role.

C. Arms Control Measures

While we should not expect arms control agreements alone to prevent an Indian nuclear decision, we should

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continue our efforts to seek agreements in this area. In assessing costs and benefits to the U.S., due regard should be given to the fact that a comprehensive or threshold nuclear test ban would be likely to help restrain an Indian decision to go nuclear.

D. Political Prestige of Non-Nuclear Countries

1. Although it will be difficult to deflect the widespread trend toward speaking in terms of "five nuclear powers," we should ourselves avoid this term and try to blunt this tendency. We should adopt a negative attitude toward proposals based on the assumption that the five nuclear countries which have tested nuclear weapons have in common some special interest not shared by others.

2. Henceforth, in documents and public statements on this subject, we should refer to "civil nuclear powers" (including India and all others not having nuclear weapons) in contradistinction to "military nuclear powers" (i.e., the five powers which now have nuclear weapons) as a means of alleviating the unpleasant effects derived from differentiating between "nuclear and non-nuclear powers."

3. We should encourage the view that the several countries (including India) which have achieved advanced peaceful nuclear capabilities but have refrained from seeking nuclear weapons are entitled not only to respect for their restraint, but to a special voice in nuclear matters.

4. We should emphasize the relevance of economic strength to political influence.

5. We should bear in mind that, if the U.K., as a former colonial power, were to phase out of national nuclear deterrence, the impact on India's thinking about nuclear weapons would be highly significant.

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6. A special study should be made of more specific steps, including scientific and technical projects, that might be taken to enhance India's political prestige.

E. Intelligence Requirements

In order to have as much warning as possible of any impending shift in India's present no-bomb policy, increased priority should be assigned to the collection and analysis of relevant intelligence data.

F. Contingency Planning

A long-term planning study should be initiated of alternative approaches it might be in the U.S. interest to adopt in the event India should decide to proceed with a national nuclear weapons program.

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## II. THE INDIAN NUCLEAR WEAPONS PROBLEM

### A. Background

NSAM No. 351 requested a report and recommendations concerning the following interrelated issues emerging from the National Security Council review of June 9, 1966, concerning the Indian nuclear weapons problem:

-- The extent to which it might be in the U.S. interest to use our economic leverage more explicitly to discourage an Indian national nuclear program.

-- The effect which various arms control agreements might have on Indian nuclear intentions, and what price the U.S. should be prepared to pay for such agreements.

-- How far it is in the U.S. interest to go in meeting Indian security concerns, what form such action might take, and what the optimum timing might be.

-- Whether there are other approaches to the problem which need to be pursued.

### B. Basic Considerations

1. In examining specific actions bearing on the Indian nuclear weapons problem, four basic considerations need to be recognized.

a. The source of the problem is basically two-fold:

-- The problem arises in part from political and prestige concerns to which a nuclear capability may be pertinent. These concerns relate importantly

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to India's future position vis-a-vis Communist China in Asia, and to whether an effort to "go it alone" militarily (including nuclear as well) will come to be regarded as essential to exerting independent political influence.

-- The problem also stems in part from security concerns--the need to deter or to counter future Communist Chinese nuclear blackmail or attack.

The situation is complicated by public pressures generated by those who neither fully understand nor coolly weight political and security considerations. Because the problem has more than a single root, no single action we might take can be expected to provide a full answer.

b. Both political and security aspects will change over time. Political and prestige concerns are already much in evidence and will be sharpened by any move that appears to enhance Communist China's status as a result of its entry into the "nuclear club". Security concerns will continue to mount as Communist China's nuclear weapons program proceeds. Because we are confronted with a moving rather than a fixed target, steps we might take in the short-term will not necessarily add up to a long-term solution.

c. We cannot accurately predict when the issue may come to a head. We do not believe a decision is "imminent" in the sense of confronting us this week or this month. Nor do we now expect that a decision to go nuclear will be made this year--although conditions could change rapidly if further Communist Chinese tests should arouse even stronger Indian anxieties. However, we cannot gauge the need for action solely in terms of the periodic rise and fall of Indian public sentiment. Consequently, we will

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need to keep under continuing review both what can usefully be done at any particular time, and also what might be done if and as the issue appears to be reaching an acute stage.

d. Too much direct and pointed U.S. pressure in the short-term could lead to the growth of a "go it alone" philosophy in India for the long term. Although our ability to influence India's decision is limited, we do hold some important cards; but our effectiveness will depend not only on these cards but also on how we play our hand. India's leaders continue to hew to a policy of foregoing a national nuclear weapons capability. At least for the present, our stance should be that of supporting an existing Indian policy which serves India's interests, rather than one of questioning the sincerity of that policy and of preparing to battle possible change. Unless a basis of mutual confidence and respect can be constructed, there will be virtually no chance of averting an eventual pro-nuclear decision.

2. If these considerations suggest the difficulties of finding "permanent solutions", the fact remains that an Indian nuclear decision would adversely affect our own interests:

-- By imposing an increasing burden on India's economy, thereby jeopardizing the development of the economic base required for future political stability;

-- By stimulating Pakistan's fears, encouraging the Paks to seek nuclear weapons of their own, and opening further opportunities for Communist China to seek to pose as Pakistan's "protector";

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-- By aggravating the nuclear weapons issue in Japan, since an Indian nuclear weapons program would directly confront the Japanese with the question of how best to ensure their own future political position; and

-- By indirectly encouraging proliferation elsewhere to the extent that existing inhibitions would be further reduced.

3. It can be argued that a successful Indian nuclear weapons program might relieve us of future military burdens we might be called upon to bear if India refrains from "going nuclear". Nevertheless, we believe adverse effects such as those identified above outweigh this consideration. Moreover, certain of these adverse effects of an Indian pro-nuclear decision would be felt immediately. Continued Indian restraint would provide further time for developing long-term approaches, for permitting more favorable evolution in India-Pak relations and perhaps within Communist China, and for taking steps which might ease the impact of an Indian decision if our efforts to prevent it should not prove successful.

4. Accordingly, even if we cannot now describe a "permanent solution", delaying actions will be useful. Because we cannot be sure over the long-term of effecting more than a delay, we will want to bear in mind the need to protect our continuing interests in India even in the event it should eventually go nuclear, and to study what our reactions should be in this contingency.

### C. Course of Action

#### 1. Economic Pressures and Inducements

##### a. Discussion

We are currently using our economic aid leverage with India to insist on major internal economic reforms which

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are moving the country much closer to economic policies advocated by the U.S. than the Indians have heretofore been prepared to go. India's leaders have recognized that these reforms are in their country's interest, and they have taken courageous and publicly unpopular steps to introduce them. If these steps are to pay off, India will need to concentrate its resources on development. This creates pressures against going nuclear.

Although we have not directly insisted that India remain non-nuclear as part of the bargain, we have made clear that our willingness to follow through is contingent not only on continued peace with Pakistan, but on limitation of India's (and Pakistan's) defense expenditures. This adds to pressures on India to forego—or at least delay—a nuclear weapons effort.

It seems clear that economic considerations loom large in the present decision of India's leaders against going nuclear. However, we believe they have submitted to about as much direct economic pressure from us as the political situation within the country will tolerate at this time. Under existing circumstances, a direct warning that we would have to cut back (or even eliminate) our economic aid would be received by India's leaders as a challenge to their sincerity, an inducement to demonstrate their independence, and a spur toward a policy of "going it alone" while perforce relying more on the Soviet Union.

On the other hand, depending on the circumstances existing at the time, we might be able to prolong India's non-nuclear weapons policy by levying an implied no-bomb requirement if, in another year or two, India's leaders would come to us seeking increased aid levels on the grounds that increases were warranted in the light of economic performance. If this were indeed the case and if we were prepared to respond, continuation of India's "no bomb" policy might be made an implicit

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part of the deal. This would not be construed as an attempt to "buy off" the Indians since the determining considerations would clearly be economic performance and promise.

The success of indirect economic pressures and the usefulness of economic inducements will depend, in part, on whether we can convince Indian leaders--both within and outside the government--that a nuclear weapons program would in fact represent an increasing burden, not only in terms of the financial strains it would impose (including demands on foreign exchange) but also in terms of the drain on scientific, technical, and managerial talent which might be increasingly diverted from the priority task of economic development.

It should be recognized that a "demonstration" weapons test or "token" capability would not be costly. On the other hand, achievement of a useful capability would not only mean development and production of warheads, but also development (or procurement if feasible) of relatively long-range delivery vehicles, of communications systems, and of warning systems. Moreover, the experience of all countries which have entered the nuclear weapons field shows that major continuing effort is required to keep all these elements of an effective capability up to date. There is no reason to suppose that India's experience would prove to be different.

Such points need to be gotten across to a broad spectrum of governmental officials and non-governmental opinion leaders. If this can be done, there will be a better chance of convincing India to stick with economic development as the most promising route to a strong international political position, and the best ground on which to challenge Communist China.

b. Recommendations Respecting Economic Pressures and Inducements.

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(1) We should continue indirect pressures designed: (a) to focus India's attention on improving economic performance; and (b) to limit over-all defense expenditures. We should stress the political as well as economic importance to India of successfully carrying out the present five-year plan.

(2) In support of the foregoing, we should make available both to Indian governmental leaders and to non-governmental opinion leaders additional materials designed to make clear: (a) the difficulties and costs of achieving and of maintaining the continuing effectiveness of a militarily useful nuclear deterrent force; and (b) the drain such an effort would impose on scientific, technical and managerial personnel sorely needed for development. We should utilize both official and unofficial channels and should prepare such special materials (including classified and unclassified materials) as may be necessary.

(3) We should avoid volunteering direct threats that we would cut back (or eliminate) economic aid in the event of a pro-nuclear decision. However, if India's leaders should ask us what our reaction would be, we should consider expressing the view that we doubt that the U.S. Congress would agree to subsidizing, even indirectly, an Indian nuclear weapons program.

(4) If India's leaders should come to us in a year or two seeking increased aid levels, and if we were prepared to respond favorably in the light of India's actual economic performance, we should consider making continuation of India's "no bomb" policy an implicit part of the deal.

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## 2. Security Aspects

### (a) Discussion

The Communist Chinese political and military threat to India is real.

The military threat today is, of course, conventional, and for the present, India's military as well as political leaders are giving priority to conventional defense.

The nuclear "threat" will be low at least for several years, and even when Communist China achieves a militarily significant nuclear capability, there will be political inhibitions against using it as well as the military risks such an action might entail.

Nonetheless, against the background of past Sino-Indian conflict, and given the leadtime problems involved in all defense efforts, pressures in India to meet the potential ChiCom nuclear threat will mount. These pressures will be larger to the extent that the Indians form an exaggerated impression of Communist China's nuclear progress. Since public attention is claimed by each ChiCom nuclear test, such an impression of progress tends to emerge regardless of hurdles that remain to be overcome before Communist China can actually achieve and deploy a capability that might be effectively directed against India.

Although U.S. information and estimates on Communist China's nuclear weapons and delivery vehicle program are by no means as complete as we would like, they are undoubtedly better than India's. We should use them privately vis-a-vis the Indians to encourage a more objective view which, without falsely discounting such progress as Communist China is making, would take into account remaining difficulties and

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limitations. Moreover, we should seek to keep the problem in perspective by helping Indian opinion leaders to develop an increasingly clear understanding of strategic problems.

Such U.S. efforts will, however, fail if our own public statements exaggerate the ChiCom nuclear threat. For example, public discussion of the view that we should ourselves deploy anti-ballistic missiles as a defense against Communist China can have the effect of magnifying and "accelerating" the emergence of the ChiCom nuclear threat in India's eyes.

The fact remains that Communist Chinese nuclear capabilities will increase. So long as India refrains from seeking nuclear weapons of its own, the Indians will, whether publicly admitting it or not, count on us to deter ChiCom nuclear aggression. During the period when the threat will be negligible or low, such implicit reliance should not present an unacceptable burden for either country.

Over the longer-term, more concrete arrangements would be needed if some degree of continuing reliance on the U.S. is to provide an alternative to an Indian national nuclear capability. It may be possible--but it will not be easy--to work out a mutually acceptable balancing of the political and military interests of the two countries, including India's interests in pursuing politically independent policies while maintaining good relations with the U.S. and Soviet Union, and our own interest in limiting our commitments.

The short-term problem would be eased by adoption of our 1965 draft resolution, which would express the intention of UN members "to provide or support immediate assistance to any state not possessing nuclear weapons that is the victim of an act of aggression in which nuclear weapons are used."

Although the necessarily vague and generalized language of such a resolution would probably not provide sufficient

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assurance from India's standpoint, a resolution of this character could provide an "umbrella" under which private security assurances might more easily be offered by the U.S., and also by the Soviet Union if and when it may be prepared to take that step. Within limits, the resolution could also provide a framework facilitating steps to bolster private assurances over the longer-term.

However, the Soviet Union has not shown any interest to date either in offering private security assurances to India or in joining us in a multilateral assurance along the lines of our draft UN resolution.

We should make a further effort to interest the Soviets in supporting such a resolution. It should be noted, however, that the prospect of winning Soviet support is not good, partly because they have been pushing their own approach-- a pledge by nuclear countries not to use nuclear weapons against non-nuclear countries which have no nuclear weapons on their territory. This Soviet proposal, which seems designed specifically to try to undercut U.S. nuclear deployments abroad, is likely to be popular in the UN.

In order to capitalize on the U.S. draft resolution, if it can be achieved, we should be prepared to consider promptly at that time approaching India's leaders with a private security assurance. This is because although a UN resolution along the lines we have drafted should have a useful impact on public opinion in India, India's leaders would be well aware of its practical deficiencies. Accordingly, the resolution would not substitute for private security assurances.

In the more likely event that the Soviet Union continues not to support a useful UN resolution, we will still need to consider offering a private security assurance, and to do

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so before pro-nuclear trends in India pass the point of no return. For in the absence of a UN resolution, India's leaders might have a more difficult task in coping with public concerns about security. However, even then the task of holding public pressures in check might not be impossible, and a private security assurance on which India's leaders felt they could rely would give them more incentive and justification for vigorously addressing the task.

In either of the foregoing circumstances (that is, under the "umbrella" of a UN resolution or without such a resolution if it cannot be achieved) a private U.S. security assurance of the type envisaged here would involve going beyond our general offer of October, 1964, to support non-nuclear countries threatened by nuclear blackmail. In defining its terms, the following factors should be taken into account.

(1) The objective would be to discourage ChiCom nuclear blackmail efforts and deter ChiCom nuclear aggression.

(2) The assurance would apply only to cases where Communist China threatened or initiated nuclear aggression.

(3) The deterrent to such threats or aggression would not rest on a unilateral public commitment (which we would not want to give a non-ally, and which a non-aligned India would not want), but on evident U.S. interest in India and evident U.S. opposition to ChiCom aggression.

(4) In the event of actual nuclear attack, our response would be measured; possible responses would include selective retaliation (presumably nuclear retaliation) focussed on ChiCom nuclear delivery, support and production capabilities.

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(5) In the event of ChiCom conventional attack only, we would, of course, stand by our 1963 commitment to consult with India on air defense.

Such an arrangement would entail possible involvement in a nuclear conflict under unforeseeable and perhaps ambiguous circumstances. This risk will be low during the period when Communist China's nuclear capabilities are limited. However, as Communist China's capabilities grow, the possible risks would be more significant from India's standpoint and our own. Unless such an assurance were bolstered by tangible steps to increase its credibility, it would probably not be effective in delaying an Indian pro-nuclear decision for as long as, say, five years.

If the U.S. should decide to offer a private security assurance, an effort might be made to encourage the Soviet Union to follow a similar course.

We are not at this time recommending approval of the type of private assurance discussed here. A decision need not be considered until the outcome of further efforts to secure a UN resolution has become more clear; the question will need to be reviewed in the light of circumstances existing at that time. In order to be prepared to consider the matter on a timely basis then, three aspects of the problem should now receive further, detailed analysis:

-- How we would be likely to react if, in fact, the Communist Chinese should mount (or threaten imminently to mount) a nuclear attack on India: What political and military considerations would be involved; how these might change depending on the circumstances; what risks would be entailed in supporting India or in standing by.

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— What steps might eventually be taken to bolster the credibility of a private security assurance, if one were offered and proved of interest to the Indians.

— What further steps in the security field might still need to be considered if it should become apparent that India was, nevertheless, determined to have a nuclear role.

b. Recommendations Respecting Security Aspects.

(1) We should make available privately to India's leaders such information and analyses as might, without falsely discounting ChiCom progress, make clear difficulties and limitations still confronting the ChiCom nuclear weapons program and aid in keeping the potential ChiCom nuclear threat in strategic perspective as far as India's interests are concerned.

(2) In our own public statements, we should avoid magnifying the ChiCom nuclear threat.

(3) We should make a further determined effort to interest the Soviet Union in a UN resolution of assurances for non-nuclear countries along the lines of our 1965 draft.

(4) When it becomes clear whether or not such a resolution can be achieved, we should address the question of whether to offer India a private security assurance. In order to facilitate prompt future consideration of this possibility, detailed studies now should be mounted of: (a) the circumstances in which

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we might be called upon to prevent the Chinese from using "nuclear blackmail" in that part of the world, a policy enunciated in connection with the explosion of the first Chinese nuclear device; (b) how we would be likely to react in the event that Communist China were to mount (or threaten imminently to mount) a nuclear attack against India; (c) what tangible steps might eventually need to be taken to bolster the credibility of a private security assurance; and (d) what further steps in the security field might need to be considered if it should become apparent that India, nevertheless, was determined to have a nuclear role.

### 3. Arms Control Measures.

#### a. Discussion

Within the U.S. Government, the following approaches, listed here in order of the stage of consideration they have reached, are being reviewed:

— A threshold test ban. This proposal has been considered by the Committee of Principals, and arguments for and against are being forwarded. (Pending the outcome of consideration of a threshold test ban, no specific action is now being proposed on a comprehensive test ban.)

— Non-proliferation agreement. A revised draft is under consideration by the Committee of Principals.

— Non-use of nuclear weapons. ACDA has suggested consideration (in the context of a non-proliferation agreement) of a prohibition against using nuclear weapons against a non-nuclear country except in defense against an act of aggression in which a state owning nuclear weapons is engaged.

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At present, there is little prospect of U.S.-Soviet agreement on a non-proliferation agreement or extension of the test ban, unless a marked change should be made in the position of one country or the other.

From the standpoint of the Indian nuclear weapons problem the potential significance of an extension of the nuclear test ban and achievement of a non-proliferation agreement would vary considerably.

Either would help buy time. This is true in part because of the political (and to a lesser extent technical) inhibitions that such agreements would create. In India's case, an additional factor would be India's view that, as a general matter, its own interests are served by any steps which seem to bring the U.S. and Soviet Union closer together and which, conversely, deepen the Sino-Soviet split. Further arms control agreements would serve this function.

However, with respect to a non-proliferation agreement, Indian spokesmen have expressed the following views (also expressed by spokesmen of several other "nuclear capable" countries): (i) that a "have" versus "have not" issue is involved, and (ii) that there should be a balance of "sacrifices" military nuclear and civil nuclear countries are called upon to make. An extension of the nuclear test ban would come closer than a non-proliferation agreement to meeting these views and would, in India's view, have the added attraction of implying international criticism of continued nuclear testing by Communist China. Against the background of public debate on the nuclear issue in India, an extension of the test ban would, for these reasons, give India's leaders a stronger position domestically than a non-proliferation agreement.

If the U.S. and Soviet Union should agree on either proposal, India would feel under pressure to adhere. However, both agreements will have escape clauses, and it should be

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recognized that continuing Indian adherence would depend in large measure on subsequent events.

b. Recommendation Respecting Arms Control Measures

While we should not expect arms control agreements alone to prevent an Indian nuclear decision, we should continue our efforts to seek agreements in this area. In assessing costs and benefits to the U.S., due regard should be given to the fact that a comprehensive or threshold nuclear test ban would be likely to help restrain an Indian decision to go nuclear.

4. Other Factors: Political Status and Prestige.

a. Discussion

Given the high political content of India's interest in nuclear weapons, we should: (i) seek to avoid aggravating the "have" versus "have not" aspects of the issue, particularly as regards India's status vis-a-vis that of Communist China, (ii) see whether any specific steps can be taken to bolster the political status and prestige of India (and of other countries which have achieved advanced nuclear capabilities but have not sought nuclear weapons).

b. Recommendations Respecting Political Prestige of Non-Nuclear Countries.

(1) Although it will be difficult to deflect the widespread trend toward speaking in terms of "five nuclear powers," we should ourselves avoid this term and try to blunt this tendency. We should adopt a negative attitude toward proposals based on the assumption that the five countries which have tested nuclear weapons have in common some special interest not shared by others.

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(2) Henceforth, in documents and public statements on this subject, we should refer to "civil nuclear powers" (including India and all others not having nuclear weapons) in contradistinction to "military nuclear powers" (i.e., the five powers which now have nuclear weapons) as a means of alleviating the unpleasant effects derived from differentiating between "nuclear and non-nuclear powers."

(3) We should encourage the view that the several countries (including India) which have achieved advanced peaceful nuclear capabilities but have refrained from seeking nuclear weapons are entitled not only to respect for their restraint, but to a special voice in nuclear matters.

(4) We should emphasize the relevance of economic strength to meaningful political influence.

(5) We should bear in mind that, if the U.K., as a former colonial power, were to phase out of national nuclear deterrence, the impact on India's thinking about nuclear weapons would be highly significant.

(6) A special study should be made of more specific steps, including scientific and technical projects, that might be taken to enhance India's political prestige.

D. Special Recommendation Respecting Intelligence Requirements.

In order to have as much warning as possible of any impending shift in India's present no-bomb policy, increased priority should be assigned to the collection and analysis of relevant intelligence data.

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E. Special Recommendation Regarding Contingency Planning.

A long-term planning study should be initiated of alternative approaches it might be in the U.S. interest to adopt in the event India should decide to proceed with a national nuclear weapons program.

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THE WHITE HOUSE  
WASHINGTON

August 1, 1966

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BKS

Walt,

New NSAM on Indian Nuclear Problem

Here is a Memorandum to the President and a follow-on NSAM on the Indian Nuclear Weapons Problem. Wreath did a long NSAM, attempting to compress the substance of the recommendations. Brom, Hal and I thought it better to have a short NSAM which referred to the recommendations as formulated in the language agreed to by everyone.

I think this is ready to go forward to the President, after yellow pencil treatment.

DECLASSIFIED  
E.O. 12958, Sec. 3.6  
NLJ 97-252  
By us, NARA Date 6-7-98  
Howard Wriggins

The ribbon copy of the State  
paper should be attached. Ben  
Smith's Office has it.

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THE WHITE HOUSE

WASHINGTON

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August 1, 1966

## MEMORANDUM FOR THE PRESIDENT

SUBJECT: Follow-up on NSC Discussion of the Indian Nuclear  
Weapons Problem K

Secretary Rusk has sent the paper you requested at the NSC meeting of June 9 on the Indian nuclear problem. He sees no dramatic steps to discourage the Indians from starting down the nuclear route that would not cost us more than any likely gain would be worth. However, his paper, agreed around town, does recommend a number of steps which together provide some hope of discouraging or delaying an Indian decision.

In the economic field, it recommends a number of steps to impress on the Indians the costs -- in development, manpower and Indo-Pakistan relations -- of going nuclear. It also suggests we keep an eye on ways to link possible larger economic assistance in the future to a firm Indian commitment not to go nuclear.

To meet legitimate Indian security worries, it proposes sharing more systematically our intelligence analyses of the Chinese nuclear threat and the difficulties the Chinese face in making it effective. It also recommends seeking Soviet cooperation in a UN assurance to non-nuclear countries and suggests we continue efforts to achieve arms control agreements which might delay an Indian decision to go nuclear.

It asks for a number of studies, including how best to deal with Chicom "blackmail" of India or an overt Chicom nuclear threat to India, how to bolster the credibility of private security assurances to India and how to react if India does go nuclear.

The report also recommends a number of steps to bolster the technological and political prestige of those states which could go nuclear but refrain from doing so.

It requests that a high priority be assigned to gathering and analyzing relevant intelligence, and recommends a long-term

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Authority FEUS, Vol. XXV, #363  
By cbm, NARA, Date 2-24-09

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contingency study of what we should do in the event that India decides to undertake a national nuclear program.

You will find these recommendations spelled out in the attached (pp. 1-4). They do not solve the Indian nuclear problem, but they do represent a good blueprint for making the most of the assets we have. If you approve continuing along these lines, I will sign the attached NSAM to keep the departments moving down this path.

*W. R.*

Approve \_\_\_\_\_

See me \_\_\_\_\_

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THE SECRETARY OF STATE  
WASHINGTON

July 25, 1966

MEMORANDUM FOR THE PRESIDENT

Subject: Report to the President on the  
Indian Nuclear Weapons Problem

In accordance with NSAM 351 there is transmitted herewith a report on the Indian Nuclear Weapons Problem. The report has been approved by the Senior Interdepartmental Group, by the Secretary of Defense and by the Director of the Arms Control and Disarmament Agency.

The report recommends no dramatic steps to discourage the Indians from starting a nuclear weapons program; this is because we have been unable to devise anything dramatic which would not cost us more than any anticipated gain. The report does, however, recommend that a number of further studies be made, as this is a developing rather than a static situation. We have all agreed that our purpose with respect to the Indians is to buy time during which, hopefully, we can move forward on broader fronts to bring under more permanent control the dangers inherent in the proliferation of nuclear weapons.

*Dean Rusk*

Dean Rusk

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E.O. 12958, Sec. 3.6  
NLJ 97-247  
By cbm, NARA Date 6-21-01

*Enc added to Rec Plate as part of NSAM 355, on 8/5/66, Rept #256*



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**E.O. 12958, Sec. 3.6**

**NLJ 97-247**

**By cbm, NARA Date 6-21-01**

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Introduction: Key Issues

1. What would be the effects of an Indian national nuclear program on US interests? (See para 2 of attached paper.)
2. Is there anything more that we can and should do to acquaint India with the costs and difficulties of a nuclear program? Should we be prepared to go further than we have so far in using economic leverage to deter such a program? (See para 3a of attached paper.)
3. How effective would a non-proliferation treaty, a comprehensive test ban, and/or a threshold test ban be in deterring an Indian nuclear program? What price should we be prepared to pay for such agreements? (See para 3b of attached paper.)
4. How far is it in the US interest to go in seeking to meet Indian security concerns, what form should such action take, and what might be the timing? (See para 3c of attached paper.)
5. Is there any dramatic new approach which would have greater effect on Indian nuclear intentions than the courses of action discussed in the attached paper? (See para 4 of the paper.)
6. Should the NSC direct State, the DOD, and ACDA to undertake a study, in greater depth, of the issues raised above? (See para 5 of the paper.)

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THE INDIAN NUCLEAR WEAPONS PROBLEM

1. The Situation. In the wake of the third Chinese Communist nuclear test, domestic pressures for India to embark on a nuclear weapons effort have mounted sharply. Government leaders are continuing to hold the line against such a course. But a decision point is likely to be reached within a few years and, unless there is some new development, India almost certainly will go nuclear.

Such a decision could start a nuclear proliferation chain reaction. This would be contrary to basic US national interest. It is therefore imperative that we take all possible promising actions to prevent it.

This paper surveys steps to this end which have been generally considered in this government. It does not address the question of whether even more far-reaching actions may be necessary and feasible in dealing with this problem. It recommends further study of this and other aspects of the problem.

2. Effects of an Indian Weapons Program. An Indian effort to achieve a credible national nuclear deterrent against Communist China would do great damage to Indian development prospects. The damage would increase as India sought an adequate stockpile and a suitable delivery system.

Should India go down this line, the Paks would be critically concerned about their own security and would probably turn to the US, Communist China, or the Soviet Union either for assistance in acquiring nuclear weapons or for support in deterring India.

The likelihood of further proliferation (e.g., Japan and Israel) would be increased, and nuclear pressures might be set in train in Germany.

A different kind of consideration is that if India should "go nuclear", and achieve an independent deterrent to Chinese nuclear power, India might look less to the US (and the USSR) for defense against Chinese Communist nuclear blackmail.

### 3. Courses of Action

a. Economic Pressures. Among the basic factors having a bearing on India's decision are the cost of a nuclear weapons program and the effect which such a program might have on foreign aid to India.

Data on costs and on the difficulties of acquiring a credible and reliable deterrent force have been forwarded to Ambassador Bowles, for use with India's leaders. Additional data will be supplied, which India's leaders may use publicly to support their stand against nuclear weapons.

The related question of the level of India's defense expenditures has been raised with Indian Planning Minister Mehta and will be pursued. Points being emphasized include: (i) the need for a reasonable limit on defense expenditures as a prerequisite to economic development; and (ii) our intention to take defense expenditures into account in determining future aid policy. This dual emphasis on the cost of "going nuclear" and the need to hold down defense expenditures can be expected, within limits, to influence India's decision.

We could go further and threaten to cut off economic assistance and to withdraw all assurances of political and military aid, if India decided to develop its own nuclear weapons. US fulfillment of this threat would probably impel the Indians to look at once to their own means to meet their security needs, and probably also to turn to the Soviet Union. Even making the threat could have an adverse effect on Indian-American relations and on Indian confidence in the US. Perhaps the threat, and certainly the cutoff of aid, would greatly reduce American influence and enhance Soviet influence in India, and would subject India to heavy economic and political strains, which would threaten its viability as a democratic state and an Asian counterweight to China.

On the other hand, less drastic use of aid, as one of a number of levers, might effectively influence an Indian decision.

b. Arms Control Agreements. In addition to the more specific effects of particular arms control agreements, any progress in disarmament which indicated growing US-Soviet detente could have a dampening effect on pressures for a national Indian nuclear program.

(i) Non-Proliferation Treaty. The US is at present continuing its efforts to reach agreement on a non-proliferation treaty, as its first priority arms control measure.

While such a treaty would inhibit proliferation, it is not clear whether agreement can be achieved. There have been suggestions that the Soviets would sign a non-proliferation treaty which would permit consultation and allow the USSR to take the public position that new collective hardware arrangements are excluded. This must be weighed against the effects that this approach would have on our policy toward Europe and Germany.

Should India adhere to a non-proliferation treaty, it is possible that she would later withdraw if she felt her national interests required such an action. Such a treaty would not mitigate the Indian security problem, unless it were coupled with other measures of the sort discussed in this paper.

(ii) Comprehensive Test Ban Treaty. The US continues to support an adequate, verified comprehensive test ban treaty.

Such a treaty would have a major political and technical impact on proliferation. However, the principal effect would be political. A nation which had agreed not to conduct any nuclear tests would not lightly withdraw from this obligation. While only testing would be prohibited, and a nation could develop and stockpile weapons without withdrawing from the treaty, this course seems unlikely. A comprehensive test ban would thus have an impact on an Indian decision to acquire nuclear weapons.



The Soviets continue to reject inspection. Recently, however, they have indicated that they would be willing to consider making available information from internal Soviet sites. If this would significantly reduce the number of unknown events, a compromise solution to the inspection problem might become possible.

Because of their estimate of the over-all adverse impact on US national security, the Joint Chiefs of Staff are opposed to a comprehensive test ban.

(iii) Threshold Test Ban. The likely effect and security implications of a "threshold" test ban, which would extend the present limited test ban to underground tests above a seismic magnitude of 4.75, are now being considered via the Committee of Principals route. Such a treaty would materially inhibit an Indian decision to acquire nuclear weapons. It would have less effect, of course, than a comprehensive test ban; but it would be more responsive than a non-proliferation treaty to Indian desires for restraints on nuclear, as well as non-nuclear, countries.

c. Security Arrangements. Security against nuclear attack is becoming an increasingly important factor in the Indians' calculations regarding their nuclear policy. In determining whether to try to secure this security through outside assurances or their own nuclear deterrent, the Indians can be expected to seek a policy which is consistent with non-alignment. The Indians will do this for two reasons: (i) Because they consider that their security interests require good relations with the Soviet Union, from whom they receive economic and military aid and support against Communist China; (ii) because they want to maintain their position among the Afro-Asians.

In responding to Indian security concerns, the key question we have to ask ourselves is: What would the US, in fact, do if the Chinese Communists were to mount (or threaten imminently to mount) a nuclear attack on India?



If we believe that our interest in Indian independence, in preventing Communist expansion, and in maintaining some reasonable semblance of world order would move us to stand by India in this circumstance, then the problem is how to make this clear to the Indians ahead of time, so as to affect their nuclear intentions, without involving either commitments which go beyond our likely response to nuclear attack on India or insuperable Congressional difficulties. Possible steps to this end are considered below.

(i) Nuclear Power Guarantee. The Indians would welcome a joint US-USSR guarantee to all non-nuclear states. (The UK would certainly join, but this is of secondary importance to the Indians. France might not join and, of course, Communist China would not.) The Soviet Union, however, has made clear that it does not wish (at least at present) to join the US in any such assurances, much less in a joint guarantee obviously directed against China. If the situation should so change that the USSR were ready to take part in joint assurances, this would probably defer an Indian decision to acquire its own nuclear weapons. We should consider, at an appropriate time, attempting to determine privately the conditions, if any, under which the USSR might be interested in joint or parallel assurances, either in or out of the UN framework.

(ii) Public US Call for Nuclear Guarantees. Congressman Holifield has proposed privately that, if the USSR is unwilling to join us in giving assurances, we should nonetheless publicly declare US readiness to join with the other nuclear powers in guaranteeing all non-nuclear states against nuclear attack, and let the onus fall on the USSR for failing to agree.

This ploy, would, however, be attacked by the Soviet Union and Communist China, and would probably be ignored or rejected by France. The Indians would regard such a move as undesirable and, from their point of view, unhelpful. Moreover, by demonstrating the inability of the nuclear powers to provide joint assurances, it might well persuade many in India (and perhaps elsewhere) that they would, indeed, have to rely on themselves.

The Soviets would probably use such a US proposal as the occasion to reaffirm their counterproposal for the nuclear powers to pledge never to use nuclear weapons against a non-nuclear state not having nuclear weapons on its territory.

(iii) US Assurances Under Umbrella of UN Resolution.  
In 1965 the Committee of Principals approved the draft of a possible UN Resolution, the operative language of which expressed the intention of UN Members "to provide or support immediate assistance to any State not possessing nuclear weapons that is the victim of an act of aggression in which nuclear weapons are used."

In the fall of 1965, we sounded out the Soviets and were told that the Soviet Union considered the question of assurances "premature", and that the matter might be considered after the conclusion of a non-proliferation treaty. Subsequently, the Soviets advanced their counterproposal (noted above) calling for nuclear powers not to employ nuclear weapons against non-nuclear countries on whose territory no nuclear weapons were stationed.

If the Soviet Union should reconsider its position, a UN Resolution of the type we have offered could serve as an "umbrella" which would be consistent with Indian non-alignment and under which more specific US-Indian arrangements might be pursued.

Under this "umbrella", the US could offer firm private assurances of support to India, which could be buttressed by such steps as describing to the Indians our nuclear capabilities directed at the Communist Chinese threat. The Soviets would, of course, be free to do likewise, if they wished, -- secretly, and without having to assume the public stance of cooperating with the US.

This UN umbrella cum private US assurances might offer at least an interim solution to the problem.

There is a question, however, as to whether such secret assurances would have the needed impact on Indian non-governmental opinion, which is the source of most of the present pressure for India's "going nuclear." It is doubtful, in any event, that these assurances could, in fact, be kept secret.

Moreover, to have any hope of satisfying the Indians, these US assurances would have to be quite specific. Yet such specificity would bind the US to involve itself in a nuclear conflict under at least partially unforeseen circumstances and without the ability to control India's actions.

(iv) US Assistance to a Limited Defensive Indian Deterrent. Ambassador Bowles has suggested that consideration be given to US assistance to India in such measures as: installation of an effective early warning system and other measures for defense against manned bombers, expansion of joint US-Indian efforts to detect Communist Chinese nuclear and missile capabilities, secret scientific consultation on ballistic missile defenses, and secret studies of integrated air defense against Communist Chinese nuclear attack - which might include consideration of an Indian manned bomber force for use against Communist Chinese launching sites.

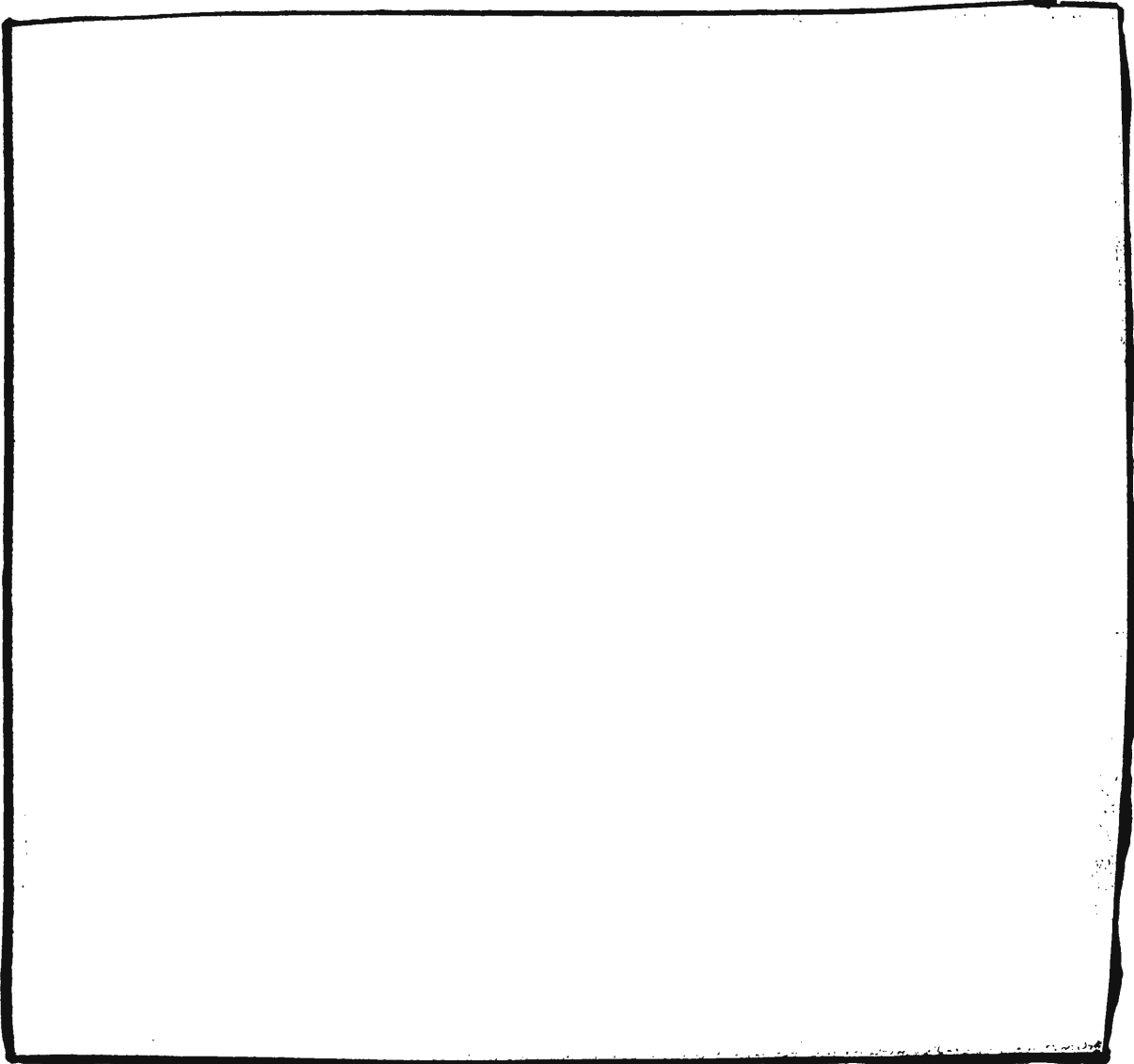
We have assisted Indian air defenses since 1962, and could conceivably extend this effort. However, it is doubtful that this would allay Indian concern over the Communist Chinese nuclear threat, which will include missiles.

Consultation on ballistic missile defenses (which we could not now provide) might well convince the Indians that their only real defense would be a nuclear deterrent, and thus stimulate Indian desires for nuclear weapons of their own.

In the same way, studies of an Indian conventional manned bomber force could well convince the Indians that what they really need are missiles with nuclear warheads.

(v) US-Indian Alliance. A formal military alliance would offer the most convincing means of engaging the American deterrent in India's defense. There are strong reasons against our undertaking a formal alliance commitment. In any event, the issue is hypothetical, at least for the present, since the Indians wish to retain their non-aligned status. If such a US-Indian alliance were concluded, it might result in a complete US break with Pakistan and in a Pakistan-Chinese Communist alliance.

1.5(d)  
3.4(b)(6)



d. The Plowshare Loophole. There is some pressure on the Indian Government for a peaceful (PLOWSHARE) explosion to demonstrate India's technical capabilities. Such a "peaceful" Indian explosion would, however, be widely viewed (in Pakistan and elsewhere) as the beginning of an Indian nuclear weapons program and, from the technical standpoint, would be virtually indistinguishable from weapon development. The Committee of Principals is, therefore, considering steps to dissuade India from "peaceful" nuclear explosive development.

#### 4. Conclusion

4. Conclusion. A number of the courses of action discussed above are now underway:

-- We are already seeking to impress the Indians with the cost and difficulty of acquiring a nuclear deterrent.

-- We are trying to make clear to India the inter-relation between external aid and levels of Indian military expenditure.

-- We are seeking to negotiate arms control proposals, including a non-proliferation agreement, and we are examining new proposals, notably a threshold test ban.

-- We are exploring the problem of general security assurances, particularly action that can be taken in the UN.

Each of these approaches has potentialities, limitations, and costs.

Achieving even delay in an Indian decision to go nuclear would be extremely useful. At their present pace, however, these courses of action are likely to secure such delay for only a relatively limited period. To achieve more substantial effect, approaches not now underway (whether discussed in this paper or otherwise) would be needed.

5. Recommendation. State, DOD, and ACDA should be directed to study in greater depth the following inter-related issues, emerging from recent review of the Indian nuclear question:

a. The extent to which it might be in the US interest to use our economic leverage more explicitly to discourage an Indian national nuclear program.

b. The effect which various arms control agreements might have on Indian nuclear intentions, and what price the US should be prepared to pay for such agreements.

c. How far it is in the US interest to go in meeting Indian security concerns, what form such action might take, and what the optimum timing might be.

d. Whether there are other approaches to the problem which need to be pursued.

Such study should balance the price of each of these suggested courses of action against the damage resulting from India's choosing the independent nuclear path.

Such study should thus provide a basis for deciding whether there are specific recommendations that can be made to the NSC as to measures which the US, its own interests in mind, should take to delay or prevent India's choosing that path.



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DEPARTMENT OF STATE  
WASHINGTON

August 18, 1967

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2 RT.

(Via AKS)

12a

MEMORANDUM FOR MR. WALT W. ROSTOW  
THE WHITE HOUSE

Subject: Transmittal of Contingency Study under  
NSAM No. 355 -- The Indian Nuclear  
Weapons Problem

The attached staff study entitled "The Indian Nuclear Weapons Problem: Planning for Contingencies" has been prepared in response to the requirement of NSAM No. 355 for an initial look at steps we might take if India were about to "go nuclear" or actually embarked on a nuclear weapons program.

The study was prepared by the Policy Planning Council and the Bureau of Near Eastern and South Asian Affairs in close consultation with the inter-agency Working Group which has been established to assist in implementing NSAM No. 355. The study has also been discussed in the Inter-Agency Planning Group.

There is general agreement that the study accurately identifies the major alternatives that would confront us if the foregoing contingencies should arise. There is also substantial agreement on the weight tentatively assigned to these alternatives. Some disagreement does exist concerning the specific circumstances in which given actions might be taken, and it is generally agreed that these uncertainties cannot be resolved at this time.

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E.O. 12958, Sec. 3.6

NLJ 97-247

By cbm, NARA Date 6-21-01

*Robert B. Thompson*  
Benjamin H. Read  
Executive Secretary

Enclosure:

The Indian Nuclear Weapons Problem:  
Planning for Contingencies  
A Report Under NSAM No. 355

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No. 11

DEPARTMENT OF STATE

12b

THE INDIAN NUCLEAR WEAPONS PROBLEM:  
PLANNING FOR CONTINGENCIES  
A REPORT UNDER NSAM NO. 355

August 2, 1967

GROUP I

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By cbu/jc, NARA, Date 2-6-09

THE INDIAN NUCLEAR WEAPONS PROBLEM:  
PLANNING FOR CONTINGENCIES

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THE INDIAN NUCLEAR WEAPONS PROBLEM:  
PLANNING FOR CONTINGENCIES

SUMMARY

Purpose

Pursuant to NSAM No. 355, this report considers three questions:

- What steps might we take vis-a-vis India if we were to learn that an Indian pro-nuclear decision was imminent?
- What policy should we adopt if India were in fact to "go nuclear"?
- What steps might we take vis-a-vis other countries to cushion the impact of such a decision?

Since our choices would depend heavily on the circumstances at the time, no specific recommendations are presented here. However, a checklist of the principal alternatives as they now appear is presented below and explored in greater detail in the full report.

For present purposes, it has been assumed that a non-proliferation treaty has been achieved before these contingencies arise; and that the U.S. and Soviet Union have provided some type of security assurance to non-nuclear countries. One effect of these assumptions is to suggest an increased possibility -- although not a certainty -- of joint or parallel action with the Soviets to "enforce" the treaty.

Recent

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Recent Indian statements have raised serious questions as to whether India will sign what it regards as an "unequal" treaty. The analysis presented here would, of course, be altered in some respects if India did not sign. But the basic choices confronting us in the event of an imminent or actual Indian pro-nuclear decision would remain much the same as those explored below.

It has also been assumed that the most likely proximate cause giving rise to the contingencies covered in this paper would be increasing Indian concern about Communist China's nuclear progress and intentions, coupled with uncertainty respecting the desirability or adequacy of any general security assurance that had been offered to non-nuclear countries.

\* \* \*

I. Alternatives: Assuming Prior Notice of an Indian Pro-Nuclear Decision.

We would have a better chance of averting a pro-nuclear decision before India's leaders had publicly committed their country to a nuclear weapons program than of reversing the decision once a public stand had been taken. All the same, the task confronting us would not be easy if we were to learn of an impending Indian pro-nuclear decision (for example, if they were to consult us).

A key question is whether the U.S. and Soviet Union would work together in seeking to dissuade India from adopting a pro-nuclear decision. This question would arise in two inter-related contexts.

First, the present text of the non-proliferation treaty requires that the Security Council be notified of the intent of any party to withdraw. If India had signed the treaty and followed the procedure provided for withdrawal, the presence or absence of U.S.-Soviet cooperation would strongly influence the effectiveness of any Security Council debate intended to exert pressure on India not to carry out its intended withdrawal.

Second,



Second, the effectiveness of direct pressures and inducements (such as those in the first three alternatives below) would also hinge importantly on whether the U.S. and Soviets adopted a common front.

Exploring the possibility of U.S.-Soviet cooperation should, therefore, be the first item on our agenda, and we should seek to convince the Soviets that their own interests would best be served by joint or parallel action.

Alternative 1: To exert maximum pressure to avert the decision. We might, for example, threaten to terminate economic and technical aid and serve notice that we would not back India up in future clashes with Communist China. Such threats might backfire if they convinced the Indians that they should not rely on our "good will". There would be a greater chance of pressuring the Indians into remaining non-nuclear if the Soviets joined us, and we should not start down this road unless the Soviets proved ready to go the route with us. However pressure alone -- unaccompanied by any effort to meet security problems the Indians regarded as both real and pressing -- might still fail. On balance, some combination of pressures and inducements such as those examined in the next two alternatives below would seem preferable to relying solely on pressure. Moreover, given the fact that both the U.S. and Soviets have continuing interests in India, one of the next two alternatives might also afford a better basis for common action.

Alternative 2: To seek to avert the decision by emphasizing inducements and substantial (but not maximum) pressures. The key inducements would be stronger assurance of our support (and of Soviet support if they were ready) against the ChiCom nuclear threat, and some increase in economic aid. Such inducements would work best before India's leaders had arrived at the brink

of

of nuclear decision. However, a package approach might be tried at the last minute -- contrasting positive gains with the large economic and security penalties that could flow from a pro-nuclear decision. (Separate study should be given to whether and how an offer for anti-ballistic missile defenses might figure in the foregoing approach if we ourselves deploy ABM's for city defense.)

Alternative 3: To seek to buy time. If India's leaders were not prepared to commit themselves indefinitely against "going nuclear," we might urge them to defer their decision for a period of years. Here again, the chance of success would be enhanced if the U.S. and Soviets took the same position. The main hope would be that subsequent developments might relieve pro-nuclear pressures. Inducements would be similar to those under Alternative 2 (economic aid plus a strengthened nuclear security assurance). In addition, if India's leaders feared that delay would serve only to put them just that much farther behind the ChiCom's, it might be necessary at least to promise that if they did defer their decision but were eventually to "go nuclear," any nuclear security assurance would hold firm until they achieved an initial deterrent capability. Since the contingency being examined here posits a situation in which India is already at the brink of nuclear decision, an offer along the latter lines would not make a pro-nuclear decision any more inevitable than already was the case.

Alternative 4: To concentrate on dealing with the decision's effects rather than on trying to alter the decision itself. If we thought there was no real chance of averting or delaying India's decision or if the price was too high, we could make our objections clear but focus our efforts on the problems outlined in the next two sections -- those bearing on our subsequent policy toward India and on the impact of an Indian pro-nuclear decision on other countries.

II.

II. Policy Toward India: Assuming an Announced Pro-Nuclear Decision.

If India should publicly commit itself to a pro-nuclear decision, we would have to choose among three main approaches:

Alternative 1: We might seek reversal of the decision. This might be tried, but once India's leaders had publicly opted for nuclear weapons, they would be hard put domestically to justify bowing to outside pressure or selling out to outside promises. Again, Soviet attitudes would have to be explored at the time. If both the U.S. and Soviets exerted pressure, there would be a greater chance that the Indians would yield. But it would be hazardous to view this outcome as a certainty in view of the domestic pressures which would inevitably confront the Indian Government at the time. Such pressures might conceivably be off-set if the U.S. and Soviets could work out an adequate face-saving device for India's leaders (possibly some step such as contingency planning to bolster security assurances, or some step in arms control); however, coming late in the game, such devices might or might not prove successful.

Alternative 2: We might seek to "make an example" of India with a view to curtailing further proliferation elsewhere. This would mean adopting a generally punitive policy toward India in order to convince other nuclear capable countries that if they too were to "go nuclear"; they would suffer similar consequences. On the one hand, the effect on other countries is clearly a factor that should influence our policy toward an India that had opted for nuclear weapons. If we did not protest at all, or if we adopted a soft line, others could reasonably doubt our seriousness of purpose. On the other hand, adoption of a hard line in the case of India

would

would not necessarily deter others. If, in the circumstances at the time, there seemed to be no chance of reversing an Indian pro-nuclear decision, an effort to "make an example" of India solely in the hope of deterring others could destroy U.S.-Indian relations but still leave us confronted with formidable battles elsewhere on the proliferation front.

Alternative 3: We might seek to construct an approach geared partly to restraining further proliferation but also to maintaining our relations with India on a workable basis. The main elements would be as follows:

-- If, in order to obtain fissionable materials for use in nuclear weapons, India abrogated the "peaceful use only" commitments or agreements which apply to its reactors, a specific punitive action would be necessary to avoid undercutting the safeguards system. For example, we might terminate further cooperation in the peaceful uses of atomic energy. Moreover, we should support or encourage demands that India surrender any materials obtained in this way. In this connection, consideration could be given to bringing the matter before the Security Council if an effective Security Council action could be designed.

-- We should probably avoid any automatic cutback in economic aid but might announce a review of aid policy. The following ground rules might then be adopted: (1) our aid policy would be conditioned primarily on India's economic performance; (2) we would reduce aid if India's nuclear weapons program imposed such a drain on talent and resources that achievement of development objectives was retarded.

Such

-- Such a policy might exert a restraining influence on the pace and scale of India's nuclear weapons/delivery vehicle effort. From the standpoint of our non-proliferation objectives, this would seem preferable to a more ambitious Indian program. (On the other hand, the time might conceivably come when we might see our overall interests best served by a more ambitious Indian effort than suggested here. This might come about if, for example, we wished to be absolved of any responsibility for India's nuclear security and if we had come to view as inevitable in any event what are portrayed in this paper as adverse effects of an Indian pro-nuclear decision.)

-- Within the foregoing economic limits, we would need to consider whether our interests might be served by directly or indirectly providing technical advice or assistance to lessen the chance that India's nuclear force might turn out to be accident-prone, unreliable, and highly vulnerable to ChiCom attack.

III. Cushioning the Impact of an Indian Pro-Nuclear Decision.

Apart from effects on U.S.-Indian relations, the principal effects of an Indian pro-nuclear decision would be as follows:

- A sharply adverse Pak reaction;
- Additional opportunities for ChiCom trouble-making in the Sub-Continent (for example, by exploiting Pak fears and possibly by offering the Paks a nuclear security assurance of some type against India);

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- A heightening of Japan's interest in acquiring nuclear weapons;
- A more intense re-examination of the nuclear security issue throughout the Asian-Pacific region; and
- A general, though probably not decisive, lowering of inhibitions against further proliferation in other areas.

Pakistan:

The unquestionably adverse Pak reaction provides an additional reason for encouraging India and Pakistan to work toward reduction of their differences and to enter into joint economic or other arrangements in which both might acquire a continuing stake.

In addition, depending on the circumstances at the time, steps serving the following purposes might be useful:

-- A conciliatory gesture by India toward the Paks. For example, the Indians might formally announce that the sole purpose of their program would be to deter ChiCom nuclear aggressions, and that their weapons would be targetted only against Communist China.

-- A U.S. gesture toward Pak nuclear security. We might make clear to the Paks that we would regard any declaration of assurances for non-nuclear countries as applying to situations involving India and Pakistan. We might undertake to inform the Indians of this position.

-- Responsiveness

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-- Responsiveness to Pak nuclear arms control suggestions. We should seek at least to avoid any Pak conclusion that we had thwarted any reasonable suggestion they might make concerning nuclear arms control.

Such steps would not forestall a Pak pro-nuclear decision. However, such a decision would be technically difficult for the Paks to implement under foreseeable conditions, and steps along the foregoing lines might help preserve a more tolerable situation in the Sub-Continent and in U.S.-Pak relations.

Japan:

In advance of an Indian pro-nuclear decision, we should stress steps serving two purposes:

-- Demonstrating that U.S.-Japanese nuclear security relations can keep pace with changing conditions. One possibility would be to offer nuclear consultative arrangements along the lines of those established with our NATO allies. (The question of anti-ballistic missile defense would need to be considered in this case as well as that of India if we deploy such defenses to protect our cities against ChiCom nuclear attack.)

-- Avoiding dealing with the Japanese in arms control and other matters as if they were a "have not" nation.

Progress along the foregoing lines should stand us in good stead in the aftermath of an Indian pro-nuclear decision, but we will need to look for additional steps which might help hold the line in Japan.

Regional Security:



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Regional Security: Although beyond the scope of this paper, we should take a hard look at the way regional nuclear security might evolve under varying assumptions concerning non-proliferation or proliferation in the cases of India, Japan, and also, over the longer-term, Australia (where the nuclear issue is apparently also beginning to stir).

Proliferation: As in the case of regional security, the question of how to bolster our general non-proliferation policy in the event of an Indian pro-nuclear decision falls outside the scope of this paper. However, one need would be to place greater emphasis on case-by-case and regional (or sub-regional) approaches designed to deal with the proliferation issue in the context in which it arises -- a context that is invariably, as in the case of India, an admixture of local as well as broadly international factors.

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