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Indian Nuclear Policies in the 1980s

An Intelligence Assessment

Approved for Release AUG 1995 Date





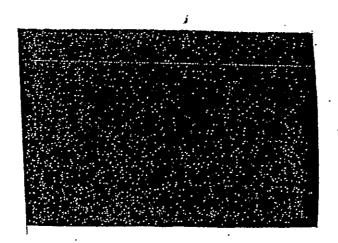


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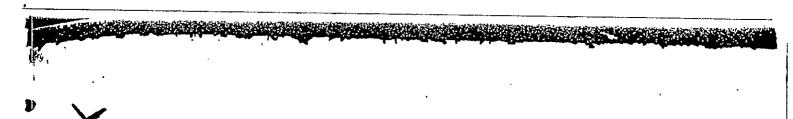
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Information available as of 10 September 1981 has been used in the preparation of this report.







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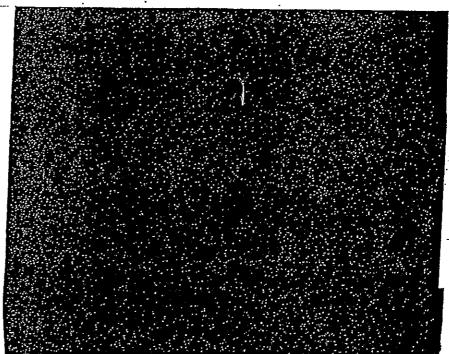




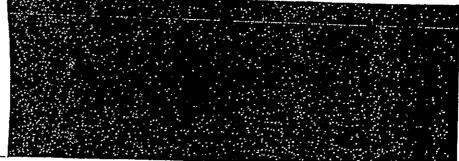


Indian Nuclear Policies in the 1980s

Key Judgments



China—not Pakistan—is perceived as the major long-term threat to Indian security. This perception has propelled New Delhi to reject the Non-Proliferation Treaty and full-scope safeguards in order to retain the nuclear weapons option.



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Assessing the Dearers

pressing need for modernizing its economy and mili-

New Delhi, however, now faces a decision on whether to pursue the weapons option because of developments in Pakistan.

of when it might have to exercise its nuclear weapons markedly complicates India's efforts to balance its mr or foreign policy objectives, mainly to retain:

- Recognition as a major power not aligned with the superpowers.
- Military power sufficient to protect its borders from Pakistan and China.
- · Leadership of the subcontinent.
- The reputation as a major proposent of nuclear disarmament.

Since the 1962 border war with China and the Chinese nuclear test two years later. New Delhi has considered Beijing a more senous long-term threat to Indian national security than Pakistan. India avoided nuclear safeguards and treaty commitments whenever possible to preserve its option for future nuclear

weapons development

China's "opening" to the West is recent years led to an Indian reevaluation of when Beijing might become a more serious security challenge. New Delhi has taken careful note not only of China's difficulty in prosecuting the 1979 war with Vietnam but also its

The prospect of two nucler rearmed neighbors appears to have induced India to consider proceeding more quickly on weapons research and development than previously planned. A decision to accelerate weapons research—and, especially, to conduct nuclear/tests—would create a number of problems. An Indian program undertaken to match the Pakistani-effort would threaten its relations with the United States and other nuclear suppliers, possibly provoke China and net back current efforts to improve relations, and damage India's image within the nonaligned movement.

Nonetheless, the Indian Government cannot allow a Pakintani test to go unchallenged because that would threaten India's regional supremue, and international prestige. New Delhi, therefore, seeks a policy that is sufficiently responsive to the Pakintani threat yet does not appear to be driven by Pakintani actions. Even though a resetive posture might satisfy the security expectations of the Indian electorate, it would tarnish the image India wishes to project abroad as a regional power and an emerging world power capable of influencing events in the Indian Ocean area.

New Delhi wants a nuclear policy that will permit its security planners sufficient flexibility to repond to whatever Pakistan does. Whether Pakistan will decide not to test, explode one device, or conduct a series of tests to refine weapons design are among the variables that India has to evaluate.

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India steadfastly argues that peaceful nuclear explosions have useful applications and a considerable body of technical literature in Indian journals maintains $P4K'_{P}$ the thesis that PNE technology is a useful tool for Indian economic development. Thus, New Delhi will use this emphasis on peaceful nuclear explosions as an explanation for its nuclear policy at least until Pakistani intentions become clearer. Short-Term Policy Response New Delhi is confident that it can match and er all Pakistani technical accomplishments

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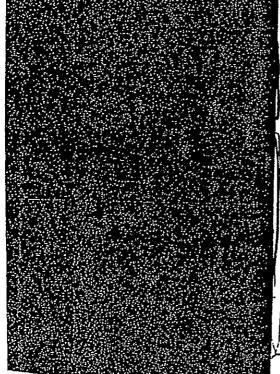
Nuclear Relations With the United States 30 140

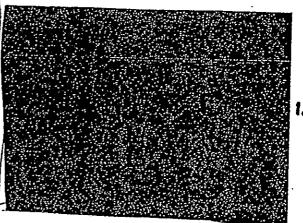
The impasse with the United States over the supply of enriched uranium for the Tarapur reactors confronts the Indian Government with a policy dilemma

there is little likelihood that the US Nuclear Non-Proliferation Act of 1978 will be amended to permit further shipments of fue



Any resumption of nuclear testing by India will not only damage bilateral nuclear relations with the United States but also with most other nuclear suppliers. As long as India claimed it was perfecting its PNE technology, however, New Delhi could probably rely on the Soviets to continue to supply critical items. All such transactions with Moscow would involve the appropriate safeguards but it is unlikely that the Soviets would press for full-scope safeguards. In pursuit of its vital national interests, India seems prepared to accept the economic dislocation, delay, and incre-sed costs that would result from a cutoff of suclear conjument and material from the West, After the 1974 test, for example, India accepted the resultant setbacks to its nuclear program rather than sacrifice its freedom of action





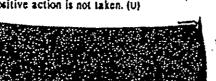






Treaty by the superpowers and reduction of existing arsenals as called for in Article VI of the Non-Proliferation Treaty (NPT) as a precondition for making the treaty less "discriminatory" and therefore worthy of joining. (5)

As a nonsignatory to the NPT, India can only function in the wings of such gatherings as the NPT Review Conference. Prior to last year's review conference in Geneva, India was successful in persuading several NPT signatories from the Third World—most notably Mexico and Peru—to voice dissatisfaction with lack of movement by the superpowers on Article VI and to raise the prospect of withdrawing from the treaty if positive action is not taken. (U)



India will make every effort to continue participation in the Nuclear Coordinating Group of the NAM, which seeks to promote the unrestricted transfer of nuclear technology to developing nations. As India attempts to develop a nuclear export market in the Third World, it will probably require compliance with safeguards. To avoid possible criticism of its own policy/however, India will not insist on full-scope safeguards as a precondition of supply.

Other Nuclear Considerations

New Delhi still needs some updated technology and material for the smooth functioning of its nuclear



India has managed to create a nuclear fuel cycle consisting of two almost parallel self-contained loops, however, and facilities in only one of these loops are under safeguards. Several key facilities can be alternated between safeguarded and unsafeguarded operation depending on the status of the material being used. For example, spent fuel from the safeguarded power reactors at Tarapur and Kota reprocessed at the Tarapur plant will remain subject to IAEA inspection and verification. Plutonium separated from unsafeguarded spent fuel at the Tarapur reprocessing plant, however, would be considered outside of safeguards and beyond accountability to the IAEA.

For the moment, only the small Cirus research reactor is capable of producing plutonium free from safe-guards for use in a PNE program

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