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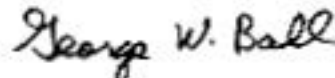
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MEMORANDUM FOR THE PRESIDENT

Subject: NSC Meeting, June 9, 1966

I am forwarding two papers for possible NSC consideration on June 9: (1) "The Indian Nuclear Weapons Problem: Current Issues"; and (2) the paper on Indonesia summing up the present situation there and US interests and objectives.

In terms of timeliness and appropriateness for NSC consideration, we recommend that Thursday's meeting be devoted to the Indonesia paper.



George W. Ball
Acting Secretary

Enclosures:

As stated.

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SECRET/LIMDISINDEXTHE INDIAN NUCLEAR WEAPONS PROBLEM:
CURRENT ISSUES

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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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SECRET/LINDISTHE 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.

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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.

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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.

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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?

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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.

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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.

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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.

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(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.

(vi) Nuclear Sharing. The US might offer to assist India in acquiring the capability to deter or retaliate against Communist Chinese nuclear attack with its own delivery means, using American nuclear warheads which would be made available to India at the time of a Chinese attack. The advantages, in comparison with a strictly unilateral US guarantee, would include a less direct military commitment for the US (in the sense that the Indians, not the US, would strike Communist Chinese targets) and yet, from the Indian standpoint, a more tangible US commitment to give essential assistance.

This course of action faces a number of difficulties: (a) India's desire to remain at least formally non-aligned, and to avoid alienating the Soviet Union; (b) the dilemma of fashioning a nuclear sharing arrangement that would provide enough -- but from the US standpoint not too much -- of a nuclear role; (c) the impact of such an arrangement on others (Pakistan, Japan, and other US Asian allies) and on the UK role East of Suez; (d) the over-all effect on US military commitments and on US aid for India, since we might have to bear much of the cost; and (e) the question of Congressional attitudes.

The Secretary of Defense and the Joint Chiefs of Staff do not believe a nuclear sharing arrangement would do more than delay an Indian pro-nuclear decision. While this may be true, there may come a time when such delay would be well worth seeking. The Director of ACDA does not consider a nuclear sharing arrangement desirable.

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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

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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.

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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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