

A Golden Opportunity: The Next Steps in U.S.-Indian Relations

by John C. Holzman

Key Points

President Bush has made closer relations with India a priority, thereby intensifying a process begun by the previous administration. Strengthening U.S.-India ties and cooperation on Asia-Pacific security issues can advance national interests in regional stability by reducing the risk of nuclear war on the subcontinent.

The first step in the process is to peel away remaining punitive sanctions against India. Although symbolic of the commitment to nonproliferation, sanctions are manifestly ineffective and counterproductive in South Asia. This applies to Pakistan as well as India.

Only India can initiate changes in the regional security atmosphere. The administration should focus on encouraging New Delhi to follow policies of restraint. Improved security relations will create equities that enable Washington to further encourage restraint.

Restraint would mean resuming a dialogue with Pakistan on nuclear issues; not deploying nuclear weapons; no further testing; and defining a *minimum deterrent* that engenders greater stability, that is, does not create incentives for either a first strike or for Pakistan to enhance its deterrent.

U.S. policy should link expanded bilateral ties to regular and more substantive military-to-military contacts. China and Pakistan may feel threatened by improved U.S.-India relations, and Pakistan may seek help from China or North Korea. Washington should counter this possibility by reassuring Beijing and also rebuilding badly damaged relations with Islamabad.

The Bush administration promotes broader security relations with India as a priority yet maintains wide-ranging sanctions against this giant of the subcontinent to punish it for its 1998 nuclear tests. The administration inherited policies that restrict high technology and military exports to India, mandate that the United States vote against some development loans to India from the World Bank and the Asian Development Bank, and limit cooperation with the Indian military establishment. The administration is in the process of lifting restrictions on high-level military contacts and is consulting with New Delhi on its plans for missile defense, a concept that India has applauded.

Indian leaders would welcome closer ties with the United States. Prime Minister Vajpayee believes that the two are "natural allies." India has long been interested in America as a source of technology and investment and as a market for its exports; it now hopes that bilateral cooperation will leverage its power in a sphere that extends from Southeast Asia to Central Asia and the Persian Gulf.

The overriding American priority for India is regional stability—the avoidance of nuclear war on the subcontinent and of heightened tensions with China. At the same time, India's gathering economic strength, its commitment to democracy, its potential to act as a stabilizing force in the Asia-Pacific region, and its role as a market-democracy alternative to Chinese dictatorship are all factors that reinforce the logic of improved relations.

A decade of deregulation combined with booming software exports have made India one of the fastest growing economies in the

world—over 6 percent a year. The reforms result from a system of democratic governance that has united a diverse country of "a million mutinies" and brokered a process of slow but peaceful change and modernization. An elected parliament, an increasingly assertive judiciary, a free and lively press, and a boisterous civil society will remain characteristics of Indian democracy in this century. The country's underlying strength is its educated middle class, which numbers about 300 million (in a population of one billion), many of whom are English speakers and aggressively entrepreneurial. The overseas extension of the middle class is the Indian diaspora, which helps establish links that serve India's political and economic interests. The ties between Silicon Valley in California and Bangalore and Hyderabad in India are but one example of this phenomenon.

India has entered an era of coalition politics that will endure through at least this decade. Neither of the two national parties—the ruling Bharatiya Janata Party (BJP) nor the Congress Party—has the strength to form a government alone, and each will rely on alliances with smaller state-based or caste-based parties with narrow agendas. Huge income disparities separate the economically dynamic states in the south and west from those in the north and the northeast. Successful states will demand policy independence from New Delhi, while the poorer will look to the central government to protect their interests. Indian politics is becoming more fractious and competitive, but the institutions of its market-democracy are sound. If Indian leaders continue to liberalize the economy, broker regional income disparities, and address emerging environmental challenges, rapid growth will be

sustained and Indian influence in Asia will grow proportionally.

Pragmatic Policies

Indian long-term strategic interests are defined by a quest for influence, economic advantage, and eventual acceptance as a major power. To these ends, Indian diplomats:

- Encourage the emergence of a multipolar world in which India plays a balancing role
- Work to ensure that the Indian economy remains on the receiving end of large net capital flows and technology transfers from the developed world
- Try to block any effort from abroad that limits India's freedom of action to pursue its goals, whether a global warming treaty, the introduction of labor and environmental standards into trade negotiations, or agreements to stem the proliferation of weapons of mass destruction.

The pillars of Indian foreign policy during the Cold War were domination of the subcontinent, leadership of the nonaligned movement, and a security relationship with the Soviet Union. Relations with the United States were often confrontational, reflecting American willingness to arm Pakistan in return for its help in containing the Soviet Union, and India's penchant for anti-Western, Third World rhetoric to buttress its position in the nonaligned movement. The end of the Cold War made nonalignment irrelevant and reduced the utility of the security relationship with the Soviet Union. The decline in U.S.-Pakistan relations opened new possibilities for détente with the United States, while unrivaled American economic, cultural, and military dominance made stronger bilateral relations more attractive.

Today, Indian leaders speak of America as a natural ally, yet they still buy cheap arms from Russia and are mending relations with China, which were badly damaged at the time of the 1998 nuclear tests. With the exception of policy toward Pakistan, Indian foreign policy is characterized more by pragmatism than by

ideology and Cold War tensions. India's goal is an independent foreign policy, with freedom to form issue-based coalitions that suit its purposes and leverage its strengths.

Out of the Closet

The Clinton administration felt betrayed when India exploded five nuclear devices in the Rajasthan desert in May 1998. The administration had been in the midst of a complicated effort to get relations with India out of their Cold War rut and to gain passage of the Comprehensive Test Ban Treaty (CTBT), which required Indian participation to be effective. The tests showed that New Delhi was going in the opposite direction, towing Pakistan in its wake, and was fully cognizant that the blasts would precipitate a crisis in U.S.-India relations.

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India had already exploded a so-called peaceful nuclear device in 1974 and since then had followed a policy of ambiguity—having the capability but claiming not to have the bomb. Few put any stock in these assertions. Pakistan certainly did not as it single-mindedly built its nuclear weapon capability. The newly elected BJP government justified its tests on two grounds. First, India's strategic position had been undermined by a declining Russia and a rising China, which had also shared nuclear and missile technology with Pakistan. The second and more important element in its thinking was the 1995 indefinite extension of the Non-Proliferation Treaty (NPT), which aimed to freeze the nuclear status quo; the United States, Russia, the United Kingdom, France, and China were recognized as nuclear weapon states, but India was not. The CTBT reinforced the NPT, as would a proposed fissile material cutoff pact. All this meant that India would forever be a covert nuclear power and in a position of inferiority, especially with regard

to China. Coming out of the nuclear closet was a way to escape this cul-de-sac and ensure that India would be taken seriously.

The problem with this logic was that Pakistan felt compelled to match the Indian tests and declare itself a nuclear weapon state, creating a new and more dangerous dynamic on the subcontinent. Indian analysts rationalized that with both India and Pakistan as overt nuclear weapon states, mutual deterrence would foster greater stability. Nuclear bombs, they averred, were defensive weapons and not intended for warfighting. India's declaration of a no-first-use policy and Prime Minister Vajpayee's bus diplomacy to Lahore in search of Indo-Pakistani détente were based on these assumptions. Subsequent events demonstrated that it was a major miscalculation by India to assume that Pakistan would be bound by Indian theories of deterrence.

Pakistani military leaders intended their weapons to deter a conventional or nuclear attack from India, and they refused to define a nuclear threshold. One senior officer commented that Pakistan's threshold could be described by transposing the first two letters of the word *nuclear*; that is, it would remain unclear because ambiguity enhanced the deterrent value of its weapons. Pakistani military leaders also concluded that their capability provided the cover to risk limited operations (such as the Kargil incursion), because India would fear that widening a conflict might escalate into a nuclear exchange.

While neither India nor Pakistan has actually deployed nuclear weapons, both are developing capabilities, and Kashmir continues to be a flash point. Indeed, many observers believe that Pakistan's nuclear and ballistic missile programs are more advanced than India's. Indian citizens will thus live for the indefinite future in the shadow of an overt strategic threat from a Pakistan that is hostile, politically unstable, and willing to engage in brinkmanship to advance its interests in Kashmir. The relationship with Pakistan remains India's greatest strategic weakness—and its greatest strategic failure.

Indian Sphere of Interest

Indian leaders have asserted a sphere of interest stretching from the Persian Gulf and Central Asia through the Indian Ocean to East Asia. Viewing this region as essential to national security, they stress the importance of

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Nuclear Weapon and Missile Programs

INDIA

Nuclear Weapons

- Has signed neither the NPT nor the CTBT
- Conducted nuclear tests on May 11 and 13, 1998; claimed a total of five tests
- Conducted a peaceful nuclear explosive test in 1974; capable of manufacturing complete sets of components for plutonium-based nuclear weapons
- Has small stockpile of nuclear weapon components and probably can deploy a few nuclear weapons within a few days to a week; can deliver these weapons with fighter aircraft
- Announced draft nuclear doctrine in August 1999 of no-first-use; has stated intent to create triad of air-, land-, and sea-based missile delivery systems

Ballistic Missiles

- Not a member of MTCR
- Has development and production facilities for solid and liquid-propellant fuel missiles
- Is developing three versions of liquid-propellant missiles:
 - ◆ Prithvi SRBM: Prithvi I (army)—150-kilometer range (produced)
 - ◆ Prithvi II (air force)—250-kilometer range (unsuccessfully tested)
 - ◆ Dhanush (navy)—250-kilometer range (unsuccessfully tested)
- Is developing solid-propellant Agni MRBM:
 - ◆ Agni tested in 1994 (estimated range 2,000 kilometers)
 - ◆ Agni II tested in April 1999 (estimated range 2,000 kilometers)
- Also developing SLBM and IRBM

PAKISTAN

Nuclear Weapons

- Has signed neither the NPT nor the CTBT
- Conducted nuclear weapon tests on May 28 and 30, 1998, in response to Indian tests; claimed a total of six tests
- Capable of manufacturing complete sets of components for highly enriched uranium-based nuclear weapons; developing capability to produce plutonium
- Has small stockpile of nuclear weapon components and can probably assemble some weapons fairly quickly; can deliver weapons by fighter aircraft and possibly missiles

Ballistic Missiles

- Not a member of MTCR
- Has development and production facilities for solid and liquid-propellant fuel missiles
- Is developing solid-propellant program:
 - ◆ Hatf I rocket—80-kilometer range (produced)
 - ◆ Hatf II—300-kilometer range; based on M-11 (being developed)
 - ◆ Shaheen I—750-kilometer range claimed (tested)
 - ◆ Shaheen II/Ghaznavi—2,000-kilometer range claimed (in design)
- Is developing liquid-propellant program:
 - ◆ Ghauri—1,300-kilometer range; based on No Dong (tested)

Source: Office of the Secretary of Defense, "Proliferation: Threat and Response," January 2001.

political stability, access to energy resources, open markets for exports, and protection of expatriate Indian nationals. Their concern about Islamic militancy and terrorism relates directly to all of these issues.

■ South Asia and the Indian Ocean are India's home base, and India is more powerful than any combination of countries in the region. But the subcontinent is one of the poorest and least economically integrated regions in the world. Apart from dangerously bad relations with Pakistan, India copes with a long-term demographic threat in the east, where Bangladeshis are spilling out of their country, and with its complicated relations with Sri Lanka, where a Tamil insurgency continues with no end in sight.

■ Persian Gulf stability figures prominently in Indian thinking because the Indian economy will become increasingly dependent

on Gulf oil and gas. India's apparent goal is to integrate the Gulf, Central Asia, and South Asia into a single energy economy. Hence the security of sea-lanes from the Gulf is important, as would be a pipeline network. Nearly 4 million Indian expatriates are said to work in the Gulf, and their safety is a concern. During the Persian Gulf War, India evacuated more than 100,000 of its nationals from Kuwait and Iraq.

■ Central Asia abuts the subcontinent and is seen as an unexploited region in which India would like to have a greater role. Its energy resources are one reason for the interest, but a more immediate concern is the perceived link between the Kashmir insurgency and Islamic militancy in Afghanistan. The Taliban, supported by Pakistan, have allowed Afghanistan to become a training base for militants who

pursue jihad in Kashmir. Without these foreign fighters, Indian leaders assert, the insurgency would have sputtered to an end. Any pipeline from Central Asia or the Northern Gulf must cross Pakistan, an obvious obstacle to Indian ambitions in the region.

■ Southeast Asia is regarded as a market for Indian exports and a source of investment. Trade with the Association of Southeast Asian Nations (ASEAN) exceeds that with Japan, India's second largest trading partner after the United States. India is developing modest security ties with Vietnam and Indonesia, the two largest Southeast Asian countries and the two with the most difficult relations with China. ASEAN declined to invite India to join their summit meetings with China, Japan, and South Korea—perhaps because of India's competition with China.

Wary Asian Rivals

India and China each carry a great deal of emotional baggage about the other. The two fought a brief war in 1962 that China won, a humiliation India will not forget. The border dispute that caused the war remains unsettled. Key elements of the Pakistani nuclear weapon and missile program came from China to check India and tie it down militarily. Indians note that international agreements against proliferation, such as the NPT and the Missile Technology Control Regime (MTCR), are used against India but did not prevent this commerce to Pakistan. Envious resentment is an element in the rivalry. China's status as a member of the UN Security Council and as a nuclear weapon state under the NPT are the great power trappings that India covets. All of these were factors when, following the 1998 nuclear tests, New Delhi pointed to China as its primary security threat. Beijing responded by condemning the "outrageous" tests that "threatened South Asian stability" and stating that it was "ridiculous" for India to consider China a security threat.

Despite these tensions, Indian and Chinese leaders have since invested heavily in restoring civility to relations between their countries. New Delhi understands that China is the bigger player and that Chinese development will have a profound impact on the stability of the Asia-Pacific region. China has paid more attention to Indian concerns since the tests. Both believe that tactical engagement holds more advantages than overt hostility. There have been high-level visits in both directions, and the two exchanged maps of the disputed border. China offered Pakistan no support during the Kargil incursion, and its present position on Kashmir suggests that Pakistan should either settle the dispute bilaterally or put it on the backburner and stop the violence. India has voted to shelve American proposals condemning China for human rights violations. Bilateral trade is increasing but is still at a relatively low level—about \$2 billion.

Still, India regards China as its greatest national security threat. Indian leaders routinely assert that China is modernizing its forces, that its missiles can reach every major Indian city, and that sensitive equipment and technology are being sent to Pakistan. Indian competition with China was almost certainly a factor in New Delhi's decision to welcome President Bush's recent proposals for missile

defense. India was alone in praising missile defense as an inevitable break with the orthodoxy of mutually assured destruction, while Beijing condemned it as a threat to international stability and Chinese strategic deterrence. Indian leaders probably hope that their support might evolve into collaboration on missile defense, which could be to their advantage vis-à-vis China and Pakistan.

Military Legacy

One legacy of the Clinton administration is much-improved ties with India. The March 2000 visit by Clinton was a glimpse of what a thriving relationship could be—cooperation

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across a broad spectrum ranging from democracy and governance to agriculture, trade, energy, science and technology, and security. Another Clinton legacy is the nuclear sanctions that remain in place and have not induced either India or Pakistan to curb nuclear weapon and missile programs. The mixed legacy reflects a conflicted administration that could not reconcile its commitment to nonproliferation with its conviction that better relations served long-term American interests.

These sanctions were required in part by the Glenn Amendment to the Arms Export Control Act, while others reflected a determination not to conduct business as usual. The sanctions overlaid existing restrictions on trade with India and Pakistan in sensitive materials, equipment, and technology that derived from the Nuclear Non-Proliferation Act of 1978 and U.S. participation in MTCR. The 1998 sanctions:

- Terminated many foreign assistance programs and reduced lending from the multilateral development banks
- Limited even more stringently access to American products and technology
- Restricted exports to "entities" involved in Indian and Pakistani nuclear weapon programs

- Terminated military programs and restricted high-level contacts, especially on security issues.

The U.S. Congress almost immediately had second thoughts and created a loophole that allowed financing for wheat sales to Pakistan to continue. It later initiated and passed legislation granting the President authority to waive sanctions against both countries.

The administration position evolved at a slower pace. Its policy was to cap Indian and Pakistani nuclear and missile programs while trying to strengthen the NPT and its global norms against the spread of nuclear weapons. Indian and Pakistani adherence to the CTBT was the immediate target, because the treaty was a major policy priority and because it seemed attainable, since both countries had already announced moratoriums on testing. Sanctions would be eased to the degree that the following goals were met:

- Signing and ratifying the CTBT
- Refraining from producing fissile material and participating in the negotiation of a fissile material cutoff treaty
- Exercising strategic restraint by not developing or deploying missiles and aircraft capable of delivering nuclear weapons
- Tightening export controls on sensitive materials and technologies
- Initiating a productive Indo-Pakistani dialogue to address long-standing regional tensions and disputes.

By the end of the Clinton administration, there had been progress on some of these issues, but overall, in the aftermath of Kargil, Indo-Pakistani tensions were worse than ever, and both continued to pursue their nuclear and missile programs. The 1999 Indian National Security Advisory Board draft report on nuclear doctrine was emblematic. India would develop a "triad of aircraft, mobile land-based missiles and sea-based assets," and "any threat of use of nuclear weapons" would be countered. The Indian government, claiming to want only a "minimum credible deterrent," neither accepted nor disavowed the report, but Pakistan drew its conclusions based on worst-case scenarios. Still, despite the lack of progress in these areas, relations with India had already begun to improve.

Changing Perceptions

The turnaround reflected an evolution in administration thinking toward acknowledging

and dealing with regional security concerns and away from trying to coerce compliance with global nonproliferation standards. Four developments were crucial to this change.

■ Deputy Secretary of State Strobe Talbott had a sustained and fruitful dialogue with Indian Foreign Minister Jaswant Singh which improved understanding of Indian compulsions and its commitment not to proliferate. Singh explained that India would not reconsider its largely indigenous nuclear program and that under no circumstances would it negotiate on the basis of sanctions.

■ Prime Minister Vajpayee made a sincere effort to begin a dialogue with Pakistan by traveling by bus to Lahore and publicly acknowledging the legitimacy of Pakistan as a nation separate from India.

■ The Kargil episode and President Clinton's role in brokering Pakistan's withdrawal demonstrated that U.S. engagement was imperative for regional stability. Sanctions alone were not a basis for such a policy.

■ Indian confidence that the United States would not threaten its interests was strengthened by the President's help on Kargil and by the downward plunge in U.S.-Pakistan relations as a result of the October 1999 military coup and Islamabad's support for the Taliban and other militant Islamic groups.

Although the U.S. commitment to nonproliferation still casts a deep shadow across relations with India, it was no longer the central element. In his speech to the Indian Parliament, President Clinton acknowledged Indian security perceptions and sovereignty to develop nuclear weapons even while stating that this was a mistaken course. The United States left no doubt that it would oppose amending the NPT to recognize India as a nuclear weapon state. But President Clinton also began to waive sanctions imposed after the tests. Prime Minister Vajpayee did not sign the CTBT, but committed not to block it from coming into force and not to conduct tests in the interim. Given Senate rejection of the CTBT, this promise was all that could reasonably be expected. The two countries seemed to be nearing the point of agreeing to disagree about India's decision to become an overt nuclear weapon state.

In the critical area of security relations, the Clinton administration authorized resumption of military cooperation, but only for dialogue and joint exercises on peacekeeping,

environmental security, search and rescue, and humanitarian disaster relief. There was a robust and growing international military education and training (IMET) program in which India was an enthusiastic participant—a sharp break with past practice. The two sides formed a working group on terrorism and consulted on Afghanistan. India suggested a

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revival of the moribund Defense Policy Group, but the administration demurred. There remained restrictions on sales to entities that make a material contribution to the Indian nuclear program, on transfers of dual-use equipment and technology, and on sales of conventional military equipment.

A Way Ahead

The avoidance of a nuclear war is the primary U.S. interest in South Asia. Thus, American policy should focus on fostering restraint and stability by addressing the compulsions that caused India and Pakistan to develop nuclear weapons. Indo-Pakistani antipathy, Chinese actions, and Indian ambitions are related parts of the problem. India disregarded the impact of its nuclear and missile programs on Pakistan because of Chinese actions and its own desire for great power status.

Though symbolic of an American commitment to global nonproliferation, the 1998 sanctions are ineffective in deterring Indian and Pakistani nuclear and missile programs and may aggravate, rather than reduce, tensions between India and China. They should be discarded as soon as possible. This would apply to Pakistan as well as India.

Any effort to foster restraint and stability on the subcontinent must begin in New Delhi. Pakistan is too insecure and weak even to contemplate initiating a process of détente with India. Restraint is not a lost cause. India and Pakistan agreed in Lahore in 1999 to consult on security concepts and nuclear doctrines with the aim of adopting confidence-building measures. Each was willing to notify the other in advance of ballistic missile tests, to undertake national measures to reduce the risk of accidental or unauthorized use of nuclear

weapons, and to develop mechanisms for warning the other side of any accidental, unauthorized, or unexplained incident. However, because of Kargil, none of these proposals has been implemented.

U.S. policy should encourage India to resume dialogue with Pakistan, not to deploy nuclear weapons or mate them to delivery vehicles, not to test again, and to define its deterrent at a level that is only defensive and stabilizes the competition with Pakistan. There should be no incentive for either side to consider a first strike or for Pakistan to enhance its capability. The confidence-building proposals of Lahore should be revisited and revived.

The United States should make clear that by addressing the reality of a nuclear South Asia it is not turning its back on global efforts to combat weapons of mass destruction.

The United States should not advocate a renegotiation of the NPT to accommodate India. The administration should instead explain to allies and friends that its revamped policy toward South Asia is intended to serve the ultimate purpose of the NPT—the avoidance of nuclear war. The United States should strongly encourage India and Pakistan to strengthen their export controls and make binding commitments not to engage in downstream proliferation.

Even as Indian leaders seek better relations with the United States to serve their purposes, they will resist efforts to limit their freedom of action on the subcontinent or their pursuit of great power status.

India should understand that America wants a positive and growing relationship, but development will be a long-term, brick-by-brick endeavor, each step dependent on Indian actions and based on a coincidence of interests. The United States should be clear that it is interested in stability on the subcontinent and that it is not giving India a free hand.

A rising India's potential to play a greater role in the Asia-Pacific region also justifies investments in improved relations. Indian interests are broadly compatible with those of America—whether it is security and stability in the Gulf and Central Asia or engaging China to influence its future behavior and development. Proposing an overt U.S.-India coalition to contain China would be a mistake. China would be defensive, and India would probably reject any structured proposal that might compromise its independence of action.

U.S.-India security cooperation in the Asia-Pacific region on a case-by-case basis is possible and desirable, and the United States should be open to opportunities that are compatible with the interests of other partners (for example, Japan, South Korea, and ASEAN). If cooperation contributes to a broader Indian role in the region, perhaps as a counterweight to China, then U.S. interests will be served.

Regular and more substantive military-to-military ties should be a key element in developing greater security cooperation. These should include regular counterpart visits, joint exercises, intelligence sharing on terrorism and peacekeeping, and possibly military sales that do not threaten regional stability. Negotiate a general security of military information agreement as soon as possible. Consider cooperation on missile defense.

U.S.-India relations will thrive to the extent that India has confidence that the United States takes it and its concerns seriously. India will respond positively to gestures that demonstrate a genuine American conviction that it is an important international player.

The Bush administration should maintain the momentum in bilateral relations by following through on agreements to have the President and Prime Minister be in regular touch, to hold strategic consultations, to consult on security and proliferation issues, and to expand economic, scientific, and cultural ties. It should also consider cooperation on nuclear safety and on space exploration, including launch vehicles.

Taking Account of China

Indian leaders have valid concerns about the Chinese role on the subcontinent. Indian leaders may be concerned that policies engendering stability on the subcontinent could put them at a greater disadvantage vis-à-vis China. Improving U.S.-India security ties may mitigate these concerns, but they may also threaten China, especially if missile defense were a part of the equation. China may then resume or expand its commerce in sensitive items to Pakistan. These tensions cannot be avoided, but they should be kept in mind.

American policy should take into account that improved security relations with India could have a perverse and destabilizing impact on Indian dealings with China. Both India and the United States should reassure China that

their security cooperation is not intended to put China at a strategic disadvantage.

Building Confidence

Pakistan will feel threatened by a substantial U.S.-India security relationship and will be motivated to strengthen its deterrent capabilities by seeking additional equipment and technology from China or North Korea. The United States should try to head off this possi-

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bility by rebuilding a badly damaged relationship with Pakistan. Restoring ties with the military should be an important part of this effort, since the military will control Pakistan's nuclear weapons and have a major voice in national decisionmaking. India should be brought to understand the value of improved U.S.-Pakistan relations. However, neither Pakistan nor India should have any illusions that America seeks a reprise of its Cold War partnership with Pakistan. The U.S. aim is to lend Pakistan the confidence to engage with India. Given overlapping sanctions against Pakistan, rebuilding the relationship will require legislation, and there should be close prior consultations with Congress. The United States should consider the following steps:

- Funding for democracy and governance programs through nongovernmental organizations that strengthen the institutions of civil society
- Increasing funding for primary education, family planning, child survival, or micro-credit programs as a tangible indicator that the

United States believes Pakistan is a country with a future

- Encouraging the international financial institutions to continue to work with Pakistan to revive the economy
- Broadening military-to-military exchanges and theater engagement activities, including exercises focused on peacekeeping, funding a substantial IMET program, and initiating regular high-level exchanges.

For too long America has tried to fit India and its neighbors into larger, global strategies rather than engaging them on their own terms. The logic of an India-first policy is that it can foster greater stability in a dangerous region while developing broader and better relations with a rising market-democracy. Such a policy will not be easily implemented and will require careful handling. India should not be complacent about the United States. Moreover, Pakistan and China must be reassured. Pakistan, must not be backed into a corner. The sobering possibility of nuclear war on the subcontinent makes this approach imperative.

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