

# The U.S. – India 123 Agreement: Perception Shaping Policy

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## Abstract

This article analyzes the 2005 U.S. decision to conclude a civil nuclear cooperation agreement with India, known as the 123 Agreement, and the driving factors that motivated such a radical departure from U.S. policy at the time. Through the agreement the U.S. committed to lifting sanctions previously leveled against India, change domestic U.S. law to enable such an agreement, and engage in full civil nuclear cooperation. Dominant theories attribute this decision to neorealist motivations for increased security and economic benefits; however, the results expected from such motivations have not materialized. The paper consequently outlines why the dominant theories are inadequate and culminates with evidence to support a separate theory for why the U.S. concluded the 123 Agreement with India—a reversal of U.S. perception of India as an irresponsible nuclear power.

*Disclaimer: The views and opinions expressed in this article are those of the author and do not necessarily reflect the official policy or position of any agency of the U.S. government.*

## Introduction

In July of 2005, United States (U.S.) President George Bush and Indian Prime Minister Manmohan Singh issued a joint statement outlining their commitment to a strategic partnership and their intention to conclude an agreement for civil nuclear cooperation. The fact that the U.S. and India were articulating mutual support was unremarkable news. The two countries had issued statements with similar sentiment since the 2001 announcement of a strategic partnership between the two countries. However, these statements were hollow in their description of how each nation would operationalize the strategic partnership. Three years later, President Bush once again reaffirmed the strategic partnership with the announcement of the “Next Steps in Strategic Partnership with India” (NSSP) and highlighted more specific areas for cooperation: the civilian nuclear, space, and high tech industries.<sup>1</sup> President Bush’s statement articulated the desire to figure out specific implementation details and lay them out. The historical precedent of continued reaffirmation of a strategic partnership with no tangible results, the U.S. policy against working with nuclear powers outside of the Non-Proliferation Treaty (NPT), and the long, conflicted relationship between the two countries since India’s independence from the British certainly lowered expectations for substantive details.

Yet the joint announcement, which was the genesis for the 123 Agreement between the U.S. and India, proved to be significant, not just because it provided an outline for tangible future action by both countries rather than mere words of support, but because those actions signaled a serious policy shift in how the United States might deal with nuclear powers outside of the NPT. U.S. policy up to that point had focused on isolating nuclear weapons states outside of the NPT, including India, to push them into international nuclear regulations compliance and disarmament. The perfect illustration of this policy occurred in 1998 following India’s three highly controversial nuclear test explosions. U.S. President Clinton quickly condemned Indian nuclear weapons testing and imposed immediate sanctions on the country as a result. In fact, U.S. law mandated such sanctions, which included the termination of U.S. assistance to India beyond humanitarian aid, the prevention of defense technology exports, the end of U.S. credit guarantees, and necessitated U.S. opposition to World Bank lending to India.<sup>2</sup> Thus, the commitment from the United States in concluding the subsequent 123 Agreement meant that the President would need Congress to change long-standing U.S. laws that specifically prevented a relationship and overcome international opposition to a deviation from internationally accepted nuclear proliferation control mechanisms.

As laid out in the joint 2005 statement, under the 123 Agreement the U.S. would engage in full civil nuclear cooperation, including delivery of nuclear fuel supplies and civil nuclear technology transfer.<sup>3</sup> President Bush committed to changing domestic law to accommodate the agreement because it would be unlawful without doing so. The U.S. President also committed to pushing the adjustment of control regimes to enable broader international support for India’s civil nuclear energy program. The commitments or concessions for India to conclude the deal were limited. India’s key concession was

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<sup>1</sup> Bush, “Statement on the Next Steps in Strategic,” 61.

<sup>2</sup> “U.S. Imposes Sanctions on India,” May 13, 1998.

<sup>3</sup> “Joint Statement by President Bush and PM Singh,” 2005.

separating its nuclear energy and weapons facilities and bringing those energy facilities under International Atomic Energy Agency (IAEA) safeguards and additional protocols. Suspending India’s nuclear weapons programs indefinitely or temporarily was not a requirement, but India did make it clear that it would continue a “unilateral moratorium on nuclear testing.”<sup>4</sup>

## Puzzle

The reasons why India would be willing to conclude a civil nuclear cooperation deal are fairly straightforward. India’s increasingly large population was in dire need of energy, and the Indian government made nuclear energy a priority for meeting that need.<sup>5</sup> India had and continues to have the need to import nuclear material due to limited domestic uranium production capability. Getting the United States to serve as a supplier satisfied those needs but also provided India legitimization of its nuclear program in the face of years of international condemnation and scrutiny.<sup>6</sup> Furthermore, it received all of these benefits without conceding significant capability to further develop its nuclear weapons program.

The important question for analysts is: Why did the United States decided to take such an action? What caused the shift from the 1998 U.S. decision to impose sanctions on India to the 2005 decision to disregard those sanctions, change domestic U.S. law, and engage in full civil nuclear cooperation? In response to these questions several hypotheses emerge, with security being the dominant theory for why the U.S. would enter into the agreement. Having India as an ally increases U.S. security, especially in a region where U.S. influence is weak, compared to other parts in the world, and China continues to establish itself as a potential rival. An alternative theory, which still centers on security, argues that bringing India closer to the U.S. through this agreement created a new ally in the U.S.’ Global War on Terror (GWOT). This satisfied President Bush’s aim in the wake of 9/11 to bring as many states as possible into alignment in the fight against terrorism. A second alternative theory centers on the economic benefits that such an agreement would produce between the United States and India. Yet as one analyzes all three of these theories, there are subsequent expected results that did not materialize. This paper will consequently outline why the dominant and alternative theories are inadequate and culminate with evidence to support a separate theory for why the U.S. concluded the 123 Agreement with India.

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<sup>4</sup> Ibid.

<sup>5</sup> Ganguly and Mistry, “The Case for the U.S.-India Nuclear Agreement,” 11-19.

<sup>6</sup> Boese, “U.S.-Indian Nuclear Deal Advances,” September, 2007.

## Dominant Theory: A Step in Long-Term U.S. Security Strategy

Within international relations theory, neorealism highlights the importance of state survival by maximizing security, and the U.S.-India 123 Agreement seems, at first glance, to be a case that perfectly illustrates this concept.<sup>7</sup> India, even in the early 2000s, was identified as a rising power by foreign policy experts, with an economy tracking to outpace China, the other significant rising power, over the coming decades.<sup>8</sup> However, the important difference between India and China was that the latter has long been viewed as a potential U.S. adversary. This perception was fostered due to China's focus on matching U.S. military capability and influence in the region.<sup>9</sup>

Thus, from a neorealist perspective, the 123 Agreement was a result of the United States, the global hegemon, pursuing a strategic partnership with a regional hegemon like India. Such a partnership would further solidify U.S. security interests in the region. While the agreement itself lacked specific details on how security support would manifest itself, it would bring India into alignment with the U.S. and provide the U.S. with a partner who was already competing with its potential adversary, China. Within this context, the U.S. could afford to take an action that undermined traditional international institutions for proliferation control and minimize any audience cost with other allies across the globe because of the diplomatic flexibility afforded a global hegemon.

Yet, such a theoretical explanation is inadequate for several key reasons. Historical precedent and trends provided no evidence that India would alter its policy to remain non-aligned and work with countries willing to provide the best deal. During the Cold War, Indian Prime Minister Jawaharlal Nehru eschewed choosing a side and instead stated that India would "avoid entanglement in power politics and not join any group of powers as against any other group. The two leading groups today are the Russian bloc and the Anglo-American bloc. We must be friendly to both and yet not join either."<sup>10</sup> This foundational element of Indian foreign policy continued after the Cold War concluded. Illustrative of this policy to remain non-aligned was India's willingness to entertain equivalent civil nuclear cooperation agreements with countries like France, Russia, and Australia while it was in the middle of finalizing the 123 Agreement with the United States.<sup>11</sup> India continued hedging its bets.

Historically, it was unlikely that India could and would be used as a geopolitical balance by the United States against its principal rivals in the region, Russia and China. Nevertheless, if the United States felt that history was not a good indicator for another state's future action, then one may look at the effects of the agreement to determine if India decreased its cooperation with those rivals. However, at the same time that India was announcing a strategic partnership with the United States, then Indian Prime Minister Atal Vajpayee was establishing a strategic partnership with Russia. The details of that partnership closely mirrored the sentiments outlined in the strategic partnership with the United States, specifically energy and technology transfer. Military hardware was a key

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<sup>7</sup> Waltz, *Theory of International Politics*, 126.

<sup>8</sup> Hoge, Jr., "A Global Power Shift in the Making?" 2-7.

<sup>9</sup> *Ibid.*, 5.

<sup>10</sup> Guha, *India After Gandhi*, 162.

<sup>11</sup> Boese, "U.S.-Indian Nuclear Deal Advances," September, 2007.

element of this relationship as well. Despite concluding a similar agreement with the United States, by 2010 nearly 70 percent of Indian military hardware imports were coming from Russia.<sup>12</sup>

India also developed similar agreements for strategic partnerships with China, the principle agreement being announced in a joint statement between China and India months before India's joint statement with the U.S. The agreement made with the Chinese in April 2005 centered largely on strengthening bilateral ties through economic means of trade.<sup>13</sup> This was similar to the joint statement that Prime Minister Singh delivered with President Bush. Yet, there were specific military inclusions in the Indo-Chinese strategic partnership joint statement that were wholly absent from the Indo-U.S., specifically outlining increased military exchanges between the countries to foster mutual defense understanding.<sup>14</sup> If the motive for the United States to announce and conclude the 123 Agreement with India was centered on ideations of strengthening security, specifically using an enhanced relationship with India to balance China's rising power, an Indian decision to build similar ties with China and include specific military-to-military exchanges certainly provides evidence to counter that theory.

## Alternative Explanations

An alternative theory, although still security focused, posits that the security concern was not about the long term balancing of China, but on the U.S.' more immediate need for allies in the war on terror.<sup>15</sup> However, this security theory suffers from similar inadequacies observed in the previous section, with two key additional points. Historically, the U.S. had long engaged in a tangible strategic partnership with Pakistan, a principle Indian rival, during the Cold War. This included the training and equipping of Islamic *mujahedeen* who, after defeating the Russians in Afghanistan, began leveraging their newly acquired skills in the border region between India and Pakistan.<sup>16</sup> Pakistan's strategic location adjacent to Afghanistan and the legacy of its cooperation during the Cold War meant that the United States relied heavily on Pakistan, both before and after the 123 Agreement.

Throughout the 2000s, the U.S. was providing around \$2 billion in aid a year to Pakistan, with the majority of those funds being allocated specifically for military purposes.<sup>17</sup> The U.S. was also heavily invested in training the Pakistani Frontier Corps, a paramilitary border force principally engaged in pursuing mutual U.S.-Pakistani enemies. In conjunction with these efforts, the U.S.-Pakistani strategic partnership also included the basing of covert assets within Pakistan, including armed predators, which would be used to target militants within Pakistan itself.<sup>18</sup>

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<sup>12</sup> Chenoy, "India and Russia," 139.

<sup>13</sup> Singh and Jiabao, "Joint Statement of the PRC and India," April 12, 2005.

<sup>14</sup> Ibid.

<sup>15</sup> Ganguly and Mistry, "The Case for the U.S.-India Nuclear Agreement," 11.

<sup>16</sup> Zaidi, "Who Benefits from U.S. Aid to Pakistan?," 4.

<sup>17</sup> Ibid., 5.

<sup>18</sup> Bruno and Bajoria, "U.S.-Pakistan Military Cooperation," December 3, 2008.

The Pakistani strategic partnership stands in stark contrast to the strategic U.S. partnership with India. According to a 2011 U.S. Defense Report to Congress, throughout the 2000s the Indo-U.S. strategic partnership focused on joint military exercises, humanitarian assistance, disaster relief, and personnel exchanges.<sup>19</sup> These were efforts that hardly contributed to U.S. counterterrorism efforts within the region. Within this report only a paragraph is dedicated to counterterrorism efforts and highlights seeking “greater information sharing” as the goal.<sup>20</sup> The minimal cooperation toward specific GWOT objectives, India’s commitment to Russian military aid after concluding the 123 Agreement, and the U.S.’ continued commitment to using a key Indian rival to achieve GWOT objectives demonstrate that security based theories for why the U.S. decided to conclude the agreement are inadequate.

The strongest evidence against a neorealist security theory are the very terms of the agreement as outlined in the joint statement and the official agreement documentation. The joint statement uses language of a joint resolve to “combat terrorism relentlessly” and acknowledge the work the two countries are already achieving in that regard.<sup>21</sup> However, the statement did not express a commitment to coordinate directly and work together. The other references to security were centered around non-proliferation and defense technology, two security areas largely unrelated to GWOT objectives. Furthermore, the actual agreement as it was ratified is wholly focused on civil nuclear cooperation and contains no formal language establishing an alliance between the two nations.

With India receiving the numerous guarantees from the United States for civil nuclear cooperation and defense technology transfer, one would expect to see some sort of formalized alliance if the U.S. motivation for concluding the 123 Agreement had been about enhancing its own security. However, such a formalized alliance has never materialized and to date the definition of what a U.S.-India strategic partnership encompasses remains undefined. As Ashley Tellis demonstrates in his 2015 article, specifically focused on strengthening U.S.-Indian ties, even today “India and the United States are still some distance away from realizing their objective of cementing a strong geopolitical affiliation that advances each other’s vital interests.”<sup>22</sup>

A second alternative explanation links the U.S. decision to conclude the 123 Agreement to a desire to pull India further into the global economy and significantly increase U.S.-Indian economic connections.<sup>23</sup> Establishing these economic ties would, in the long run, allow the United States to reduce its reliance on Chinese markets and allow the U.S. economy to benefit from linking into the rapidly growing Indian economy. The U.S.-India joint statement, after all, highlighted four specific areas where both countries wanted to bolster economic ties. Both states affirmed their commitment to increased economic cooperation within private sector energy, trade, investment, technology collaboration, and infrastructure and agricultural investment.<sup>24</sup>

To fully assess the validity of this theory one must look at U.S.-Indian trade prior to and after the agreement and determine if there was a significant increase in the trade

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<sup>19</sup> U.S. Department of Defense, *Report to Congress on U.S.-India Security Cooperation*, 1-9.

<sup>20</sup> *Ibid.*, 8.

<sup>21</sup> “Joint Statement by President Bush and PM Singh,” July, 2005.

<sup>22</sup> Tellis, “Unity in Difference: Overcoming the U.S.-India Divide,” 2015.

<sup>23</sup> Ganguly and Mistry, “The Case for the U.S.-India Nuclear Agreement,” 11.

<sup>24</sup> “Joint Statement by President Bush and PM Singh,” July, 2005.

relationship between the two countries. In the period from 2000-2005, or the 5-year period prior to the 123 Agreement, U.S. exports to India increased by 115.92 percent and U.S. imports from India increased by 75.96 percent. The period from 2006-2010, or the 5-year period after the U.S. had announced and concluded the 123 Agreement with India, U.S. exports to India only increased by 99 percent and U.S. imports from India only increased 35.29 percent.<sup>25</sup> Thus, the trend in growth for U.S.-Indian economic ties was actually stronger prior to the conclusion of the 123 Agreement. It is true that trade continued to increase between the two countries but when the data is put into context, the growth was actually slower following the 123 Agreement, rather than faster.

Next one must look at the trade relationship between the U.S. and China to determine if there is any correlation between increased economic trade with India and a decrease in reliance on Chinese markets. While the preceding paragraph shows that the rate of economic trade growth with India slowed after the conclusion of the 123 Agreement, U.S. Census Bureau data shows that U.S. trade with China actually increased. In 2005, China was the U.S.' number three trading partner and rose to and remained steady as the U.S.' number two trading partner from 2006-2010. Thus, trade with China actually became more important, counter to the economic ties theory. Furthermore, India did not break into the top 15 trade partners with the U.S. until 2009, when it was ranked 14th among U.S. trade partners.<sup>26</sup>

Therefore, the economic ties theory also proves to be inadequate in explaining the U.S. decision to conclude the 123 Agreement with India. Economic ties with India increased at a slower rate following the conclusion of the agreement. In addition, U.S. reliance on China as a trade partner actually increased and reached its highest point in the years immediately following the finalization of the 123 Agreement. These results are completely counter to what one would expect if the goal of the 123 Agreement was to increase U.S.-Indian economic ties and subsequently decrease reliance on trade with China.

## Theory Building

Ultimately, the U.S. decision to conclude the 123 Agreement with India is puzzling because the dominant and alternative theories do not adequately explain the outcome. A strictly neorealist approach to analyzing the decision proves inadequate and provides an incomplete explanation for the U.S. decision. Furthermore, neorealism's focus on maximizing security is not able to explain what India did in the intervening period between 1998 and 2005, ultimately enabling the U.S. to reverse its long-standing policy for managing relationships with non-NPT member nuclear powers. In order to fully understand the "why" of the decision, a tool from constructivism must be leveraged,

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<sup>25</sup> The data for these statistics was pulled from the U.S. Census Bureau and was calculated by comparing the overall growth from the beginning to the end of the period analyzed. 2005-2006 was used as the point where one should begin seeing an increase in U.S. economic ties with India. U.S. Census Bureau, "Trade in Goods with India," 2016.

<sup>26</sup> It is also worth noting that even today, China has become the number one U.S. trading partner, while India is currently the 9<sup>th</sup> placed trading partner. U.S. Census Bureau, "Top Trading Partners - December 2016," 2016.

specifically the importance of perception. This element, as we will see, played the significant role in motivating the U.S. to conclude the agreement.

In Robert Jervis's *Perceptions and Misperceptions*, the idea of perceptions and their importance in shaping a state's foreign policy is explored.<sup>27</sup> He illustrates that perception is a key element of understanding foreign policy actions because individuals make decisions on the state's behalf, and if perception was irrelevant then all states would arrive at similar conclusions when faced with a foreign policy decision.<sup>28</sup> Yet, decision makers in different countries often look at the same information, arrive at different conclusions, and therefore take different actions. This can also be true when there is a change in governmental leadership.

However, the most relevant observation Jervis presents, which is directly relatable to the U.S. decision to conclude the 123 Agreement with India, are his comments on why a state might make a radical change in foreign policy. He notes that, "Unless the other side [state] goes to unusual lengths to demonstrate its peacefulness, the state, in good incremental fashion, is apt to tinker with its policy only within accepted assumptions."<sup>29</sup> Peacefulness, in the case of nuclear weapons proliferation and security, is demonstrated through responsible adherence to global norms and control regimes. The fact that India conducted three nuclear explosion tests in 1998 as a non-NPT nuclear state caused the U.S. to perceive India as being outside accepted nuclear non-proliferation norms and forced the United States' condemnation and the levying of sanctions.

In order for Jervis's theory of perception to be applicable to this case there must have been some observable action taken by India to indicate its peacefulness to the United States. In fact, India did indeed take such an action in the intervening period between the condemnation of its 1998 nuclear tests and the U.S. decision to radically, rather than incrementally, change its policy on civil nuclear cooperation. In August of 1999, India issued a clear draft of its nuclear doctrine publicly. Within this document India made five items clear to the rest of the world. One, India clearly outlined its intention to maintain a minimum arsenal as a tool for deterrence. Two, it clearly detailed a "retaliation only" policy, or put another way, a no first use policy. Three, it affirmed its right to conduct continued research and development but reiterated its policy to work toward the elimination of nuclear weapons, including its own, as the rest of the world did so. Four, it clearly articulated its policy against nuclear blackmail and the use of nuclear weapons against non-nuclear states. Finally, India expressed a willingness to implement "nuclear risk reduction and confidence building measures."<sup>30</sup> India would never be able to accede to the NPT as a nuclear weapons power because nuclear power status is reserved for states whose programs "manufactured and exploded a nuclear weapon prior to 1967," and India's first test occurred seven years after this cutoff.<sup>31</sup> Furthermore, India intended to keep its nuclear arsenal. However, its doctrine demonstrated that it intended to abide by the spirit of the treaty just as a nuclear power state acceded to the NPT would.

Just over seven months later, then-U.S. President Bill Clinton travelled to India and spoke to the Indian Parliament. He also issued a joint statement with the Indian Prime

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<sup>27</sup> Jervis, *Perception and Misperception in International Politics*.

<sup>28</sup> *Ibid.*, 78.

<sup>29</sup> *Ibid.*

<sup>30</sup> "India's Draft Nuclear Doctrine," July, 1999.

<sup>31</sup> "Treaty on the Non-Proliferation of Nuclear Weapons," March 5, 1970.

Minister outlining the vision of U.S. relations in the 21<sup>st</sup> century. In this vision, the shared nuclear positions were specifically highlighted:

We reaffirm our respective voluntary commitments to forgo further nuclear explosive tests. We will work together and with others for an early commencement of negotiations on a treaty to end the production of fissile materials for nuclear weapons. We have both shown strong commitments to export controls, and will continue to strengthen them. We will work together to prevent the spread of dangerous technologies. We are committed to build confidence and reduce the chances of miscalculation. We will pursue our security needs in a restrained and responsible manner, and will not engage in nuclear and missile arms races. We will seek to narrow our differences and increase mutual understanding on non-proliferation and security issues.<sup>32</sup>

This joint statement made it clear that the U.S. perception of India as an irresponsible nuclear power had changed. By 2001, the next U.S. Presidential administration under George W. Bush was calling for the lifting of sanctions and was laying the foundations for the dialogue that would lead to the 123 Agreement.

What happened between the U.S. condemnation of the Indian nuclear tests in 1998 and President Clinton's trip to India in 2000, where both nation's leaders were affirming their joint nuclear perspective? India had made clear its peaceful intentions via its 1999 Draft Nuclear Doctrine. This action was the explicit indicator necessary to change the U.S. perception of India as an irresponsible nuclear power. This key change in the U.S.' perception of India enabled the U.S. to laud and emphasize the other elements that made an expanded relationship worthwhile. India was, and still is, the world's largest democracy. Furthermore, India represented a strong democratic state amongst many poor, failing states in the South Asian region. The affinity for other democracies in the Bush administration was a key component of its foreign policy. The promotion of democracy was even codified within the 2002 U.S. National Security Strategy where the U.S. stated it would look for democracies like itself and "make freedom and the development of democratic institutions key themes in our bilateral relations, seeking solidarity and cooperation from other democracies."<sup>33</sup> This foundational element to India's identity became a key piece in the domestic U.S. legitimation of the nuclear agreement. The conjoining of the ideas of Indian democracy and its role as a responsible nuclear power are perfectly captured by Condoleezza Rice during her testimony in support of the 123 Agreement to the U.S. Senate Foreign Relations Committee. She contrasts India's stable and responsible nature with the notably unstable states of Iran and North Korea:

Comparing India to the North Korean or the Iranian regime is not credible. India is a democracy, transparent and accountable to its people, which works within the international system to promote peace and stability and has a responsible nuclear nonproliferation record. The regime in Iran is a state sponsor of terrorism, with a long record of cheating on its nuclear obligations to the international community, and it is violating its own nuclear obligations at present. North Korea is the least transparent government in the world, which threatens its neighbors and

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<sup>32</sup> "Joint Statement on U.S.-India Relations," March, 2000.

<sup>33</sup> "The National Security Strategy of the United States," 4.

proliferates dangerous weapons. While Iran and North Korea are violating their IAEA obligations, India is making new ones and seeking peaceful international cooperation. So we do indeed treat India differently from the way we, and the international community, treat Iran and North Korea.<sup>34</sup>

The message between the lines is clear: India is a stable and responsible nuclear power that can be trusted. This trust enabled the United States to accept India as a nuclear power state outside of the Non-Proliferation Treaty. Furthermore, the U.S. viewed India's willingness to bring its civilian nuclear facilities under IAEA protocols and inspection criteria within the 123 Agreement as further evidence of its willingness to join the broader international non-proliferation control regime.

## Conclusion

Ultimately, the dominant and alternative theories for why the United States concluded the 123 Agreement are inadequate for explaining its adoption. Security and economy were definitely elements within the U.S. thought process, but historical precedent and the observable effects resulting from the conclusion of the agreement mean that they could not be the principal drivers for the decision. If they were, then the U.S. should have concluded an agreement years before. Instead, this paper demonstrates that the key to why the United States decided to conclude the agreement was a change in perception of India as a responsible nuclear power. India's history as a stable democracy made it a natural partner, but its perceived irresponsibility as a nuclear state, and an unwillingness to conform to the broader international non-proliferation control mechanisms, like IAEA inspections and standards, were the key issues preventing cooperation in civil nuclear energy. India's nuclear tests in 1998 created a negative perception of its commitment to being a stable and responsible nuclear power. Once India laid out its nuclear doctrine in 1999 and demonstrated its willingness to accept the more-broad nonproliferation verification mechanisms, the U.S. decided to conclude the 123 Agreement.

Ultimately, it is easy to quickly look to the parsimony of neorealism in trying to determine the "why" of any state's action. Neorealism's ability to explain many international relations phenomena is a reason that it continues to drive dominant theories for international relations policy. Yet, in analyzing the U.S. decision to conclude the 123 Agreement with India, there are significant elements of calculus that are lost in relying on such parsimony. It is true that the U.S. thought that the action would help increase its security and that there would be greater economic benefit; however, this would have been true years earlier and yet no agreement was concluded. The nuance to the "why" in the decision for the U.S. conclusion of an agreement was a shift in perception of India as a responsible nuclear power.

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<sup>34</sup> Rice, "Prepared Statement of Secretary of State Condoleezza Rice," 2005.

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William Ryan

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