



Press Conference With India's Foreign Secretary Shiv Shanker Menon

R. Nicholas Burns, Under Secretary for Political Affairs
Shiv Shanker Menon, Foreign Secretary
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NAVTEJ SARNA: Good evening to you, ladies and gentlemen, and welcome to this joint press interaction by the Foreign Secretary, Mr. Shrivshakkar Menon, and Under Secretary for Political Affairs of the United States, Mr. Nicholas Burns. I will first request the Foreign Secretary to say a few words followed by Mr. Burns and then we will take a few questions.

FOREIGN SECRETARY MENON: Good evening, ladies and gentlemen. I am very happy to be with Under Secretary of State Nick Burns. We have had a very productive day today, a series of talks right through the day where we reviewed the development of our bilateral relations between India and the United States. We also discussed regional issues, and in the afternoon we held discussions with the Prime Minister's Special Envoy Shyam Saran on the civil-nuclear agreement that we have between India and the U.S. The atmosphere throughout was very positive, very constructive, very forward-looking.



During bilateral review, we naturally reviewed the status of the implementation of the 18th of July and the 2nd March Joint Statements. The last year or so has seen an unprecedented engagement both in terms of depth, in terms of levels, in terms of the wide range of subjects that we have covered between the U.S. and India and, so our job was really quite easy.

We noted progress in all the areas: in trade and in the economy, energy and agriculture, IPR issues, space, high tech, defense, global issues; it really was quite a wide ranging discussion. And we are working now on initiatives in each and every one of these fields. We also discussed expanding the horizon of cooperation and look forward to the next year, and we hope to continue these discussions today and tomorrow while Under Secretary Burns is with us here in India.

We also covered regional and international issues where we discussed questions relating to South Asia, to West Asia, and also decided to step up our cooperation in counter-terrorism, an area where we have clear common interests.

In the afternoon when Mr. Shyam Saran was there, we discussed the implementation of the nuclear understandings that we have arrived at between India and the U.S. Of course, we are awaiting the outcome of the Congressional deliberations. We do not have the text yet of the bill, but Mr. Burns was good enough to give us a sense of what is happening in Washington.

Overall, at the end of the day, I would say that India-U.S. relations are in a process of transformation. The nuclear cooperation is just one part of this overall transformation in the relationship, which we are very satisfied at and we are looking forward to continuing this. And our conversations today with Under Secretary Burns, I think, give us confidence that this will continue. I will now invite him to say a few words to you and then we will both take questions.

UNDER SECRETARY BURNS: Foreign Secretary, thank you very much. It is a pleasure to be back in Delhi and in India. And it is a pleasure to be with you and to accept your invitation to participate in this strategic dialog. The Foreign Secretary and I are new partners and we have had an excellent day; a day of very friendly, very productive discussions on our bilateral relationship. We have begun to talk about the wider region and some global issues which we will continue to discuss this evening and again tomorrow. But I would characterize this period as a time of great accomplishment in U.S.-India relations, a time of some success and, I think, some optimism about the future of this relationship.

It has been a year and a half since Prime Minister Singh came to Washington for that historic meeting on July 18, 2005 with President Bush, and the two leaders established an ambitious framework for this relationship. And the Foreign Secretary and I are trying to help our two governments fulfill that vision, and I think, in large part, we are doing it.

You know that we have just had the largest ever U.S. trade delegation to India just in the last week. We have had our Agriculture Secretary here, Secretary Johanns, to talk about an initiative very important to both our countries, but particularly to the Indian Prime Minister, to see if the United States and India could combine again on a second Green Revolution as we did 40 to 50 years ago on the first. We have also recently had a delegation led by our Under Secretary of Defense to see if we can chart better and greater military cooperation between our two governments.

All of this speaks to a relationship that is, as the Foreign Secretary says, under significant and positive transformation from the American point of view, and we are very pleased about this cooperation.

We also tried to look ahead today to 2007, and 2007 is going to be a very active year in the U.S.-India relationship. We will want to see us conclude, of course, all the implementing steps in the civil-nuclear accord. We will want to fulfill the mandate of Prime Minister Singh and President Bush from March 2, 2006. This extraordinary number of joint ventures, from agriculture to education, to space cooperation and space launch, to trade to the CEO Forum; all of the different measures that are transforming this relationship into, for the United States, one of our most important global strategic partnerships.

As the Foreign Secretary said, we need to look at areas where we can do more together. Certainly counterterrorism is an area India and the United States face very similar threats where, unfortunately and tragically, Indian citizens have been killed in terrorist attacks. And the same is true for my country. We want to be a good friend and supporter of India in this realm, and we want to chart a new era of cooperation on counterterrorism. We also, of course, are partners for peace and for stability, and I look forward to talking with the Foreign Secretary this evening and tomorrow about what we can do together to bring peace, and help to bring peace, to Sri Lanka, and stability to Bangladesh, and peace in Nepal. And certainly the United States will always encourage and always support steps by India and Pakistan to bring that relationship to one of closer cooperation. So, it has been a very good day.

I would like to say a word about the civil-nuclear accord. This has occupied a lot of our time over the last year and a half. It was a pleasure to talk with the Foreign Secretary and a pleasure to see Shyam Saran again and to speak to him. As the Foreign Secretary said, our Congress has been meeting over the last two weeks to put the two bills that have been passed by historically large margins - in the House by over 350 votes, in the Senate 85 to 12 - to put them together in one final bill, in what we call a Conference Bill, that we hope and expect will be voted upon in the next 36 hours or so. That bill will then be sent to President Bush, and I am sure that he will be very pleased to sign that bill into law.

Since we have not seen the text of the bill, the Congress has not yet sent it to our Administration, I couldn't comment on the details because we haven't seen them. But I would say this. Based on my own interaction with members of Congress and their staffs over the last two weeks, I anticipate a very successful and supportive bill. I think

the bill that will emerge will support the agreements of July 18, 2005 and March 2, 2006. It will be, in my judgment, well within the parameters of the agreement that was made between our two leaders in March in 2006 and again in July in 2005. And it will be a bill that will allow us to look towards 2007 and to complete all the necessary steps, the bi-lateral civil-nuclear accord, the 123 Agreement, of course, the provisions that India must undertake with the IAEA, etc, so that we can put into place, we hope, as quickly as possible in the coming year a full agreement and actually have the United States and our companies here assisting India to develop its civil-nuclear sphere.

This will be a tremendous achievement for both countries. I would say historic. And, from an American point of view, particularly significant because it has very strong bi-partisan agreement, by the President's party, the Republican Party, and by the Democratic Party and its leaders in the Congress. So, while we haven't seen the final bill, I am very optimistic. It is going to put us in a very good place and we look forward to seeing it and discussing it with the Indian Government and having our Congress move ahead.

QUESTION: Can you tell us something about the Iran provisions in the bill? [inaudible]

UNDER SECRETARY BURNS: Thank you. Since I have not and no one else in the administration has seen the final bill, I simply cannot comment. I think that it would be a great mistake to try to imagine what the Congress is going to say on this issue because it is up to the Congress to say that. But I will say this. We greatly respect the fact that India and the United States and all other countries around the world have to react to the challenges posed by Iran in the case of the nuclear program. I would say that India and the United States have been in the mainstream of international opinion. When the IAEA Board of Governors met on February 4th of this year and voted to repudiate the Iranian nuclear program, Brazil, Egypt, Sri Lanka, Ecuador, Japan, Australia, all the European countries, Russia and China, all of us sent the same message. And so I think India and the United States have been part of this global effort to say to the Iranians, "we want to work with you."

We in the United States believe that Iran has the right to civil nuclear power. In fact, President Bush said as early as a year ago that he would support President Putin's initiative to supply civil nuclear power to Iran. But Iran turned that down. I think all of us are just saying that we don't want to see a nuclear weapons power to emerge in Iran. And so India, from my perspective, is in the mainstream of that global opinion that unites Russia, China, Egypt, India, United States, lots of different countries. I think India had a very responsible policy towards Iran. So I don't expect any major surprises from the legislation that is going to emerge.

FOREIGN SECRETARY MENON: As to your question about the relationship and how to characterize it and how does it compare with others. I think when I said the nature of our relationship now is really unprecedented given the sort of engagement we have, I think what I was trying to say is that, please don't compare this with either what we have done before. Because we have never done this before, India and the U.S., or with other relationships. For one very simple reason -- the world has changed, we have changed, none of us is what we were 20 years ago, 30 years ago. We are now capable of doing things which we were not capable of doing then. And that's true of us all in the world.

So, please, that is why I used the word unprecedented. My hope is that we can carry on this process of transforming the relationship, and I am very optimistic for the future of the relationship. That as our capabilities grow, our common interests grow, and we learn to work with each other as we have shown over the last year and a half on civil nuclear energy. As we go through this process I think the prospects keep opening up.

QUESTION: Will the commitment by President Bush regarding uninterrupted fuel supplies to India be met? Will the commitments in the July 2005 and March 2006 agreements be met? [inaudible]

UNDER SECRETARY BURNS: Thank you. Your question gives me the opportunity to thank the Congress of the United States. I think the Congress has acted in a very supportive way of the administration. We thank members of the Democratic and Republican Parties for their efforts, and we anticipate a very supportive bill. The United States intends to meet all the commitments that we made to the Indian Government on July 18, 2005 and on March 2, 2006, and that includes the commitments that we made on fuel assurances. That was an important part of the agreement, particularly the March 2nd agreement. And we believe that this bill will be within the parameters, as I said, of the two agreements. And, therefore, we will welcome the bill, I am sure, the United States Government, and we will also go ahead and implement all the obligations that we incurred as we agreed to these bills.

And then we need to get on to an easier stage. The most difficult part of this process, in my view as the person who negotiated this on behalf the United States, has been the last 18 months. We had some very tough issues to deal with. We were in uncharted waters because, of course, there had never been a deal quite like this. But we felt strategically it was right to recognize everything that India had done to be a responsible steward of its nuclear technology. And it was right to welcome India in to the mainstream of the non-proliferation community. And it is right to break down the barriers of the last three decades that have kept India on the outside. And what I think the Congress of the United States will be doing, and this is a very decisive moment, is to pass legislation that will essentially agree to welcome India into the non-proliferation community, to allow the barriers to come down, to see a type of cooperation that we have not been able to have since the 1970s.

And so it is going to be a historic time, and as we look towards 2007, I think the completion of a 123 Agreement is really a codification of the major and difficult decisions we have already made. And, of course, there is a long process towards the finish line, but it is not going to be, in my judgment, as difficult as the last 18 months. And so it is a time, I think, for us to be thankful for the work that we have done and to congratulate ourselves that we have come a long, long way. And we think this is in the best interest of the United States and we also hope it is in the best interests of India, and that you see it that way as well.

QUESTION: For Mr. Menon, how will India de-link any provisions on Iran in the bill from its foreign policy so that the bill does not restrict Indian foreign policy actions? For Mr. Burns, if India had not voted against Iran in the IAEA on the last two occasions, would the U.S. consider India an irresponsible state?

FOREIGN SECRETARY MENON: You obviously know more than I do about this bill. I haven't seen it. So I would rather not comment on something that is hypothetical. But our basic approach is quite clear. What is being done here, and what we have both agreed to do here, and the basis on which we have spoken to the NSG, for instance, is that we are doing a stand-alone arrangement recognizing India's unique position - the responsible role that we have played in nuclear affairs and our need for civil nuclear energy cooperation with the rest of the world.

But it is a special arrangement that we have worked out and it is on that basis that we are moving forward. How it is linked to one provision or the other of the bill, how those provisions work themselves out - all that for us is hypothetical until we see the bill. And so I'm not going to comment on that.

UNDER SECRETARY BURNS: I am going to avoid a hypothetical question. But I will say this. Everyone understands that India is a great country and a sovereign country and nobody in our system, whether it is in the Executive part of our government, the Legislative, would ever want to infringe upon India's right to make its own sovereign decisions. That is a fundamental tenet of international politics, and particularly of this relationship of trust and respect that we have developed over the last several years. In every respect you are going to see an American Administration, and an American Congress I believe, very respectful of India's sovereignty and India's independence.

I would also say this. It just bears repeating a point I made earlier. It is important that Iran is being sent one message on its nuclear weapons program from China and Russia and the other countries of the permanent five members of the Security Council, including my own and countries like India. I think that degree of unanimity on that particular question is important to Iran. We seek a peaceful, diplomatic solution to the problem of Iran's nuclear weapons. I wouldn't read too much into what the Administration is saying and what others may say because I think we should accentuate the positive in that all of us have stood together with a message of peace and a message of diplomacy. That is a positive message which we hope the Iranians will react to.

QUESTION: If the deal does not go through, what impact will this have on U.S.-India relations? Won't it have a very damaging effect on the relationship?

UNDER SECRETARY BURNS: I think the U.S.-India relationship is very strong and I have great confidence we're going to carry that forward in the future. It is interesting if you go back and look at some of the reaction in the United States as well as in India to both the July 18th announcement, but particularly the March 2nd

agreement. No sooner had we left Hyderabad House than there was a chorus of voices in the United States in our non-proliferation community condemning the American Administration for what we had done. There were a lot of the people, including in the Indian press, predicting in March of this year that we would not have the kind of success we have had in the American Congress.

I think we broke new ground. We took a 30-year policy of keeping India on the outside - of preventing India from participating in normal international commerce and trade in nuclear technology -- and we changed it, our two governments, particularly our two leaders.

Sometimes change is difficult for people to accept, but you see in the United States, the Democrats, the Republicans, the leadership of both houses of Congress, come together to support this. I have been pleased to see a large measure of support in India as well for this. Now, of course any initiative like this that is so historic, that changes policy in such a revolutionary way, is going to encounter some criticism. We expect that in democratic societies. But we are confident in the United States that we have done the right thing here. It's going to ensure that this relationship between India and the United States prospers in the future.

QUESTION: What kind of reactions are you getting from the NSG countries on the deal?

UNDER SECRETARY BURNS: You are right to suggest that at the end of this process the Nuclear Suppliers Group is going to have to agree by consensus, meaning everyone, to make the same type of changes in NSG practice that the United States Congress is just about to make today or tomorrow in United States law. We have spent the better part of the last year talking to our partners, including the Chinese Government and others, about this arrangement. And we are, of course, enthusiastic supporters of the Nuclear Suppliers Group taking a positive initiative to support India.

I think the great majority of countries in the NSG have already come out to support India. There are some who have not and there are some who have asked questions and who have been mildly critical. But I am confident that at the end of the day when this is presented to the Nuclear Suppliers Group it will pass by consensus. We will see the international community, in essence if you will, follow the lead of the United States that our President has taken in suggesting that it is time that India be given its rights. It is time that India be allowed to participate with all of our companies to develop its civil nuclear power sector. This is the right thing for the world as well as for our two countries.

QUESTION: Will the concerns on nuclear apartheid [inaudible] be addressed? For Mr. Menon, what about the BJP comments today that the PM's behavior on this deal has been demeaning?

UNDER SECRETARY BURNS: Well, let me just say that I am kind of surprised that anybody would use the term "nuclear apartheid." India, it is true, has been kept out of the system for 35 years. India has not been given its rights. What President Bush and Prime Minister Singh have done is essentially work for the liberation of India, and to allow India's scientific and technological community to be able to work on an equal basis with their brethren in the United States and in Europe and in Russia and China. So we look at this as the "Liberation Act" of 2006 and 2007 for India's civil nuclear power efforts.

The argument we have made around the world is: how do you keep the country that will soon be the largest country in the world by population, India, out when that country has been responsible? When it has not traded its nuclear technology on the world markets, black markets? When there are environmental and energy benefits to this that will accrue to the Indian people as well as to the whole world?

We saw this as an issue of great strategic importance, of strategic liberation. As I said before, sometimes people when they react to change do so in a conventional way. This is undoubtedly the right step to take for the whole world, and I think you are going to see a very large majority in support in our own country but also around the world.

FOREIGN SECRETARY MENON: I am not sure what statement you are talking about, but if your characterization of it is accurate, about the Prime Minister's behavior being described as somehow "demeaning," it seems to me that it shows a complete misunderstanding of a democratic way of working. Here is an issue between India and the U.S. which we have been working on now for eighteen months, which is in our common interest. If somebody talks to you about it, tell him what you think. I think that is perfectly normal to have conversations between us. That is what we did all day. We talked about the issues, and we want to move forward, and that is the normal democratic way of working.

So I can't see how these things are demeaning. I don't see protocol or anything coming into it if we discuss these things among ourselves. This is what two friendly countries do, and leaders in these countries will do this. This is normal. Quite frankly I haven't seen exactly what you're talking about.

QUESTION: What is the U.S. view on what India can do with spent fuel? Will it be able to reprocess it? For Mr. Menon, what is the Indian position on safeguards? Will Americans be able to walk around freely in our reactors?

UNDER SECRETARY BURNS: The Foreign Secretary and I are in a particular position - neither of us has seen the text of the bill, the common bill, the conference bill that's emerging. So to answer detailed questions about spent fuel or end use is really impossible. It wouldn't be very wise for me to try to guess as to what will be in this. You are asking me to comment on the Administration's view on a piece of legislation that I have not seen. I will be here in India tomorrow. If you see me on the street you can ask me that question, and if I have seen the bill I will give you the answer.

Let me just say this, what this bill is going to do, it is going to operationalise the intent of President Bush and Prime Minister Singh. And that is to open up a flow of capital and of technology to help India to develop its civil nuclear sphere so that a greater part of your energy production can come from that. It is clean energy. It is cheaper energy and it is energy that is going to benefit particularly your agricultural population. That is what it is going to do. The rest is detail. So that is why we are in favor of what we have been doing for the past eighteen months.

FOREIGN SECRETARY MENON: I think your question to me was what is India's position on fallback safeguards? Our position is that, which was expressed by the Prime Minister in the Parliament on the 17th of August 2006. The rest is hypothetical. Thank you.

NAVTEJ SARNA: Thank you very much.

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