



## U.S.-India Relations in the Global Context

**R. Nicholas Burns, Under Secretary for Political Affairs and Indian Foreign Secretary Shiv Shankar Menon**

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**MS. MATTHEWS:** It's a great pleasure to welcome all of you here. It's my very special pleasure and privilege to welcome our two distinguished guests, Foreign Secretary Shankar Menon on the occasion of his first official visit to the United States, and an old friend Under Secretary of State Nicholas Burns who's been a great friend of the Endowment for a long time and whom we've had the pleasure of welcoming here before. It's great to have you back here. Mr. Secretary, I hope your visit is proving very successful and I hope this will not be the last time we can welcome you here at the Endowment.

This afternoon's meeting is an unusual format and one we think will be particularly interesting and revealing for all of you and fun for the participants. As many of you know, the Endowment is in the process of undertaking a fundamental redefinition of its own mission. From our beginnings as America's oldest international foreign policy think tank, we have embarked on a journey that will one day make us, we hope, the world's first truly global think tank. We've begun it by opening new offices in Beijing and Beirut and next month in Brussels, in addition to our headquarters here in Washington and our office of longstanding of 14 years in Moscow. One day we hope to extend the Carnegie presence to New Delhi as well.

Our journey of transformation, however, is not about -- just about opening new offices, but rather it's fundamentally about the way research is done and the way foreign policy is both analyzed and made. It is rooted in the conviction that an increasingly globalized world a single national outlook is necessarily too restrictive. We think that effective public policy research and effective public policy must be a genuine two-way street with analysis and deep local knowledge and insight, which is made possible by a sustained presence on the ground, as its basis. And so today's format is very much a metaphor of what we are doing and trying to become.

So you can understand why I particularly look forward to this conversation about the United States, India and the world. I'm glad that the Endowment has the honor of hosting this unique event. What we're going to do is listen to the two secretaries each speak for five to ten minutes and then actually tell us -- the senior associate of the Endowment, distinguished senior associate, will moderate a discussion among the two secretaries and then we will throw it open to all of you. At the end we will finish a little before our scheduled closing time to allow time for a press conference and to which -- well, of you who wish to stay are certainly invited, although, it will be speaking roles for members of the press.

So with that let me turn the microphone over to Secretary Menon and welcome you once again to the Endowment and thank you for being here with us.

**FOREIGN SECRETARY MENON:** Thank you. Thank you very much. I'm impressed to see so many of you here, some old friends. I guess this is an unusual format. It's the first time I've done this in my life. But I think the ease of this probably reflects the ease of our engagement, the way we have now started to work with each other. We've learned to work with each other. I'm honored to be here to be among you. I've just been here two days and it's been a really hectic two days. I think because of the transformed nature of our relationship we've had some very good discussions all of yesterday and we found the time just wasn't enough. We, today, have a full spectrum engagement between India and the U.S. and this transformed relationship, I think, is evident in all the subjects that we discussed. I mean, I could go through a long list but most of you here I think know the subjects better than we do.

I found it really quite impressive to see not only the quality of what we were doing but how what we were doing was relevant for India, for the U.S. For India, I think because the question really should be: Why weren't we doing this before and how come we've come to this full spectrum engagement today?

The straightforward answer is that we have leaders with a vision of what we should be doing together of our place in the world, what we want to be and a vision of how important India-U.S. relations are. But it also is more -- I think it reflects the fact that India has changed, the world has changed. India's changed very rapidly in the last few years. And we today, together, have capabilities that we didn't have before. So we have worked -- Prime Minister Manmohan Singh likes to call a partnership of principle and pragmatism and it's a coincidence of principles. I mean, you know here are two greatest democracies in the world working together. We both have open markets. We want to open ours further. There's a lot more that we need to do. We are trying to build a knowledge economy in India; you are a knowledge economy. And there's so much complementary, there's so much that we can do that, in a sense, the U.S. is today very, very important, central almost, to India's own development aspirations. And that's a very important of what we were doing.

We were discussing an agricultural knowledge initiative, for instance. We have an energy dialogue. We're talking about various sectors, civil nuclear energy also, energy security. These are all issues where we're talking about things that are of direct relevance to the way we see ourselves developing in the world.

But what's also changed is the world around us. That has changed so rapidly and so quickly that there -- wherever I look, whether it's in our immediate neighborhood -- Subcontinent Asia or on the bigger global issues -- I see convergence. And I think that came out very clearly yesterday when we were talking and in the other conversations that one has had. Here again, one could go through a long list. But I think what struck me was that we came at these problems, these issues. And the broader the issue, the longer term is was, actually almost more the convergence. So that actually gives me hope for the future. It seems to me that this is something that's going to grow and that will become stronger and stronger as we move along. As we see the world changing, us changing, I think we have opportunities today that we've never had before and I'm glad that we're determined to take them, that we're determined to do whatever we can.

I'll turn this over to you, I think because rather than going through my list of issues and then maybe we could talk about them one by one.

**UNDER SECRETARY BURNS:** Shankar, thank you very much and ladies and gentlemen, good afternoon. I first want to thank Jessica Matthews and Ashley Tellis and I want to thank Carnegie for the invitation for Foreign Secretary Menon and I to share the stage. And just to congratulate Jessica, you're -- what you've been able to accomplish here at Carnegie, this great vision of becoming a global think tank, badly needed in an interconnected world. And we're very proud that an American institution has this capacity to reach out well beyond our shores. And so we respect what you're trying to do and support you very much.

I also want to say that as I look at in the audience, two very good friends of mine and predecessors of mine Mark Grossman and Arnie Kanter I see. I hope Tom Pickering's not here. If he is, Ambassador Pickering, good afternoon. But it's good to see both of them. And I should say on this issue of India, I think Mark Grossman was a pioneer for the United States of America, as someone who really understood very early on the strategic importance of India to the United States. And after that terrible event -- the tsunami -- just the day after Christmas in 2004, it was Mark who led the American Government effort to work with India, and Japan and Australia and the immediate assistance. So I just wanted to pay that tribute to Mark and Arnie, very distinguished predecessors. And to say to Raminder Jassal, who is the very great Deputy Chief of Mission of the Indian Mission here how glad we are to work with him.

I would just add my voice to Shankar's in saying it's as interesting to see the two of us sitting up here together. I don't think you would have seen this at Carnegie in 1997 or 1987 or 1967 or '57. We had the ultimate unfulfilled relationship, the United States and India. If you go back and trace the development of relationship between our two countries, ever since the creation of -- well, the independence of India after partition in 1947, there was always the feeling in the United States that India should be a

natural partner and I believe that Indians felt that way about our country in the early years. And yet we never quite managed through success of American and Indian governments to achieve that. And I do think it was the vision of President Clinton in the mid-1990s to say that India should be this kind of global partner of the United States. And when President Bush came into office in 2001, just to give you an American perspective, I think he doubled the bet and he said it will be. And it was through Bob Blackwell and David Mulford, our two outstanding Ambassadors in Delhi, through Mark Grossman, Secretary Powell and Secretary Rice. I think President Bush made sure that all of us involved in the relationship, were going to try our very best to try to vault it forward and develop a more strategic comprehensive global basis to the partnership.

And Shankar and I met for several hours yesterday before lunch and during lunch and after, and it I think was really quite extraordinary -- the breadth of the dialogue between us. Prime Minister Singh and President Bush have essentially written for us a framework which is truly global, not just bilateral or regional, and which is about as broad as any relationship we have in the world today.

I think in July 18, 2005, when the Prime Minister was here for that very historic visit, he and President Bush agreed on essentially joint ventures between the two governments in 16 different areas: research on joint space cooperation, to a true engagement on energy, to a new CEO forum of a different type than we'd ever done before with any other government which has worked very well for both of our governments. Shankar met the Secretary of Agriculture today and talked about our hope that we could participate in a second Green Revolution in India as the Prime Minister and his government attempt to modernize the agricultural sector and as we think that our land grant universities in our Midwest can play a role in that, at the request of the Indian government.

Shankar met with the Secretary of Commerce today and we have a high tech, very much export driven relationship where I hope that we in government can essentially get out of the way and lower the barriers to trade and investment and allow our companies to do what they can do so well.

I was in Hyderabad in mid-December and saw this happening, saw the extraordinary number of American joint ventures in Hyderabad, the biggest Microsoft office outside of Redmond, Washington, in Hyderabad. And you can really see there, as you can see in Bangalore and many other Indian cities, the promise of this knowledge engagement between the United States and India and especially between our private sectors. So we are committed to this relationship.

I think right now the United States considers India, without any question, one of our most important global strategic partners. I would say just as an American citizen thinking ahead 20 or 30 years, I would hope that Americans would be able to say -- 10, 20, 30 years from now - India will be one of our two or three most important partners in the world, bar none. And I think it will be in an increasingly complicated, complex and multilateral driven world, where the challenges will largely be ones of connecting countries to deal with multilateral challenges. I think India and the United States are seeing not just our intersection of values as the two greatest democracies in the world but an intersection of interest which are driving our two governments to see each other as natural partners.

I would just say one word about this bilateral engagement. There's no question of its symbolic centerpiece of it has been our civil nuclear accord. And it's a year and a half past the time when the Prime Minister and President decided that we would break free from 30 years of conventional wisdom that had separated us, that had prohibited our industries from working together, that put us at cross purposes on the great nonproliferation debates of the last three decades. And they had the boldness and the courage politically to break away from the restrictions that had been imposed upon us and that we had actually imposed upon ourselves. And we've now made it possible through the bipartisan support of the Democratic and Republican leadership in the House and Senate of the United States, through those very dramatic and sizeable votes in the autumn, we're making it possible now for the United States to help India.

As India will gain universal international approval in the Nuclear Suppliers Group for free nuclear cooperation in fuel and in nuclear reactors for the future, this will bring enormous benefits to India and it will bring enormous benefits to the United States of America. It's in both of our interest to do this. So we're proud of what we've accomplished.

We've got a little way to go now in completing our bilateral accord and then in seeing India go forward with the IAEA and the Nuclear Suppliers Group and we've pledged to be India's supporter in this process and I think we've been a good friend to India. And I would just say two more things before we get to the conversation and engagement with this audience.

I think what is also remarkable about the development of this partnership over the last several years is the fact that on a regional basis in South Asia, India and the United States are now working together politically in a way we have not worked together before, going all the way back in 60 years' time. I think one of the great changes that I've seen in America's national security consciousness and the way we view the world, and I saw this -- I was away for eight years as a diplomat in Europe and came back to take up Mark's baton in 2005 -- is that the new-found strategic importance of South Asia. There's no question that South Asia is a place of vital strategic engagement for our country: success in Afghanistan, our truly vital partnership with Pakistan and our equally vital partnership with India. And that's new over the last ten years or so for both the Clinton and Bush Administrations and it has changed the way we see the opportunities -- positive and negative -- in the world. And the way that we work together with India, just in the past two years, in Bangladesh where I know India and the United States are sending the same message: democracy, success through elections, political stability, rejection of terrorism and violence in that very large and important country.

I know we're sending the same message, in fact, we're working together in Sri Lanka where we're trying to convince the government and the Tamil Tigers to engage in a true negotiation. Of course, we Americans don't deal with the Tamil Tigers because we think they're a terrorist group responsible for the deaths of innocent civilians. We work with the government and hope the government can see its way forward to make that bridge to negotiations.

And in Nepal where the United States and India are both helping internationally to manage this transition from one system to another, but with democracy at its center and with nonviolence at the center. And I think it's the quality of what we've been able to do as partners in those three issues that is really quite a step forward for our two countries.

And finally I'd say -- my final comment would be it's strong bilateral partnership, a strong regional partnership, but true strategic engagement comes globally. There are few countries that can manage a global agenda in the way that India and the United States can, given the size of our countries, given our vision and given the power of our societies -- our private sectors as well as our governments. And as America looks around the world, we need democratic partners in a very dangerous world and we see India as one of our most valued partners.

Prime Minister Singh and President Bush were the two -- first two world leaders to champion Kofi Annan's new project for democracy and the two of the first contributors to support a global effort to promote democracy in countries where it does not now exist. Our two countries are in the forefront on the fight against HIV/AIDS and we're putting our money and efforts behind that. Our two countries are saying that democratic capitalism can and must coexist with a fight for social justice and poverty alleviation, whether it's in our own countries, in our own parts of the world, but also specifically in Africa, in South Asia and in Latin America.

Our two countries, I think are the two countries that can lead a revitalization of the United Nations. And we Americans certainly understand that we can't live without the United Nations, that we need to have a positive outlook towards the United Nations, that we shouldn't seek to always speak about what's wrong with the United Nations but try to support it positively. And you've seen this Indian-American engagement in supporting Ban Ki-moon, in supporting UN reform. And I think particularly in trying to revitalize UN peacekeeping which is so important in Africa, where no other country or organization can do what the United Nations can do. And this multilateral engagement will extend itself in the future, I'm convinced, to tackle the most important issues before us.

If the future global agenda is going to focus on global climate change, on defeating trafficking of women and children, on defeating the narco-traffickers, international crime cartels, and defeating terrorist groups -- India and the United States are both victims of terrorism -- and keeping them away, those terrorist groups from chemical, biological and nuclear technology, which will be truly dangerous, if that's the coming global agenda, then we need a multilateral approach to be successful and our two countries are well positioned to be in the center of that effort. So I see an intersection of interests, as well as the foundation of an intersection of values. And we Americans in our government and I think beyond in the Congress, you can see it, you can feel it, feel that this partnership is one that is decidedly in our national interest and we suspect that's the same for the Indian Government and people as well.

**MODERATOR:** Let me take the liberty of asking both of you, each of you, one question that builds on the themes that you flag. Secretary Burns, you mentioned correctly that the Civil Nuclear Agreement has been the pinnacle of the symbolic pinnacle of everything you've achieved so far. And yet you also indicated that there is so much that is yet to come because this partnership has a foundation that is often not seen from the outside and not appreciated as much from the outside. Could you speak to two areas which are likely to become important in the next year: the prospects for counterterrorism cooperation between our two countries and the prospect for defense cooperation?

**UNDER SECRETARY BURNS:** I'd be happy to do it very briefly and I suspect we'll get some conversation from the audience on this. When Shankar and I sat down yesterday to take account of where we are and where we're going, I said it was the opinion of my government that having successfully fought the good fight in the United States to convince the Congress and the American people that we ought to break free from our conventions on civil nuclear cooperation to go forward.

We thought that the next horizon would be dominated by two issues. First, can the United States and India join together both in South Asia and beyond to be partners in the fight against terrorist groups wherever they are, whether they're global terrorist organizations or regionally based because both of us are victims and unfortunately potential victims of terrorism. And we certainly feel in Washington there's a lot more that our two countries can do to cooperate together on an intelligence and national basis to be successful together.

Secondly, it seemed to us the next frontier would also be in military relations. I know that former Defense Secretary Bill Cohen and former Under Secretary of State Tom Pickering were both in India at the Bangalore air show recently. We had the largest ever American industry presence at Bangalore. We have put our best foot forward to show that whether it's on a technology basis, whether it's on a doctrinal basis in terms of a Strategic Dialogue, increased exercises and training experiences for our navies, our air forces and our armies, there's a lot that our armed forces can and should be doing together in disaster relief, in international peacekeeping because we have democratic armed forces under civilian control. We are peaceful nations and we seek to preserve peace and stability both where we live in our own regions, but globally. And so we felt that those two areas counterterrorism, cooperation and military and defense cooperation, were the next horizons for this relationship where there was room for growth and we put that thought forward yesterday and we sure would like to work with the Indian Government on that basis.

**MODERATOR:** Secretary Menon, let me ask you one question. Again, based on the theme that you touched on, which is the growing partnership in areas that go beyond the bilateral, international institutions and international regimes, can you say something to how India now looks and the prospects of working with the United States to strengthen the global nonproliferation regime, an issue that became very much public attention as a result of this new civil nuclear deal?

**FOREIGN SECRETARY MENON:** Well, I think that's an area that we discussed yesterday. It's related to our bilateral civil nuclear understanding as well to the implementation of that. Over the last few years, you'd have seen that we have harmonized essentially our export controls on the nonproliferation site, whether it's for weapons of mass destruction or whether it's for the delivery vehicles with the best international standards, in some cases, we think we're even better. Our record we think speaks for itself. And we have an interest, as India, (inaudible) India, we have an interest actually in nonproliferation which is deep and abiding and this is something where we intend to work together to see how we can realize this because this is going to be, and already is, I think one of the biggest dangers in the future.

As Nick said, the issues of the future are the ones that we really see eye to eye on and we have to work together. We -- India is ready to be a partner in the development of a new nonproliferation consensus and I think we do need one. I don't think it's enough to go back to the old ways, to the tried ways, because they haven't succeeded. I think that's apparent to most of us that we need to work together to develop a new international consensus. And that's something that we look forward to doing with our partners and that's something that I think we'll do.

Just to add to what Nick said, we looked at where we can go over the next year, over 2007, and how we already have a transformed relationship. But we thought we could take it to a newer level and a higher level if we were to work on defense, on counterterrorism. A lot of the global issues we're already working on, but we're going to see how we can add new impetus to that. Democracy, for instance, is a big issue. Pandemics is an issue that, you know, cuts across energy security. We're approaching it in various ways, bilaterally, but also internationally.

Yesterday when I started the day actually discussing issues like this with Under Secretary Dobriansky, human rights. These are issues where we have natural affinities. We have very similar approaches to them. And it's -- for me the amazing thing is the synergy across these issues where this is very unusual in a partnership. In a partnership normally you just pick one or two where you think you have common strengths and common interests. Well, all of yesterday and today has convinced me that this runs across the board. So it's really a question of how much effort and skill and time can we devote to each of these issues. The potential is tremendous.

But I think right now our priority is to get the civil nuclear understanding done quickly and all that goes with it and to make sure that as the Indian market opens, American companies have an equal chance in an open, transparent process of competition and I think that's what we will do right away. That's our immediate priority. But there is all this other -- there are all these other fields available to us to work together and we look forward to doing that.

**MODERATOR:** Thank you very much. What I intend to do is to open it now to the floor, so that these 180-odd individuals who are here today get a chance to interact with you. I will simply recognize you as you raise your hands. Do us the favor, though, of identifying yourself so that the secretaries can recognize who you are. And then I will just leave it to the two of you to jump in as required on the questions. I want to assure you that everything that has happened so far has not been scripted. This is not a Quartet and they haven't, you know, practiced their parts.

**UNDER SECRETARY BURNS:** No, we didn't.

**MODERATOR:** This is a jazz riff -- (laughter) -- so we basically just play it as we go long. So let me -- yes, ma'am.

**QUESTION:** Nina Donahue (ph), Fox News. Secretary Burns, if I could just take the liberty of asking you not about India, but about Iran, as it's in the news today. Obviously the IAEA report is out. It's concluded that Iran did not comply with the December resolution. Secretary Rice has said, therefore, that prospects of another resolution is very, very real. Can you respond to that?

**UNDER SECRETARY BURNS:** I'd be happy to and I -- this is an issue of course where we've had a longstanding discussion with the Indian Government. Of course, we have different perspectives because we live in different parts of the world and have a different history to our relations with Iran. But I think there's been a tremendous international effort over the last two years to send one message to the Iranians, and that is that all of us I think are comfortable and would want to help promote the development of a civil nuclear industry in Iran. The Iranian people deserve that and have a right to it. But none of us around the world with the possible exception of Syria and Cuba and Belarus, would like to see Iran become a nuclear weapon state.

And so Mohamed ElBaradei's report today, the IAEA report, was decidedly conclusive about Iran. Iran is not meeting its commitments to the IAEA. It's not allowing the requisite number of IAEA inspectors to visit the enrichment processing plant at Natanz. Iran has not met the conditions of UN Security Council Resolution 1737. It's not suspended its enrichment program. I know what you'll see next. You'll see an effort by Russia and China, the United States, Britain, France and Germany to now develop a second Security Council resolution. Secretary Rice had good discussions in Berlin this morning with the Russian, German Foreign Ministers and Javier Solana. They have agreed to now meet. In fact, I'll be going off to London on Monday to meet with the other countries to help write that resolution.

I expect work in the Security Council will start following that and we would expect to see Iran repudiated again by the United Nations Security Council for the fact that it won't come to the negotiating table. It is effectively thumbing its nose at the international community by proceeding with this experiment to string together a cascade of centrifuges at its plant in Natanz in direct violation of what the IAEA and the UN Security Council have asked it to do.

I think it's also important to remember that Iran has a choice here. The Perm 5 countries in Germany put a very attractive offer on the table back on June 1st of 2006 and Secretary Rice reaffirmed it yesterday and today. We are interested in sitting down and negotiate this problem with Iran, all of us, in a multilateral format. We want that day to come. And if the Iranians would just meet the condition that the Security Council has established, all the members of the Security Council, they'll have that

negotiation and Secretary Rice has said that she will lead the American delegation to that negotiation. So it's Iran's refusal to talk which right now has gotten Iran in a lot of hot water.

And I think what you're finding is a Iran is increasingly isolated and we hope Iran is going to choose negotiations because if it doesn't, it's just going to see an escalation of the financial sanctions, the Chapter 7 sanctions, and all the efforts that are being made now by international banking institutions, by the EU, by the Japanese Government to start to restrict the ability of those countries or the inclination of those countries to deal on a business-as-usual basis with the Iranians. So we hope the Iranians will choose negotiations. And beyond the Perm 5, remember that Brazil and Egypt and Argentina and Japan and India voted with the Perm 5 countries a year ago, two weeks ago, at the IAEA to urge Iran to choose diplomacy and choose negotiations.

**MODERATOR:** Yes.

**QUESTION:** I'm (inaudible) India, Global (inaudible) today. A question for both of you. It was, first of all, a great session and my question is that Mr. Secretary, now India and the U.S. are the best allies or the best relations they have in -- like in 50-plus years. Don't you think that United States needs a good friend at the UN and don't you think, Mr. Secretary, that India deserves the United Nations Security Council seat than -- today than ever and for both of you, sir?

**UNDER SECRETARY BURNS:** I think I'll let Shankar lead on that and I'll follow.

**FOREIGN SECRETARY MENON:** My answer is simple, yes. (Laughter.) That's a different question.

**UNDER SECRETARY BURNS:** Let me say it this way -- and it's a very good question. We -- I think we're seeing a much greater effort by India and the United States to engage each other at the UN and to be partners at the UN. And we Americans understand that the UN institutions can't forever reflect the world as it was in September and October of 1945, that there has to be a modernization not only of the effectiveness of the General Assembly, but of the Security Council. And we have been open to ideas that would lead to a modernization of the Security Council of its membership.

We haven't yet of course spoken fully to that issue and we haven't yet seen a realistic proposal to modernize because I think our view is that among the various institutions of the UN, the one that's working exceptionally well is the Security Council. And so we wouldn't want to see some dramatic expansion in the numbers of countries becoming permanent members. We would favor, as Secretary Rice said, I think as early as her second month as Secretary of State, a gradual, but also modest expansion in the membership. We've been open to that. We have, of course, looked at all the various proposals and there hasn't been one that's been successful. So I think we'll have to wait and see before the United States pronounces itself on that issue specifically a successful or a solution that's proposed that has the ability to garner 128 votes in the General Assembly which is what you need to get to change the rules and procedures of the Security Council.

Now, having said that, there's no question that India is playing and shall continue to play a bigger role globally. And you've seen India now be invited -- having been invited to the last several meetings of the G-8 countries in St. Petersburg, in Scotland before that and the United States wishes very much to see India play that role in the future, play a much larger role in all these great international institutions that are at the heart of the international system.

**QUESTION:** Thank you very much. I'm Daryl Kimball with the Arms Control Association. For what it matters, I think India should have a seat in the Security Council, too, but that's not what my question is about. My question is about the ongoing --

**FOREIGN SECRETARY MENON:** I didn't even plant it.

**QUESTION:** You didn't plant that, either. No, no. (Laughter.) But my question is about the ongoing talks about the civil nuclear energy deal which, of course, has yet to be seen whether this is the right course to go. And I understand that there continue to be some differences between the two sides about the details of the so-called 123 Agreement. And I understand that the Indian side delivered recently a response to an earlier U.S. draft. And the Indian officials have publicly been saying that they would like to have programmatic consent rights on U.S. origin material for reprocessing or enrichment. India has also -- Indian officials have said they're not happy with the provisions in the Henry Hyde Act that essentially set up a termination clause if India resumes nuclear testing and India's insisting on India-specific safeguards, which I would like Secretary Menon to maybe elaborate on because it seems -- it's difficult for me and many others to understand how India-specific safeguards can be made consistent with U.S. law which requires permanent facility-specific safeguards on the civil facilities and on the materials that the IAEA Board of Governors has to approve. So my question is what are those India-specific safeguards you're talking about?

And for Secretary Burns, it seems to me the U.S. law doesn't give your side very much room to compromise on these issues. How do you see the two sides squaring the circle on these still important issues?

**FOREIGN SECRETARY MENON:** Just to be clear about where we are on the civil nuclear understanding, it seems to me we have the understanding already. That was done between the two leaders. It was done in July 2005. It was done in March 2006. So our job now is a technical job of actually expressing it in legal terms. Now, that's never easy, even if you have a basic understanding of what you're doing, but it's not our job now to try and renegotiate that in the terms in the words that we put into the 123. The India-specific safeguards agreement is something we will discuss separately with the IAEA and we're going through that process. We've started those discussions. We hope to work it through.

Whether that is compatible with U.S. law, what relationship it has to U.S. law is something I can't answer, quite frankly. That's something we will work that out, and the U.S. as a member of the board, as a member of the IAEA, will be as much a part of that whole process as the others on the board and in the IAEA. And that's something that I think Nick will have to speak to.

But as far as I can see, there is nothing in the basic understanding between us in -- of July 18th, March 2nd that contravenes either Indian law or U.S. law. I think that's clear. And if what we are doing is legal in both our systems, I don't see a problem. I think it's really just a test of ingenuity of how we actually express this. I know how efficiently and how quickly we can do. And the quicker, the better, the as far as I'm concerned because it is an important sign I think of our willingness to think outside the box, to transform this relationship and to start dealing with each other and talking in new ways which reflect the new reality.

**UNDER SECRETARY BURNS:** I agree very much, Daryl, with Shankar. The big issues have been decided. You know, we've crossed the highest mountains in these negotiations. And it's important to remember what happened in July '05 and March '06. In both instances, we literally negotiated to the very final minute in the anteroom before we walked in, the two foreign ministers and their aids to see the two leaders. And in both instances, it was the Prime Minister of India and the President of the United States who made the agreements themselves. So we have crossed over the biggest issues and they've been decided. And I've always seen the subsequent steps in which we are now immersed as diplomats to be a mere codification of what has already been decided.

And so you mentioned the 123 talks. I'm optimistic. Shankar and I had a good discussion yesterday about the 123 talks. I'll likely go to India in a couple weeks time to continue that. And I think we will get those done because the big issues have been decided and we're going to be creative diplomats to find a way to square circles, which is what we're paid to do. I don't worry about that. We also -- the United States Government, we support the Hyde Bill. This was a very good process. We started out in March and April of last year with a healthy degree of skepticism from both houses and both political parties. I think we were able to overcome that skepticism. We were, certainly.

We were able to accommodate a lot of good ideas from the House and the Senate that -- there was, frankly, some that we hadn't thought of that I think strengthened the bill. And we fully support what the Democratic and Republican leadership did in the autumn and we're very proud of it. So now, the process is -- we'll complete our 123 agreement. India will go on, I'm sure, to complete its IAEA safeguards agreement. We'll take that to the NSG. We will be successful in the NSG, I am certain of it, after having consulted with all of the countries in the NSG the way we have.

And then the Congress of the United States, in our system, will have one more chance to vote on a majority basis and if we are true to the Hyde Agreement, and we will be, then that vote, I would hope, would be positive. And if we can do all that by the end of 2007, Shankar and I can retire and ride off into the sunset. (Laughter.) I think we can. I don't think we're going to have to have a major problem in doing that, but it does take time, as Shankar mentioned, to get through the legal technicalities and the technical technicalities and we'll do that.

**FOREIGN SECRETARY MENON:** Please write your memoirs. (Laughter.)

**FOREIGN SECRETARY MENON:** Tesi, please.

**QUESTION:** Tesi Schaffer from CSIS. It's lovely to see you both and to see you together. I wanted to ask about an issue that both of you cited as the next horizon and that is terrorism. What kind of cooperation do you envisage as being kind of the heart and soul of how India and the United States work together on this issue? Are you thinking primarily of operational things, training, capacity-building, financial controls?

Are you looking more in bilateral terms or more on the U.S. and India as part of the mobilization process for a larger effort? Is there a particular regional focus to this? Are you looking mainly globally? Help us understand a little bit where you think this effort is going.

**UNDER SECRETARY BURNS:** Tesi, I'd say just very briefly that I -- from an American perspective, we see India and the United States as having a common interest in trying to thwart terrorism in our own regions and globally. And we're both victims, but we're also powerful countries with strong societies who should be able to surmount this challenge.

So I would -- what have we done effectively with Japan, with the European Union? I'd pick two agreements that we have that have worked rather well that might provide some kind of intellectual template for what India and the United States could do together. Most of the attention of the world is focused on the hard side of the fight against terrorism, military action. But that's actually just a small part of the international effort.

What we've done well with Japan, with some of the other Asian countries, and with the EU is we've had intelligence cooperation, we've had law enforcement cooperation, we've been able to use our economic systems to dry up the ability of terrorist groups to launder their money through our financial systems. And we've had diplomatic cooperation to keep terrorism as a leading issue whether it's bilaterally, regionally, or globally. And I think if India and the United States can do that and if we can do it in a way that meets the interests of both of our countries, we'll have succeeded.

Because that's -- those are the four areas, outside of military action, that are going to be the heart of the effort against terrorism. Military action will be sporadic. It's not usually the way to fight terrorism. It's these four areas. And we see India as a victim of terrorism in its own region. And if we're going to be a friend of India, we have to respond to that and assist India and I know we expect the same in return, that -- you know, as America faces its threat, we want friends like India to be supportive of us in these very practical ways.

**FOREIGN SECRETARY MENON:** My simple answer to what you said is all of the above, because I think we have to deal with both sides of the issue, both the supply side and the demand side and -- unfortunately, which means we have to, I think, deal with the causes of terrorism, do it through intelligence cooperation, do it through knowing the enemy, and then seeing how we can actually make it hard for the terrorists to survive to do what they're doing to us.

As he said, we're both victims, but we're also capable of dealing with this and we are going to have to deal with this issue. There is no way that we can avoid this. We've had a terrible instance of it just last week in India of terrorism. And that kind of thing, I think, only renews our determination to fight it and not to succumb to it. But that's an area where I think we think that there is potential for us to actually increase our cooperation and do a lot more together.

**QUESTION:** Hi, Bebe Chaveium(ph) with the nonproliferation program here at the Carnegie Endowment. And Secretary Menon, considering the huge responsibility that comes with being a nuclear power, what is India's plan to join with and help the international community in confronting the most serious challenges to the nonproliferation regime? You've talked about this new consensus on nonproliferation. Could you further elaborate what that effort looks like and what role you see for India on that in issues like disarmament?

And Secretary Burns, you've talked about a coming global agenda that includes the intersection of WMDs and terrorism. What about -- what are your hopes for what the Indian relationship will yield on nonproliferation challenges that have to do with State actors?

**FOREIGN SECRETARY MENON:** Well, on disarmament, I think the goal is clear: universal, complete disarmament -- nuclear weapons. That's what we would like, but obviously, that's not happening tomorrow and there are things we can do before that which we think are worth talking about agreeing among the states that have nuclear weapons and among the rest of the international community, because we think everybody should have a say. This is everybody's survival that's at stake here.

Last year in the United Nations General Assembly, we introduced a paper on how we see this process going forward, starting with simple things like de-alerting, things like that, but more than that, moving on to a commitment to no first use, for instance. That would be very useful. That would help. And there is a whole series of other steps that could be taken, but this is a conversation which I think we -- has been going on for a long time. I think our minds have been focused much more clearly on the issues concerned in the last few years as the threat of the spread of these weapons increases and becomes -- as it becomes more and more likely. And that's something we look forward to talking about with the United States as we go forward.

We don't think anybody has a single answer. We can tell you our views, but these are just our views. What's going to work? I don't know. It's something we have to work out together and this, unfortunately, is not something that just one of us or just the two of us can do together. It's something that's going to need much more. That's why we speak of a new international consensus on nonproliferation.

**UNDER SECRETARY BURNS:** One of the arguments that we made to the Senate and House last spring and summer was that by breaking with the taboo and by bringing India into the mainstream of a nonproliferation system in the way that we've suggested we should do it, that actually strengthens the international nonproliferation effort. And we believe that that's -- we've taken an important step.

And if you look at some of the problem states in the world now, North Korea and Iran are two good examples, it's ironic that at various times -- you know, for instance, Iran's been in the system, but been cheating inside. India's been outside the system, but playing by the rules. And so the message to the Iranians and North Koreans is, if you actually play by the rules, if you're a responsible steward of nuclear technology, if you actually abide by what the IAEA wants you to do, which neither North Korea or Iran have done, then there is a way forward in the international system.

And so it was ironic because a lot of people asked this at the beginning of this process, "Isn't this a bad message, the India-U.S. nuke deal, to the North Koreans and Iranians?" We saw it exactly the opposite way and I think that recent events have proven that. The North Koreans now have taken a step forward with -- in the six-party process and we want to see them continue to meet their commitments to us. The Iranians are well on the outside and are largely being repudiated by the international system. And I think we're very grateful for the support that India has given us -- or the six parties on North Korea and frankly, very grateful for what India has done on the Iran question.

Now I think it's also important that we hold India to the same standard we hold any other country that has relations with Iran, that trades with Iran. All of our European allies have diplomatic relations with Iran and trade with it. Japan has diplomatic relations and trades with it. And there's been a quality in our debate of asking India to meet bars that no one else is meeting. And so if you establish a level playing field and ask all of our friends to send the right message to Iran and not to have a business as usual relationship, I think India has met that and we've been very satisfied with the cooperation that we've had.

**QUESTION:** Kumar(ph) from Amnesty International. Mr. Burns, you mentioned that you have common message, same message to Bangladesh, Sri Lanka, and Nepal, but you missed Pakistan. I wonder if the both of you have the same message to Pakistan on democracy, human rights, nuclear issues?

The second part question is, in case if there is a change of comment, which is definitely going to take place here in about a year and a half, two, and in the same thing in India, how will this relationship be affected if there is change of comment on both sides?

**FOREIGN SECRETARY MENON:** I missed that. Same way in India?

**QUESTION:** No, I mean Manmohan Singh may lose -- I mean, down the road, two years, three years, we don't know. You never know -- you know, people lose power --

(Laughter.)

**FOREIGN SECRETARY MENON:** Thank you for reminding us.

**QUESTION:** Then what will you answer --

**UNDER SECRETARY BURNS:** Do I take a stab at this?

**QUESTION:** Go ahead.

**UNDER SECRETARY BURNS:** I would say that -- I wouldn't link these issues and I didn't link them and purposely didn't link them. On Sri Lanka, Bangladesh, and Nepal, there's a human rights imperative, there is a counterterrorism imperative, and there's an imperative for stability that runs through each of them and in which India and the United States have found some common ground and have tried to use our respective positions to preach stability, peaceful resolution disputes, attention to human rights in each of the countries.

I didn't list Pakistan there because I don't think it's accurate to say that India and the United States have some kind of a joint approach towards Pakistan. India has a unique relationship and Shankar can talk about that. We have a unique relationship. Pakistan is one of our most important partners worldwide in this fight against al-Qaida, against the Taliban. We have a strategic relationship with President Musharraf. And so one of the successes that we think we've arrived at in this Administration is that we've effectively de-hyphenated America's policy towards South Asia. We used to have a relationship towards India-Pakistan. We now have a strategic partnership with India and we have a very close working relationship and strategic partnership with Pakistan, but they're very, very different.

And you saw when President Bush went to South Asia last year, to Afghanistan and then India and then Pakistan, the agenda was very different in each place, the words were different, the rhetoric was different, but the commitment of our country to a good relationship with all three was there. And so I purposely didn't group Pakistan with the other three because I think it's an entirely different set of affairs.

**FOREIGN SECRETARY MENON:** Just to try and answer your question, I mean, our relationship with Pakistan -- you know, it's gone up and down. Right now, it's changing, it's evolving rapidly. So far in the last three years, it's been in a positive direction. But our goal in this is really to have good neighborly relations with Pakistan, but to achieve that, today, we've seen several issues that we need to deal with. We need to deal with terrorism; we need to deal with pending issues. We've listed them all.

We have a way of dealing with them today which we didn't have in the past. We have a conference, a dialogue with Pakistan. In the middle of March, I hope to go and meet the Pakistani Foreign Secretary and talk to him about these issues.

We would like to have a Pakistan that's peaceful, prosperous, at peace with itself on our borders. It's in our interest. As India, we need a peaceful periphery if we are to grow at the 8 to 10 percent that we want to grow our economy at. So it's in our own interest to seek a better relationship with Pakistan, to seek a resolution of our issue -- of all the issues that there are between us. And we will certainly do that.

Now to the extent that the international community, the international environment helps this process, and it has been helping this process over the last few years, we welcome it. But we are going to make this effort anyway in our own interest with Pakistan. And so to your question, I hope that answers your question because I am still a bit confused about the question.

**QUESTION:** Howard Wiarda from CSIS. Let's assume that I'm a Henry Kissinger-ish geopolitical thinker and I'm sitting in Beijing as a Henry Kissinger grand strategic thinker and I'm a balance of power thinker. And I look around at my map and I see a new, invigorated United States-Japan relationship and now, suddenly, a new United States-India relationship and I start to think this has major implications not just in terms of bilateral relations, but globally, and maybe I think that calls for a new alliance with Russia or a new alliance with Pakistan or a rethink.

Could you comment both on how you see this relationship beyond the bilateral matters affecting global politics and also, how you think it might affect alliance relations in the Asian part of the world?

**UNDER SECRETARY BURNS:** You know, from the moment you stood up and said the word, Kissinger, we both looked at each other and we knew exactly where you going with that question. (Laughter.) Because, you know, it's probably the most frequently asked question of, certainly, me when people ask about India; why are you doing this, are you doing this to contain China? And the answer is no.

The U.S.-India partnership is going to be global based on the intersection of our interests of two democratic countries. It's going to be very different, I would imagine, in our respective relations with China and Shankar is an expert on China. Our view is that China -- it's not possible to contain China in the conventional sense, nor is it desirable. We have established a very different construct. Bob Zoellick, our former Deputy Secretary, said about two years ago we ought to work with China on a global basis, but also encourage China to be a stakeholder in the international system. So we're beginning to see that happen.

I would say that the United States' relations with China are as good in the political realm right now than at any time since China, modern China, communist China was created in 1949. Difference of opinion about human rights and religious rights within China, problems and challenges on the economic side with our trade imbalance, with international property rights, but a beginning convergence of a way to work together on a political side; examples, North Korea.

I was in Beijing in November to try to put forward the notion that there ought to be a way to stimulate the six-party talks and my good friend, Chris Hill, has carried all the water and done such a brilliant job for us. Why did we succeed last week? In large part, because China took the lead, because China used its influence with North Korea, because China worked a common purpose with the United States. And the way we worked together, Chris Hill and his Chinese counterpart, was truly new in our relationship.

Second example, Iran; China and the United States, for a year and two months, have been partners in trying to convince the Iranians to negotiate with us, both of us together, the Russians and others, and we sponsor a Security Council resolution to sanction Iran together. We'll be together in London on Monday where I meet with my Chinese counterpart to talk about a second resolution.

A third example, Sudan; President Hu Jintao was in Khartoum just two weeks ago and he put forward a point of view which was remarkably similar to the American point

of view, "Please, President Bashir, allow the African Union and the United Nations to come in with a hybrid joint peacekeeping force to protect the people of Darfar against the Janjaweed militia and a Sudanese military."

And so we don't have a perfect relationship, the U.S. and China, but we have a growing global relationship and our view is that our relationship with India stands on its own. We have this relationship because of the mutual interests between us, but it's not meant to contain China.

**FOREIGN SECRETARY MENON:** I'd only add that I don't think these relationships are mutually exclusive or that this is, in any way, meant to change our engagement with China, which has been going on several years and has shown very positive results in the nature of our relationship. I think it's a different world from the time when this kind of Kissingerian analysis worked, maybe in a bipolar world, maybe that it was a zero-sum game. I don't think it is anymore.

Prime Minister Manmohan Singh likes to say that there's enough space for the rise of China and India simultaneously and I think that's true. I think this is a different kind of world we're working in, where what we do with each other, what we do in our own interests together does not necessarily have to be negative or seen negatively from Beijing. I don't see why it should be.

**QUESTION:** Selig Harrison, Woodrow Wilson Center. Mr. Secretary, I was somewhat surprised that you stopped with no first use and de-alerting in discussing --

**UNDER SECRETARY BURNS:** I can go on.

**QUESTION:** I wish you would because it seems to me that Article 6 envisages a bargain in which nonproliferation depends upon the existing nuclear powers making a good faith attempt to reduce gradually their own nuclear weapons. We did that up till 1991. It's stopped. And I wonder how India would feel about -- whether India is going to tell the United States and Russia both (inaudible) has very strong relationships that it would like to see the beginnings of a reduction of nuclear weapons and a return to nuclear arms control. And would India be prepared to take part in that process of nuclear arms reductions at some point?

**FOREIGN SECRETARY MENON:** That's precisely what we have said. I think our views are no secret to anybody else. We've been saying it for some time, since Rajiv Ghandi's plan for a nuclear-free world in 1998, and every since then, I think. And that's exactly what I said just now. I said the goal is a world free of nuclear weapons, and the only way you can get there is by reducing weapons. We'll be quite ready as part of a verifiable, clear, agreed time frame which leads the world to that goal. We'll be quite ready to put our weapons on the table, too.

But I think it's -- unfortunately, as I said, it's not up to us. I think it's something that we need to agree among ourselves, and not just the states who have nuclear weapons, also the international community as a whole.

Our views on this are clear. And you know, as long as we approach this problem as a normative problem -- what do you want? -- I think you will get very strong, clear statements from all of us, but they'll all be different. And that's precisely the problem: How do you try and reconcile that and still arrive at this goal which we're all committed to, whether in terms of Article 6, Indian NPT or in, as we would say, in the special session, in the first special session on disarmament where we thought there was a clear statement of what we should be doing?

Do you want to add to that?

**UNDER SECRETARY BURNS:** I think you've done it. (Laughter.)

**MODERATOR:** I promised Secretaries Burns and Secretary Menon that I would get them out of here by 5:30 because, as you can imagine, they have an utterly packed schedule. What we had planned to do was to give them 15 minutes to take questions from the press, and what we might be willing to do is -- do you have a preference that we just continue this including the press?

**UNDER SECRETARY BURNS:** (Off-mike.)

**MODERATOR:** Okay. I would be happy to recognize questions from members of the press, and if you don't get those, then we'll just continue this.

**A PARTICIPANT:** (Off-mike.) (Laughter.)

**MODERATOR:** Excellent. But please, let's -- we'll just continue anew (inaudible). Yes, Dan.

**QUESTION:** Dan Horner from McGraw-Hill Nuclear Publications. And I'd also like to ask about the nuclear deal. A general for both ambassadors, and then a clarification from Ambassador Burns if I could.

On the general question, there was a statement made that the big issues have been resolved and these are essentially technical codification. But similar statements were made almost a year ago and predictions that the agreement would be wrapped up within a couple months. So it would seem then that the fact that it has (inaudible) the differences of things like the language on fuel assurances and nuclear testing are actually significant differences between the two sides. And isn't that the case, or if you could just address that.

And then the clarification. Ambassador Burns said the nuclear deal corrects a mistake. If you could just clarify what exactly the mistake was. Was it the cutoff of the fuel supplies, the tariff war after the Indian test or the requirement for full-scope safeguards, the NPA, or what exactly was the mistake that's being corrected? Thanks.

**FOREIGN SECRETARY MENON:** Well, on the first question, I think one of the necessary conditions was that you had to have done the high (inaudible). So when you start measuring time, I think you really should start the clock from December. Otherwise, I accept the accusation that maybe we're not efficient enough. Maybe we should have been quicker, we should have been better at our jobs.

But what we are doing is something unprecedented. It's something we've never done before. And so you must give us a chance to be careful, to think it through, to work this through together. The important thing to remember is that we're doing this together and that the basic understanding is clear. I don't think there is any renegotiation or worry about that. But we will do our best to produce the best agreement possible technically, and that's (inaudible).

**UNDER SECRETARY BURNS:** (Inaudible) our capitals and in our politics. When we came -- when President Bush came back from his summit with Prime Minister last March, there was widespread opposition in the op-ed pages by a number of people in the room, to what we were doing. And it did take us, the United States, a full six months to work through the congressional process of hearings, and we were very pleased to get to the end of it and see such a sizeable vote in the House and Senate in response. But it took us six months for the United States to do that, and we had to answer a lot of questions and had to go through a process of trying to improve the understanding, at least from the American perspective, which we did.

But I would like to say there is no problem with fuel assurances. President Bush provided assurances personally to the Prime Minister of India on the provision of fuel, and we have actually codified them and written them down. There's four of them. And there is no disagreement between India and the United States on those assurances that I'm aware of, and in my talks with Foreign Secretary Menon and Ambassador Shayam Saran just recently, I think that's resolved.

I'm not aware of any problem concerning nuclear testing. The positions of both sides are clear. We have a right to our respective positions and I don't think that it's going to conflict with our ability to complete the 123 agreement.

Your second question. What was the mistake? I think that India was in isolation for too long. India is part of the effort in our view to strengthen the nonproliferation system and campaign, and we let India languish for too long outside that system. That's what I meant by that.

**QUESTION:** Thank you.

**QUESTION:** Hi, my name is Judy Mathewson. I'm a reporter with Bloomberg News. And I'm still going to try and drill down a little further on the 123 agreement. You've made it very clear that it's highly detailed work, but can you give any kind of time frame for when you expect to reach an agreement or what any of the remaining sticking points might be?

**FOREIGN SECRETARY MENON:** The quicker, the better.

**UNDER SECRETARY BURNS:** I agree.

**QUESTION:** And can you elaborate at all --

**UNDER SECRETARY BURNS:** I mean, drilled down to that extent.

**QUESTION:** But can you talk -- are we talking weeks or months?

**FOREIGN SECRETARY MENON:** We have to do the work. Let us do it and we'll tell you.

**QUESTION:** Under Secretary Burns, Carol Giacomo from Reuters. You've already taken a question on Iran so I'm going to follow up. On this second resolution, what specifically does the United States want to see in a second resolution? How do you react to the fact that the Russian UN Ambassador said in New York today something to the effect that the Russians really don't want a second resolution. Is this just Russian negotiating style? And what do you consider to be the impact of Russia's decision to delay the delivery of fuel to Bushehr for contractual reasons?

**UNDER SECRETARY BURNS:** Thank you, Carol, for your very good questions.

On the third question, obviously it's a Russian decision as to what they do on Bushehr, but we have noted the announcement from Moscow a couple of days ago that there would be a delay. And that is not incompatible, obviously, with the effort that we would like to make to convince the Iranians that the Iranians need to do more to merit this type of cooperation.

But we respect what Russia is doing. You know, President Putin put forward the idea a year and a half ago of an international fuel consortium that might help the Iranian people achieve the growth of a civil nuclear industry and yet not have the sensitive aspects of the fuel cycle in Iran but have them conducted offshore. We thought that made a lot of sense. It's still an idea. That is at the kernel of our concept of negotiations with Iran. It's still an idea that could come forward and that might be a way to bridge the differences between Iran and the P-5. So I just -- I would say that. But I don't want to speak for the Russian Government. They can speak for themselves on Bushehr.

I know that Secretary Rice said publicly this morning, and I have since confirmed this in a private conversation with Secretary Rice, that she had a good meeting this morning with Minister Lavrov, Foreign Minister Steinmeier and Javier Solana. And they have agreed that the next logical step is to write a second Security Council resolution, Chapter 7 resolution, and they've asked the political directors, including yours truly, to go to London to do that on Monday. And I think you'll see that process play out over next week and probably the week following.

But it would be the hope of the United States that we would pass a resolution rather quickly, and based on the conversations we've had with Russia, China and the three European governments -- and I've had many of them over the last week -- I think we'll be able to arrive at that. I think it's too soon -- I understand why you ask. It's too soon to predict what the specific ingredients of such a second resolution would be, but we would hope it would build on the first resolution.

We were quite startled, frankly, by the impact of that first resolution. It was a modest resolution, 1737, and it seems to have produced a very strong debate inside the Iranian Government which has divided that government between those who know that Iran has to come forward and negotiate and then those -- probably led by President Ahmadi-Nejad -- who are resisting any type of international conversation and who want to defy the IAEA and the UN Security Council. So it's been interesting to watch that debate. It's been interesting to see official newspapers criticize the President of Iran. And may that debate continue and may the Iranians come forward at some point and accept the offer which we are leaving on the table to negotiate.

So in addition to any kind of resolution, we will very certainly say -- and this also came out of the agreement -- the meeting this morning -- that this offer stands, that we haven't taken it off the table, we do want Iran to come forward, we are ready to talk to Iran -- the Russians, the Chinese, the Europeans and Americans together in a multilateral format. And we hope the Iranians will pick up that offer.

**QUESTION:** (Inaudible) Foreign Policy Association. A question for Nick Burns. With your positive views on India's cooperation and its age old excellent relations with Iran, how about inviting India to become a member of the multilateral dialogue team?

**UNDER SECRETARY BURNS:** You know, I don't know if India wants to be part of this. (Laughter.) Except for the Indian Government. I can tell you, it's labor-intensive. (Laughter.)

Look, I think that what we've managed to do internationally is create concentric circles around Iran. You have the P-5 effort. This is a Security Council effort of the permanent five with Germany because Germany had been a charter member of the EU effort of 2003 and '4. And then you have the IAEA Board of Governors of which India, of course, is a member, where all of us on February 4th, 2006, spoke (inaudible).

And you've got a wider circle than that, I think; international public opinion. Nobody wants to see Iran become a nuclear weapons power. Name the country. I think I named three, maybe four. Let's see, Syria, Belarus, Cuba and Venezuela -- the gang of four. Outside of those four countries, is there another country in the world that is, you know, just anxious to see Iran develop nuclear weapons? So Iran is very isolated. It's got concentric circles around it and each country I think is comfortable in which circle it's in. I know we're very comfortable to be in that P-5 perm five circle.

**QUESTION:** Thank you.

**UNDER SECRETARY BURNS:** You're welcome.

**MODERATOR:** Well, thank you, Secretary Burns. Thank you, Secretary Menon. It has been extremely generous of the both of you to give us an hour and a half of your time from your schedule and for gracing the occasion to have this conversation. Thank you very much for doing this and thank you, all of you, for coming. (Applause.)

Thank you.



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