

## APPENDIX 1

### INDIVIDUALS AND ORGANISATIONS WHO MADE WRITTEN SUBMISSIONS TO THE COMMITTEE

APEX Exports (Australia) Pty Ltd, Mr Haneef Badrudeen, Melbourne, Vic.  
ARGYLE Diamond Sales Limited, Mr D.S. Karpin, West Perth, WA  
ASIAN Studies Association of Australia, Ms Elaine M. McKay, Clayton, Vic.  
AUSTRALIA — Australian Trade Commission, Canberra, ACT  
AUSTRALIA and New Zealand Banking Group Limited, Mr David Wilson,  
Canberra, ACT  
AUSTRALIA Defence Association, Mr Michael O'Connor, Box Hill, Vic.  
AUSTRALIA-INDIA Business Council, Mr Malcolm J. Overland, Barton, ACT  
AUSTRALIA-INDIA Chamber of Commerce, Ms Patricia Verma,  
Sydney, NSW  
AUSTRALIAN Char (Holdings) Pty Ltd, Mr R.W. Nettleton, Oakleigh, Vic.  
BARZ, Dr R.K., Asian Studies Centre, Australian National University,  
Canberra, ACT  
BARWICK, Mr Chris, Kew, Vic.  
BHATTACHARYA, Dr Debesh, Department of Economics, Sydney, NSW  
BRAMBLE, Mr Angus J., Legana, Tas.  
BRUCE, Dr Robert H., and McPHERSON, Dr Kenneth, Curtin University of  
Technology, Centre for Indian Ocean Studies, Perth, WA  
CHIRMULEY, Mr Dilip, Prospect, SA  
CHOCKALINGAM, Mr K.C., Box Hill, Vic.  
CSIRO Office of Space Science and Applications, Dr K.G. McCracken,  
Barton, ACT  
DEPARTMENT of Defence, Canberra, ACT  
DEPARTMENT of Foreign Affairs and Trade, Canberra, ACT  
DEPARTMENT of Industry, Technology and Commerce, Canberra, ACT  
ENERGY Mineral Managers Pty Ltd, Mr Mohan Varkey, Blackburn, Vic.  
JONES, Mr Peter, Office of Senator Jo Vallentine, Independent Senator for  
Nuclear Disarmament, West Perth, WA  
KINHILL Engineers Pty Ltd, Mr John Gillett, Melbourne, Vic.  
MASSELOS, Dr J.C., University of Sydney, NSW  
McKINLEY, Dr Michael, Australian National University, Canberra, ACT  
MELBOURNE South Asian Studies Group, Melbourne, Vic.  
MENDELSON, Dr Oliver, La Trobe University, Bundoora, Vic.  
MAYER, Dr Peter, University of Adelaide, Adelaide, SA  
NATH, Mr Rajendra, Hawthorne, Qld  
ODDIE, Dr G.A., University of Sydney, NSW  
PASMINGO Metals, Mr Roger P. Wyeth, Melbourne, Vic.  
PRADHAN, Dr J.S., Adelaide, SA  
RAM, Mr R.K., St Ives, NSW  
REED, Mr Warren, Mosman, NSW

REEVES, Professor Peter, Curtin University of Technology, Perth, WA  
ROONEY, Mr John, Macarthur, ACT  
SHEKHAR, Mr S.C., Joint Coal Board, Singleton, NSW  
SINCLAIR Knight & Partners, Consulting Engineers, Mr Bruce Sinclair,  
St Leonards, NSW  
SOUTH Asian Studies Association of Australia and New Zealand, University  
of New England, Armidale, NSW  
STAVRIDIS, Mr S.T., Braybrook, Vic.  
WESTERN Australian Chamber of Commerce and Industry, Mr Ian Whitaker,  
West Perth, WA  
WHITTINGTON, Ms Sherrill, Canberra, ACT

## APPENDIX 2

### WITNESSES WHO APPEARED AT PUBLIC HEARINGS

**Asian Studies Association of Australia**

Dr Ian Falcon Stuart Copland  
Ms Elaine McKay

**Atlas Air Australia**

Mr Colin Ward  
Managing Director

**Australia Defence Association**

Mr Michael James O'Connor  
Executive Director, Australia

**Australia and New Zealand Banking Group Limited**

Ms Margaret Stoneman  
Senior Economist, International

**Australia-India Business Council**

Mr Malcolm James Overland  
Secretary-General

Mr Henry Roach  
Executive Member

**Australia-India Chamber of Commerce**

Mrs Patricia Verma  
President

**Australian International Development Assistance Bureau**

Mr Erik Karl Olbrei  
Country Programs Manager, South Asia Programs

**Australian Trade Commission**

Mr Peter John Dixon  
Special Trade Commissioner, Operations Group

Dr David Frederick Fisher  
General Manager, Finance, Insurance and Projects Group

Mr Peter Flanagan  
Area Manager, India-Middle East-Africa, Operations Group

Mr John Paul McCaffrey  
Senior Trade Commissioner, New Delhi

**Bhattacharya, Dr Debesh**

**Centre for Indian Ocean Regional Studies  
Curtin University of Technology**

Dr Robert Bruce  
Associate Professor John McGuire  
Dr Kenneth McPherson  
Professor Peter Reeves

**Department of Defence**

Captain Christopher Alexander Barrie  
Defence Adviser, Designate

Commodore Ian Arthur Callaway  
Deputy Director, Military, Joint Intelligence Organisation

Captain Charles Simon Hastings Harrington  
Force Development and Plans Branch, Headquarters,  
Australian Defence Force

Mr Alan George Thompson  
First Assistant Secretary, Strategic and International Policy

Dr Stewart John Woodman  
Chief Executive Officer, Strategic Guidance and Policy

**Department of Foreign Affairs and Trade**

Mr William Bowen  
Director, Australia Abroad Cultural Relations Branch

Mr Ross Burns  
Assistant Secretary, South Asia, Africa, Middle East Branch

Mr Michael Hillman  
Director, South Asia Section

Dr Ron Huisken  
Director, Nuclear Testing Section, Peace,  
Arms Control and Disarmament Branch

Mr Heath McMichael  
Officer, South Asia Section

Mr Richard Smith  
Deputy Secretary

Mr Robert John Walters  
Director, Trade Strategy Branch

**Department of Industry, Technology and Commerce**

Mr Kym Anthony Fullgrabe  
Assistant Secretary, Asia Branch

Dr Glenn Pure  
Project Officer, Asia Branch

**Engineering Export Promotion Council**

Mr M Koteeswaran  
Regional Manager

**Jones, Mr Peter**

**Kinhill Engineers Pty Ltd**

Mr John Arthur Gillett  
Director International

**Mayer, Dr Peter Baldwin**

**McKinley, Dr Michael**

**Melbourne South Asian Studies Group**

Dr Dipesh Chakrabarty  
Dr Robin Jeffrey  
Dr Salim Lakha  
Dr Marika Vicziany

**Mendelsohn, Dr Oliver David**

**Pasminco Metals**

Mr Roger Wyeth  
Manager International Sales

**Reed, Mr Warren**

**Yasmeen, Dr Samina**



## APPENDIX 3

### INDIAN ARMED FORCES<sup>1</sup> ORDER OF BATTLE

REGULAR FORCES		1,260,000
	Army	1,100,000
	Navy	47,000
	Air Force	110,000
TERRITORIAL ARMY		160,000
PARA-MILITARY	Border Security Force	90,000
	Assam Rifles	40,000
	Indo-Tibetan Border Police	14,000
	Special Frontier Force	8,000
	Defence Security Force	30,000
	Railway Protection Forces	70,000
	Central Reserve Police Force	90,000
	Provincial Armed Constabulary	250,000
	National Security Guards	5,000
	Ladakh Scouts	5,000
	Central Industrial Security Force	70,000

ARMY	2	Armoured Divisions
	1	Mechanised Division
	19	Infantry Divisions
	11	Mountain Divisions
	14	Independent Brigades
	3	Independent Artillery Brigades
	6	Air Defence Brigades
	4	Engineer Brigades
	3,150	Main Battle Tanks
	700	Armoured Fighting Vehicles
	450	Armoured Personnel Carriers
	3,860	Towed Artillery
	280	Helicopters

<sup>1</sup> Source: IISS, *Military Balance 1989-90*, pp.158-160

NAVY	17	Submarines
	2	Aircraft Carriers (with 8 SEA HARRIER attack aircraft 8 SEA KING helicopters)
	5	Destroyers
	21	Frigates
	34	Patrol and Coastal Combatants
	31	Naval Combat Aircraft
	53	Naval Armed Helicopters

AIR FORCE	28	Squadrons Fighter Ground Attack with a total of:
	60	MIG-23
	120	MIG-21
	70	JAGUAR
	72	MIG-27
	80	AJEET
	20	MARUT

	22	Squadrons Fighter Aircraft with a total of:
	49	MIG-29
	52	MIRAGE 2000
	65	MIG-23
	200	MIG-21

	12	Squadrons Transport Aircraft with a total of:
	108	AN-32
	30	AN-12
	10	DHC-3
	10	DHC-4
	16	BAC-748
	12	IL-76



## APPENDIX 4

### PHILOSOPHY OF INDIAN DEFENCE by K.C. Pant

This is the text of the speech delivered by K.C. Pant (former Minister of Defence of India, in the Government led by Rajiv Gandhi) at the Massachusetts Institute of Technology on 1 July 1989.

Even before India became independent, Jawaharlal Nehru, in his first broadcast after assumption of office as Vice-Chairman of the Viceroy's Executive Council, said on September 7, 1946 "we propose, as far as possible, to keep away from the power politics of groups aligned against one another which have led in the past to two world wars and which may again lead to disaster on an even vaster scale. We believe that peace and freedom are indivisible... We seek no dominion over others and we claim no privileged position over other peoples". This was the basic tenet on which India's foreign and defence policies have been based over the last forty two years.

As India became free, on the midnight of August 15, 1947, the members of the Constituent Assembly of India took a pledge to dedicate themselves to this ancient land attaining her rightful place in the world and making her full and willing contribution to the promotion of world peace and the welfare of mankind.

Unfortunately, in spite of her ardent desire to promote international peace, especially in her neighbourhood, India has been involuntarily drawn into five wars involving her territorial integrity and national security. In 1947 Kashmir was invaded when it became a part of India on its ruler signing the instrument of accession under the provisions of the Transfer of Power Act enacted by the British Parliament and accepted by a British Governor General. In 1962, the Chinese launched a massive attack across India's northern and north eastern borders. In April 1965, Pakistan attacked across the Rann of Kutch. In August 1965, Pakistan launched "Operation Gibraltar" and "Operation Grand Slam" against India and these have been chronicled in detail by Pakistani writers themselves. In 1971, the refusal of the Pakistan Army and West Pakistanis to accept the results of their national elections, which returned Sheikh Mujibur Rahman with a clear majority, and the unleashing of a genocide in East Bengal resulted in the entry of ten million refugees into Indian Territory and eventual escalation into a war. At the end of the war, East Bengal became sovereign Bangladesh.

It would not be out of place to recall that till 1962 India was spending less than 2 per cent of her GNP on defence. The military setback of 1962 and the compulsion of having to safeguard her western border as well as the long northern border involving varying terrains, such as snow clad peaks, thick forests, mountains, plains and deserts, necessitated the expansion of the

Indian armed forces, resulting in the defence expenditure rising to around 3.3 per cent of GNP. The Defence budget remained stable at this level for nearly 15 years, till the early eighties. In recent years the Indian defence expenditure has been around 4 per cent of our GDP and yet remains one of the lowest among the nations of the world, including our immediate neighbours. In this context it may be observed that our economic growth rate, which for a long time hovered around 3.5 per cent. Moved up to over 5 per cent in the current plan, and is expected to grow to 6 per cent in the next plan.

In the Indian context, defence and development are two sides to the coin of nation building. Long ago, Jawaharlal Nehru defined the equation of defence as defence forces plus the industrial and technological background plus the economy of the country and the spirit of the people.

This equation holds good even today. In other parts of the world, while there has been no war since 1945 hundreds of billions of dollars are spent on defence. On the other hand, India has been compelled to look after its defence in the light of our having had to defend our security on no less than five occasions in the forty two years since attainment of independence.

India has never believed in dividing the world into permanently frozen antagonistic blocs. Non-alignment and peaceful co-existence were vital components of our foreign policy long before the idea came to be accepted by other nations. India has constantly believed in foreign and defence policies built around enlightened national interest and not around ideologies, political or religious. As President George Washington had advised the fledgling American state in his farewell address, India avoided entangling alliances and did not join any military pact. Those who criticised India's non-alignment had evidently not understood that the largest democracy in the world was in fact emulating the model set by the second largest democracy, a century and half earlier!

The security problems of India arise out of four major factors:

- (i) India's geography and geo-strategic location;
- (ii) the prevalent strategic doctrines;
- (iii) the dissonance between India and the countries around her; and
- (iv) the inexorable drive of the weapon technologies pursued by the industrialised nations and their selective arms proliferation policies.

All these factors are attributable to the attitudes and strategic doctrines prevalent in most of the world and the values and perceptions of the leading industrialised countries which determine the world strategic environment. It must be appreciated that while India herself does not subscribe to these strategic doctrines, it is not possible for her to ignore the belief systems of other countries — especially the most powerful ones in the world. Inescapably, the Indian defence policy has to be designed to take into account the realities

of the existing world order even while continuing to work towards peace and cooperation, which are imperative if this planet is to survive as a habitable one.

It so happens that India has nuclear weapon powers in its vicinity. China shares our longest border. Very often this factor tends to be over-looked when India's security problems are viewed within the narrow context of the erstwhile British Indian Raj frontiers — what is today termed as the SAARC region.

British India had the best army in Asia. Britain was the super power of the world and the British Navy was the most potent and versatile instrument of coercive diplomacy. At that time the British Raj in India tried to shape the strategic environment of Afghanistan, Xinjiang, Tibet and, in Asia, from Suez to Malacca.

Today, the strategic environment of Asia is totally different. Technology has made the Himalayas a surmountable barrier. China, India, USSR, Indonesia, Bangladesh and Pakistan, all ranking populous countries, form a cluster in Asia. With its Central Command, encompassing part of South Asia, the USA and USSR are acknowledged nuclear weapon powers and Pakistan is believed to have acquired a nuclear weapon capability. Thus, the three largest nuclear powers in the world, USA, USSR and China, interact in our region and this strategic interaction is a vital factor in India's security calculations.

Let me now turn to the strategic doctrines prevalent in the world. The industrialised nations, which are also militarily significant powers, have adopted nuclear deterrence as their basic security doctrine. India does not subscribe to the doctrine of nuclear deterrence. However, India just cannot afford to overlook the fact that three major nuclear powers operate in its neighbourhood and Pakistan is engaged in a nuclear weapons programme. If we are to influence these major powers and attempt to ensure that they do not indulge in nuclear threats then it becomes inescapably necessary for us to reckon with their nuclear deterrence concepts. As our Prime Minister said in the third UN special session on disarmament, "left to ourselves we would not want to touch nuclear weapons. But when tactical considerations, in the passing play of great power rivalries, are allowed to take precedence over the imperatives of nuclear non-proliferation, with what leeway are we left?"

India and other non-aligned countries have repeatedly proposed in the United Nations that the use and threat of use of nuclear weapons be outlawed. Over 136 nations have repeatedly voted for the resolution. India and the Soviet Union have jointly proposed that pending elimination, the use and threat of use of nuclear weapons should be banned. But seventeen militarily significant industrialised nations including three nuclear weapon powers, have consistently opposed these moves. It is proclaimed that nuclear weapons have preserved peace in Europe and therefore nuclear deterrence is salutary. Then, would it not be logical if some more countries get nuclear weapons so that the ambience of deterrence is increased all over the world, contributing to greater peace? This is not what we assert, but is it not the fall out of doctrines propounded by the leaders of certain nuclear weapon powers? Our Prime

Minister has proposed a three phase programme of elimination of nuclear weapons. India, having demonstrated its nuclear capability, has exercised enormous restraint in not producing a nuclear arsenal. This has gone totally unappreciated by nations which assert their belief in the doctrine of nuclear deterrence. India had proposed in 1965, and again in 1988, that there must be a reciprocity of obligations between nuclear weapon powers and the threshold nations. If the former would agree to a phased programme of elimination of nuclear weapons, the latter should not cross the nuclear threshold. Peace and freedom are indivisible so also human rights, war doctrines and weapons philosophy. Is it not ironical that those who would unhesitatingly dismiss the argument of dictators and fundamentalists that democracy and human rights are alright for phlegmatic cold climate people but not for people in the developing world find nothing discriminatory in the argument that certain types of weapons are desirable and necessary for certain nations but not for others?

Unless nuclear proliferation by the industrialised nations is halted and reversed and an effective move is made towards their elimination, it will not be feasible to think of preventing the proliferation of nuclear and other sophisticated weapons. India has repeatedly made her position clear that she is for the elimination of all nuclear weapons from the world. India does not accept the thesis that nuclear deterrence is good for preserving peace in some parts of the world, but that other nations should not have such weapons. Such an argument itself poses security threats to the nations of the world. India, with one sixth of the world's population, and situated as it is within a cluster of some of the most powerful nuclear armed nations, adopts a global approach to the problem of nuclear weapons. Radioactive clouds do not recognise regional borders. The same arguments apply to various kinds of sophisticated non-nuclear weapons as well, such as ballistic missiles.

Another important issue is the dissonance between India and countries around. India has chosen to be secular, democratic, federal and to give linguistic autonomy to its states. India has been able to accommodate Communism within its democratic framework and two of our states are governed by Marxists within the parliamentary order. They get elected in free and fair elections and go out of office if they are voted out, as happened in Tripura last year. While recently Pakistan has moved towards a democratic framework and Sri Lanka has been democratic for the last four decades, our other neighbours still tread a different path. The developing nations who got decolonised after 1945 are in a state of turbulence because of the problems arising out of nation building. This was the case in Europe and North America too for three centuries and finally the international rivalries exploded into two world wars. Denial of democracy and representational government, lack of human rights, discrimination, fundamentalism, uneven development etc., all these factors have caused instabilities in the developing nations while they are attempting to evolve into stable nation-states. India having accepted liberal democratic secular values, has demonstrated a stability and political maturity which has confounded many of its critics.

Many of the security problems in South Asia arise out of this contradiction between liberal democracy on the one hand and militarism, authoritarianism of various types, and religious fundamentalism on the other.

Some of the regimes have sought to rely on external linkages to sustain militarism, authoritarianism and status quo at home. Here again, India's stand is clear. She stands for democracy. It is not quite clear whether the nations which practice democratic values at home do not succumb to the temptation of supporting various kinds of authoritarianism elsewhere in the world, purely for reasons of strategic expediency.

Our security policy has also to take into account the engine of technology in advanced countries, which produces successive generations of sophisticated weapons. Strategic doctrines of great powers as expounded in the document "Discriminate Deterrence" advocate provision of high technology weapons to allies in the developing world. There has been a long history of introduction of high technology weapons on a discriminatory basis to selected countries to shape the strategic environment in a particular region. India is compelled to take this possibility into account both in regard to its own R&D and its weapon acquisition programmes. One of our grave concerns emanates from the fact that long range Naval missiles are available to various countries in the Indian Ocean area. These missiles, fired from submarines, can pose serious threats to our shore installations such as atomic power plants, chemical plants etc. Consequently, we are compelled to pay increasing attention to anti-submarine warfare.

It is our view that war is no longer a viable instrument of policy, as envisaged in the nineteenth century. Vietnam, Afghanistan, the various anticolonial wars, the recent Iraq-Iran war and the happenings along the West Bank have established that it is costlier to keep an alien people under occupation than to invade a territory. Military power as a component of overall strength is fast losing its earlier pre-eminence, when compared to economic and technological power. The popular media have of late tended to sensationalise India's military role. One has only to look at the voting record at the UN of our neighbours and compare it with ours to get a clear understanding of how much our neighbours feel intimidated by our military power. Our roles in Sri Lanka and Maldives were responses to calls from our neighbours in difficulties. India has no desire to play the role of a regional policeman. The role of our armed forces is strictly defensive and is meant to safeguard the autonomy of our decision making and our development processes, particularly in the political and social development sectors, and to ensure that the turbulence in the countries around us does not spill over into our territory. Militarist regimes often interpret the Indian defence effort on the basis of the historical experience of the major nations of the 18th, 19th and the first half of the 20th century and tend to ascribe various motivations to India on the basis of conventional wisdom. Most of the western strategic literature, with its emphasis on military power, also contributes to this kind of perspective and the elites of the developing nations around India are also influenced by such literature. This is quite understandable since India has a self-contained civilisational and philosophical tradition, distinguished from the great civilisations to its north,

west and east. Gandhiji's Satyagraha and Nehru's non-alignment are products of this tradition. One has to take note of the fact that it is this distinguishing civilisational feature which has enabled India to internalise parliamentary democratic values and made the Indian Army an apolitical institution, both achievements unfortunately somewhat rare phenomena in the developing world.

The international situation is undergoing a great flux. The military component of power is becoming increasingly less significant than the economic and technological aspects. The powers of the great nations have tended to diffuse.

An increasing number of middle tier powers are becoming meaningful actors in the international scene. The ideological divide is narrowing. Marxism-Leninism is undergoing a profound transformation. The world is coming to increasingly understand that non-military threats to security — the population explosion, adverse consequences of climatic changes, destruction of rain forests, toxic wastes, the debt problem, sluggish economic growth, religious fundamentalism and ethnic parochialism pose much greater threats to the security of nations than mere military threats. Development, population control, poverty alleviation, attention to ecological problems, cultivation of a secular and tolerant approach and democracy constitute a strategy package which can meet the real threats that humanity faces. Non-alignment, dissolution of military blocs, elimination of nuclear weapons and mutually verifiable control over military R&D and a move towards an integrated world view are the vitally needed steps.

We, in India, are aware that these attitudinal changes are not likely to come about overnight. However, we are optimistic that such attitudinal changes are bound to take place. Slavery, colonialism, denial of civic rights, the stand that women were biologically unfit to take political decisions and govern, the belief that nuclear wars can be fought and won, the assertion that non-alignment is immoral neutrality and such other attitudes have been consigned to the dustbin of history. Authoritarian exploitation, faith in religious fundamentalism and a belief that peace can only be built upon nuclear deterrence will hopefully go the same way.

I belong to a civilization which holds "Ekam Sat. Viprah Bahudha Vadanti" (Truth is one, the learned expound it in many ways). Even while waiting optimistically and patiently for such inevitable attitudinal changes to take place, we have to safeguard our democratic way of life from miscalculated adventurism.

It is our hope that democracy will prevail. Once this comes about and the movement towards arms reduction in Europe blossoms into a worldwide trend towards the elimination and reduction of nuclear weapons and other sophisticated arms, we shall be able to reduce our defence effort and devote scarce resources to accelerate our development.

To bring about this process we need the understanding and support of the democracies of the world. We urge them to pause, reflect and review their past perceptions and world view nurtured during the cold war period and

calculate their cost-effectiveness in retrospect. The Soviet Union has embarked upon "new thinking". The "Gentler and Kindlier World" that President Bush visualises is what the entire international community must strive for.

Let us start a dialogue on how to promote a gentler, kindlier and more democratic world which will move towards a non-violent, nuclear-weapon-free international order and ensure a habitable planet for the generations to come.