



The Nonproliferation Review >

Volume 6, 1999 - Issue 4

421 | 15 | 3  
Views | CrossRef citations to date | Altmetric

Original Articles

# The economic impacts of the 1998 sanctions on India and Pakistan

Daniel Morrow & Michael Carriere

Pages 1-16 | Published online: 05 Feb 2008

Cite this article <https://doi.org/10.1080/10736709908436775>

Sample our  
Politics & International  
Relations Journals  
 >> **Sign in here** to start your access  
to the latest two volumes for 14 days

References

Citations

Metrics

Reprints & Permissions

Read this article

Share

# THE ECONOMIC IMPACTS OF THE 1998 SANCTIONS ON INDIA AND PAKISTAN

by Daniel Morrow and Michael Carriere

*Daniel Morrow was a Senior Associate at the Carnegie Endowment for International Peace during 1997-1999. He has been on the staff of the World Bank in various positions since 1979. Michael Carriere was a Junior Fellow at the Carnegie Endowment for the International Peace during 1998-1999, and is currently a Century Fellow at the University of Chicago. A version of this article will appear in Joseph Cirincione, ed., *Repairing the Regime* (Routledge Press, forthcoming). The views expressed in this article are those of the authors and do not represent the official policies of any institutions with which they are associated.*

**O**n May 11 and 13, 1998, India conducted a series of nuclear tests in the barren deserts of the Pokhran region. In response to these tests, neighboring Pakistan conducted its own round of nuclear explosions on May 28, 1998, in the Chagai Hills of Baluchistan. As required by law (under the Glenn Amendment), the United States immediately placed both nations under economic sanctions. According to Undersecretary of State Strobe Talbott, who has become the chief US interlocutor with the South Asian neighbors since their respective tests:

[The sanctions imposed on India and Pakistan] were necessary for several reasons. First, it's the law. Second, sanctions create a

disincentive for other states to exercise the nuclear option if they are contemplating it. And third, sanctions are part of our effort to keep faith with the much larger number of nations that have renounced nuclear weapons despite their capacity to develop them.<sup>1</sup>

Just six months after the sanctions were announced, however, the United States had lifted virtually all of them. The process of weakening the sanctions in place against India and Pakistan had actually begun in July 1998, when the Senate voted to exempt food exports from sanctions.<sup>2</sup> On October 21, 1998, Congress passed the Brownback Amendment, which gave President Clinton the authority to waive certain economic sanctions in place

against India and Pakistan and to resume trade financing and other assistance programs for up to 12 months.

President Clinton wasted little time in using this waiver authority. On November 6, 1998, the president's declaration, officially titled the "India-Pakistan Relief Act," waived the prohibitions in place against the activities of the United States Export-Import Bank, the Overseas Private Investment Corporation, and the Trade Development Agency in both India and Pakistan. Perhaps most importantly, the presidential waiver also authorized US officials to support loans to Pakistan from the International Monetary Fund (IMF) and the World Bank.<sup>3</sup> On June 9, 1999, the

Log in via your institution

➤ Access through your institution

Log in to Taylor & Francis Online

➤ Log in

Restore content access

➤ Restore content access for purchases made as guest

## Purchase options \*

[Save for later](#)

### PDF download + Online access

- 48 hours access to article PDF & online version
- Article PDF can be downloaded
- Article PDF can be printed

EUR 48.00

 Add to  
cart

### Issue Purchase

- 30 days online access to complete issue
- Article PDFs can be downloaded
- Article PDFs can be printed

EUR 160.00

 Add to  
cart

\* Local tax will be added as applicable

## Related Research

[People also read](#)

[Recommended articles](#)

Cited by  
15

## Information for

Authors

R&D professionals

Editors

Librarians

Societies

## Opportunities

Reprints and e-prints

Advertising solutions

Accelerated publication

Corporate access solutions

## Open access

Overview

Open journals

Open Select

Dove Medical Press

F1000Research

## Help and information

Help and contact

Newsroom

All journals

Books

## Keep up to date

Register to receive personalised research and resources  
by email

 Sign me up

  

  

Copyright © 2026 Informa UK Limited

[Privacy policy](#)

[Cookies](#)

[Terms & conditions](#)

[Accessibility](#)



Registered in England & Wales No. 01072954  
5 Howick Place | London | SW1P 1WG