

Differing motives propel India and US to finalize nuclear agreement

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On August 3, India and the United States simultaneously released the text of a 22-page treaty that stipulates the terms under which the two countries will trade civilian nuclear fuel and technology.

Public release of the treaty had been delayed for several weeks while India's Congress Party-led United Progressive Alliance (UPA) coalition and the Bush administration tried to mollify and manage opposition from sections of their country's respective political and geopolitical elites.

The treaty is the product of more than two years of complex, hard-nosed negotiations. Indian Prime Minister Manmohan Singh and US President George W. Bush announced agreement in principle on an Indo-US nuclear accord in July 2005, but on several occasions over the ensuing 24 months negotiations on finalizing the accord appeared mired in intractable differences.

The 123 Agreement is so named because the US negotiates nuclear treaties with other countries under section 123 of the 1954 US Atomic Energy Act (USAEA). The agreement paves the way for lifting the international embargo on the export of civilian nuclear technology and fuel the US has led against India since it first exploded a nuclear device in 1974. In so doing, it creates a unique exemption for India within the world nuclear regulatory regime, allowing a self-proclaimed nuclear-weapons state that is a non-signatory of the Nuclear Non-Proliferation Treaty to purchase nuclear fuel and advanced nuclear technology.

While the Indian government can legally implement the treaty without parliamentary approval, the US government is obligated to seek the approval of Congress. The treaty, however, cannot become valid unless India successfully negotiates agreements with the Nuclear Suppliers Group (NSG), the body that controls world nuclear trade, and the International Atomic Energy Agency (IAEA).

Both Washington and New Delhi have repeatedly stressed the importance of this deal for their respective states and for the development of an Indo-US "strategic" and "global" partnership. Indian national security adviser M.K. Narayanan has called the treaty a "touchstone of a transformed bilateral relationship between India and the US," while US Secretary of State Condoleezza Rice has termed it a "historic milestone" that will place Indo-US relations on a qualitatively new plane with major, positive implications for the role of the US in Asia and the world for decades to come.

As critics of the deal have repeatedly observed, it threatens to unravel the complex set of international laws and regulations, including the Nuclear Non-Proliferation Treaty (NPT), that have evolved over the past four decades. The international nuclear regime, as it currently stands, was established largely at the initiative of the US and with the aim of limiting the "right" to possess nuclear arms to the five states that had already developed nuclear weapons by the late 1960—the US, the Soviet Union (Russia), Britain, France and China.

One of the central instruments that the US and the other nuclear-weapons powers have used to thwart the ambitions of other states to develop nuclear weapons is the NPT, which came into force in 1970.

States wishing to acquire nuclear technology and fuel for electricity generation have been required to sign the NPT and forswear using nuclear technology for military purposes.

India has always emphatically rejected the NPT, claiming that it arbitrarily divides the world into two types of states, that it places her at a grave strategic disadvantage vis à vis China, with which she fought a border war in 1962, and that the states granted the right to possess nuclear weapons under the NPT have done nothing to fulfill their legal obligation to work for world nuclear disarmament.

Over the past three decades, the Indian elite, while leaving hundreds of millions to languish in poverty, has expended vast funds to develop an indigenous civilian and military nuclear program in defiance of international sanctions. In May 1998, India formally proclaimed itself a nuclear-weapons state, with the staging of a series of nuclear-weapons tests.

Nevertheless, the Bush administration has aggressively pursued a campaign to exempt India from international nuclear laws, while threatening NPT signatory Iran with war for activities that it is legally entitled to carry out under the NPT.

Sections of the US establishment, including the editors of *New York Times*, have opposed the Bush administration's attempt to grant India special status within the world nuclear regime precisely on the grounds that it could undermine international support for US efforts to bully Iran and North Korea into giving up their nuclear programs.

Pakistan, which has fought three declared wars with India and responded to India's 1998 nuclear tests by likewise proclaiming itself a nuclear-weapons state, has, meanwhile, decried the preferential treatment the US is according India, warning that it threatens to trigger an arms race in South Asia.

India's UPA government and the Bush administration both insist that US-Indo civilian nuclear cooperation will have no impact on India's nuclear weapons program. But it is well recognized that insofar as India is able to gain access to nuclear fuel and advanced civilian nuclear technology she will be able to more fully focus the resources of her indigenous nuclear program on weapons development.

The coming into force of the 123 Agreement is as yet far from assured as each government has to overcome considerable domestic opposition as well as to win the IAEA's support and the unanimous approval of the member states of the NSG. France and Russia, both of which believe they have the inside track on selling nuclear reactors to India, are among the key states that have indicated they will support the US push to exempt India from key provisions of the NPT. Beijing has given mixed signals as to whether it will give its assent, for it rightly perceives the Indo-US nuclear deal to be part of a US drive to build up India as a counterweight to a rising China.

In India the release of the text of the 123 Agreement has unleashed a political storm, with the Stalinist Communist Party of India (Marxist)-led Left Front demanding that the government not proceed with negotiations

with the IAEA and NSG until the agreement is renegotiated.

The Left Front has warned that the agreement must be seen within the context of a concerted drive by Washington to harness India to its geopolitical strategy, especially as regards Iran and China, by making India dependent on US arms and nuclear technology.

Despite being framed in a cowardly and half-hearted manner, the Left Front's opposition threatens to destabilize the UPA minority government, as it is dependent on the Left Front's votes to remain in office.

Virtually all the other opposition parties have also condemned the agreement. The crisis-ridden official opposition, the Hindu-supremacist Bharatiya Janata Party (BJP), has claimed the agreement threatens the integrity of India's nuclear weapons program. While there are concerns within India's nuclear establishment over a US stipulation that civilian nuclear cooperation is conditional on India not conducting further nuclear tests, the BJP's opposition to the treaty is consistent with its policy of sabotaging any initiative taken by the UPA. When it headed the National Democratic Alliance (NDA) coalition government from 1999 to 2004, the BJP in fact first floated the idea of such a treaty with Washington.

The UPA government in general and Prime Minister Manmohan Singh in particular consider the Indo-US nuclear accord the UPA government's most important foreign policy achievement, and this for several reasons: the agreement is a giant step toward ending the 33-year nuclear embargo against India, goes a long way to giving India the status of a world power that the Indian elite has so long coveted, and cements a privileged bilateral relationship with Washington.

In rallying support for the deal, the UPA government has crowed about the supposedly significant concessions it has extracted from the US, especially over India's right to reprocess spent nuclear fuel and guarantees of nuclear fuel supplies.

However, many within the Indian nuclear and geopolitical establishment dispute the value of the purported US concessions.

In fact, the treaty is written in such a way as to virtually ensure future disputes between New Delhi and Washington. There are significant ambiguities in the text and some of the most contentious issues—including under what conditions India can invoke its "right" to reprocess nuclear fuel and whether India will be permitted to purchase US technology relating to all aspects of the nuclear-fuel cycle—have been temporarily shunted aside, by postponing their resolution to future negotiations.

For India the right to reprocess spent fuel is critical. India's decades-long three-stage drive to develop an indigenous nuclear program using thorium requires significant amounts of spent fuel from traditional civilian nuclear operations. While the agreement acknowledges an Indian right to reprocess spent fuel purchased from the US or other countries overseas, such a right can be exercised only after India has built a special facility under IAEA inspection and to IAEA specifications.

Indian critics of the deal say it is less generous than the 123 agreement the US negotiated with Japan as it only acknowledges an Indian right to negotiate access to many "dual-use" (civilian and military) technologies, rather than granting immediate and unfettered access. The agreement states, "Sensitive nuclear technology, heavy water production technology, sensitive nuclear facilities, heavy water production facilities and major critical components of such facilities may be transferred under this Agreement pursuant to an amendment to this Agreement." Such an amendment it, should be added, would require US congressional approval.

Even more contentious is Article 2 of the treaty. It states: "The Parties shall cooperate in the use of nuclear energy for peaceful purposes in accordance with the provisions of this Agreement. Each Party shall implement this Agreement in accordance with its respective applicable treaties, national laws, regulations, and license requirements concerning the use of nuclear energy for peaceful purposes" (emphasis added).

When the US Congress gave the Bush administration legal sanction to negotiate a 123 agreement with India in December 2006 under the "Henry

J. Hyde United States-India Peaceful Atomic Energy Cooperation Act of 2006," or Hyde Act, it added a series of provisions meant to pressure India to do Washington's bidding in the name of opposing nuclear proliferation.

For example, the Hyde Act says India should pursue a policy in respect to Iran's nuclear program "congruent" with that of the US, implicitly threatening adverse consequences in the event India fails to comply.

The fact that US was able to coerce India into voting against Iran at the IAEA in September 2005 just a few months after the two countries decided to negotiate a nuclear treaty illustrates that the US is quite ready to make use of such provisions to pressure India into falling in line with its hegemonic goals and predatory interests.

The Hyde Act also requires the US president to annually submit a report on India's compliance with the various provisions of the nuclear agreement, including on nonproliferation.

At the official ceremony at which Bush signed the Hyde Act into law he said that he considered such requirements as "advisory" and insisted on the executive's prerogative to conduct foreign policy as it sees fit. Such a declaration does not, however, remove the president's legal obligation to provide Congress with annual certification that India is upholding nuclear nonproliferation. Even if Bush chooses to automatically certify Indian compliance, there is no guarantee a future US president will not seek to use this provision to pressure New Delhi to fall into line with US foreign policy. As Washington's differing treatment of India and Iran, to say nothing of Israel, attests, the US has always looked at the issue of nuclear nonproliferation from the standpoint of securing its own geopolitical interests.

The other aspect of the agreement that has caused great consternation among the Indian elite is the threat that, in the event India stages a further nuclear test, the US could invoke the Hyde Act stipulated "right of return," legally forcing India to return to the US all US-supplied civilian nuclear equipment and fuel. The only concession the 123 Agreement made to Indian concerns over this provision was a clause saying the US would consult India before exercising this right.

For the Indian elite this provision is a significant stumbling block for maintaining and augmenting their nuclear weapons arsenal, as the tests conducted in 1998 were reportedly only partially successful.

At India's insistence the 123 Agreement includes wording that would appear to guarantee India fuel supplies even if the agreement is cancelled. But this is contradicted by the US's retention of the right of return.

The fact is that the two sides are approaching the agreement with differing and even contradictory strategic agendas. As a result of the fiasco the US is facing in Iraq and Afghanistan, all sections of the US ruling elite realize that US military power is far from adequate in maintaining US global predominance. The fear of the rising power of China, coupled with the anemic performance of its NATO partners in Afghanistan, has caused the US imperialists to seek other allies such as India.

The US has repeatedly publicized its intent to "assist" India in becoming a world power and use India to contain and constrain China. Toward that end, the US over the past five years has rapidly increased military cooperation with India, including a large number of joint military exercises, and has indicated that it would like to see India assume the role of regional cop in the Indian Ocean—something akin to the role Australia plays as US-backed regional "sheriff" in the South Pacific.

There are also considerable economic interests animating the US push to end the nuclear embargo and related constraints on the transfer of military technology to India. US corporations anticipate the nuclear deal will translate into multibillion-dollar military and nuclear sales to India.

The Indian elite for their part have grandiose ambitions of acquiring great-power status, despite the country's masses suffering widespread and intense poverty, and aspire to partake in big-power politics in Central,

South and Southeast Asia. To realize these ambitions the Indian elite have sought legitimization of India's possession of nuclear weapons and its acceptance as a nuclear power by the established imperialist states. The Indian nuclear program is also in desperate need of uranium fuel and advanced technology. According to reports, capacity utilization of India's nuclear plants has decreased quite dramatically of late, due to both fuel shortages and equipment failure.

The Indian elite is acutely aware that the US is seeking to employ it against China and is determined not to have its relations with China—a neighboring state that has close relations with arch-rival Pakistan and is well capable of causing geopolitical problems for India across South Asia—dictated by Washington.

Nevertheless wide sections of the Indian ruling class, blinded by ambition and self-interest, harbor the illusion that India will be able to straddle the deepening fissures in world geopolitics. Their hope is to make use of Washington's offer to assist India in becoming a "world power" and to draw closer with the US's chief regional allies, Australia and Japan, while simultaneously maintaining India's traditional close ties with Russia and pursuing a rapprochement with China.

The Indian government has justified the nuclear agreement with the US from the standpoint of meeting India's expanding energy needs and reducing its heavy dependence on oil and natural gas imports. But according to the Indian government's own projections, even if it is successful in carrying out its plans to rapidly expand India's nuclear energy capacity with foreign assistance, nuclear energy will only supply about 5 percent of India's energy needs in 2025.

Rather than India's energy needs, it is the predatory geopolitical ambitions of US imperialism and big-power ambitions of the Indian ruling elite that are motivating the Indo-US nuclear deal. Its inevitable result will be to further geopolitically destabilize South Asia and Asia as a whole, pushing Pakistan and China to seek to counter the emerging Delhi-Washington axis. However, given the differing motivations of the Indian and US elites, it is also highly possible that the treaty will, if implemented, also lead to major conflicts between the US and India.



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