Australian government to end ban on uranium sales to India

Peter Symonds
1 December 2011

One day before US President Barack Obama arrived in Canberra on November 16, Australian Prime Minister Julia Gillard announced that she would move at the Labor Party national conference, due to start tomorrow, to amend the party's platform to allow uranium sales to India.

While Gillard claimed the timing was coincidental, her announcement dovetailed with Obama's concerted drive to bolster US security ties throughout Asia in order to undercut China's economic and political influence. The Australian government's ban on uranium sales to India has been a significant obstacle to closer strategic collaboration between the US, India and Australia.

Comments by the US ambassador to Australia, Jeffrey Bleich, to the *Australian Financial Review* (AFR) on November 9 confirm that Washington had been exerting pressure on the Gillard government. He said "uranium has been an impediment" and a "thorny point" in relations between Canberra and New Delhi. "Our view is the US sorted out its issues with India and we trust India and Australia will sort out their individual issues," he added.

What Washington "sorted out" with New Delhi was the 2008 US-India nuclear deal that exempted India, which has a substantial nuclear arsenal, from the Nuclear Non-Proliferation Treaty (NPT). The agreement lifted the remaining sanctions imposed on India following its 1998 nuclear tests and permitted American corporations to sell civilian nuclear technology and fuel to India. The US subsequently pushed through a waiver by the Nuclear Suppliers Group, enabling other countries to engage in nuclear sales to India.

The US-India agreement was premised on the fraud that the nuclear materials would be provided only for civilian, not military purposes. However, from India's standpoint, the deal was a boon. It provided access to the latest nuclear energy technology and allowed India to divert indigenous resources to boosting military programs. Access to cheap, high grade uranium ore for its civilian reactors was a priority because India wants to use supplies from its own limited mines for military purposes.

The nuclear deal was part of the George W. Bush administration's broader aim of establishing a "strategic partnership" with India as part of US efforts to counter rising Chinese influence. Moves to contain China have intensified under President Obama, culminating in his recent trip to Australia and participation in the Bali East Asia Summit and the Honolulu Asia Pacific Economic Cooperation (APEC) summit.

A key element of Obama's strategy is to tighten US military domination over the South China Sea and shipping lanes such as the Malacca Strait, which are vital to China's supplies of energy and raw materials from Africa and the Middle East. Obama's announcement of a greater US naval, air force and Marine presence in northern and western Australia was directed toward that end, as is the US pressure for greater joint military collaboration with India and Australia.

In his interview with the AFR, US ambassador Bleich commended a proposal for US-India-Australia trilateral strategic cooperation, contained in a report jointly published in November by think tanks in the US, Australia and India—the Heritage Foundation, the Lowy Institute and the Observer Research Foundation.

"The US was enthusiastically involved in trying to establish the four-way strategic dialogue: India-Japan-Australia and the US. I think to the extent that a three-way would allow us to advance all our interests, then we would certainly be interested," Bleich declared.

The detailed report, entitled "Shared Goals, Converging Interests: A Plan for US-Australia-India Cooperation in the Indo-Pacific," covers a range of issues, but focusses on military cooperation on "maritime security" in the Indian and Pacific Oceans, now regarded by the Pentagon as one operational theatre. The report notes India's "Look East" policy, involving a naval build-up to "enable India to project power into the Asia Pacific," and the importance of a greater US presence in

© World Socialist Web Site

Australia as "a building block for trilateral cooperation in the Indian Ocean."

The report points to the fostering of closer bilateral and multilateral collaboration between US allies, in addition to existing ties with Washington. Joint security declarations include: Australia-Japan (2007); Japan-India (2008); Australia-India (2009) and Australia-South Korea (2010). In addition, the US, Australia and Japan have established a formal "trilateral dialogue" on security matters. All this is taking place under the false banner of uniting the "liberal" or democratic powers against the unstated target—China. Within Washington's scheme, the ending of the Australian ban on uranium sales to India thus assumed a high priority.

India's access to unlimited imports of cheap, high-grade Australian uranium ore will further destabilise already tense relations in Asia. Strengthening India's capacity to expand its nuclear arsenal threatens to trigger a dangerous arms race with its main regional rivals—China and Pakistan. Not surprisingly, China responded to Gillard's announcement by insisting that all countries "should always abide by international obligations and nuclear non-proliferation." This was a pointed reference to India's breach of the NPT and to the US-India nuclear agreement that condones the breach.

By contrast, Indian External Affairs Minister S.M. Krishna welcomed the announcement, declaring: "We attach great importance to our relations with Australia, which are growing across the board." An *Indian Express* editorial called on the Indian government to "end its prolonged political neglect of Australia and respond vigorously to the unprecedented opportunity Down Under."

In Australia, the media was unanimous in its approval for the lifting of the ban. The major mining corporations are obviously enthusiastic about the prospect of a potentially huge new market in India and will undoubtedly press for a further easing of restrictions on uranium sales.

However, an editorial in the AFR, entitled "Welcome move on uranium," drew the connection to the broader strategic issues, stating: "The main significance of the uranium announcement as US President Barack Obama arrives today is that it shows how Australia is able to nurture other relationships in the region at a time when we are increasingly caught between the growing US-China economic and strategic tensions."

The *Australian* revealed: "Australian and US officials have been involved in intense strategic discussions about India and the Indian Ocean for several months." Discussions occurred earlier this year at AUSMIN ministerial talks as well as in a joint working party connected to the US Global Defence Force Posture Review, which is due to report soon and is expected to announce a higher priority for the Indian Ocean.

The manner of Gillard's announcement has a particular significance. She took the step as a personal initiative to change Labor Party policy and, in an extraordinary move, failed to consult her foreign minister, Kevin Rudd, before informing New Delhi. Despite Rudd's full backing for the proposal, Gillard is determined to put her stamp on Australian foreign policy and leave no unclarity as to the government's complete endorsement of Obama's anti-China push.

Rudd's previous attempts as prime minister to ease tensions between China, Australia's top trading partner, and longstanding strategic ally, the US, cut directly across Washington's strategy of intensifying pressure on Beijing. His foreign policy generated mounting hostility in the White House and was a major factor in his ouster last year by Labor's factional bosses, who fully informed the US embassy about their coup plotting while keeping the Australian public in the dark.

Soon after assuming power following the 2007 election, Rudd took two steps in relation to India that angered Washington: he overturned plans by the previous Liberal-National government to end the ban on uranium sales to India; and he withdrew from a US-backed proposal for a quadrilateral security arrangement between the US, India, Japan and Australia. The latter step involved a slap in the face to Washington—then-Australian foreign minister Stephen Smith made the announcement as he stood alongside his Chinese counterpart Yang Jiechi. The Chinese had denounced the proposed "Quad" as America's "Asian NATO"—that is, a security alliance aimed against Beijing.

At tomorrow's Labor Party conference, some so-called Lefts will make empty gestures of opposition to the sale of uranium to India. But one can predict in advance that there will be no serious discussion of the implications of the Gillard government's decision to back every aspect of the Obama administration's militaristic drive against China. Last year's coup involved more than just ousting Rudd. It represented a disciplining of the Labor Party to the unconditional acceptance of US strategic policy. The entire party acquiesced without a whimper of opposition.

To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact

© World Socialist Web Site