International Seminar on "Indo-US Nuclear 'Deal'" - India, South Asia, NAM and the Global Order, Mumbai, 10 –11 March 2007

Background

On the December 18 last the US President George Bush inked the Henry Hyde Act towards actualizing the much talked of Indo-US Nuke 'Deal', which had been outlined in the Bush-Singh joint statement issued on July 18 2005 at Washington DC and further developed and reiterated on March 2 in the joint statement issued from Delhi.

The 'Deal', however, has still to pass through a number of stages in order to be operative.

To be more specific, India and the US will have to work out an agreement, popularly known as 123 Agreement, on the specifics of the 'cooperation' in terms of respective rights and responsibilities.

Promises are being made from the US side that precisely at this stage India's current concerns will be addressed and the legal framework as worked out by the US Congress in the form of the Act will be tricked to the extent necessary.

Be that as it may, India will also have to work out a separate treaty with the International Atomic Energy Agency (IAEA) laying down the scopes and terms of inspections of the 'civilian' plants. And then both these agreements will be presented to the 45-member Nuclear Suppliers Group (NSG) for ratification. On consensual endorsement by the NSG the whole package will again be presented to the US Congress for final approval so as to enable the President to bring it into force.

An Analysis of the 'Deal'

The 'Deal' has essentially three dimensions: the strategic-political, the nuclear weapons related and the energy dimension.

The Nuclear Weapons Dimensions

This would-be deal would enable India - a non-signatory to the Nuclear Non-Proliferation Treaty (NPT), as are Pakistan and Israel - in gross contravention of its underlying principles and the current norms of the 45-member Nuclear Suppliers Groups (NSG), to have civilian nuclear trade with the US and also the rest of the world. This would amount to quasi-recognition of India as a 'legitimate' nuclear power – much unlike Israel, Pakistan or North Korea. This act of unique exceptionalism would obviously be a severe frontal assault on

whatever credibility of the Nuclear Non-Proliferation Treaty (NPT) - the only multilateral commitment, however vague, of the five nuclear weapon states (NWSs), viz. the US, Russia, the UK, France and China - to global nuclear disarmament. The virtual legitimisation of India's nuclear status, as and when the 'deal' comes through, would thus deal a severe blow to the prospects of nuclear non-proliferation and thereby disarmament. It'd have a serious destabilising impact the world over. The lesson that one would tend to learn is that if one can weather the initial storms of international censures after breaking the non-proliferation taboo, things would normalise in a while. One may even get rewarded in the process.

The 'Deal' would allow India to deploy or utilise all its indigenously produced uranium exclusively for production of fissile materials, or bomb-making, as it'd get uranium to run the nuclear reactors meant for power production from international sources, which it is denied at the moment. So its bomb-making capabilities may rise even four times.

But its capability to produce more powerful Hydrogen Bombs, or ones based on fusion technology as against fission, would be circumscribed, as India is not allowed to carry out any further explosive tests under the deal.

Pakistan, which had repeatedly asked for a similar deal and been bluntly denied, would nevertheless embark upon a stepped up nuclear weaponisation programme just to keep pace with India – the next-door neighbour and traditional rival.

This would turn the South Asian scene even more volatile and potentially cataclysmic.

In sum, the deal marks a new phase in the nuclear relationship between the United States and India. Both countries will be going against their historical policies, the United States with regard to its stance on nuclear non-proliferation and India with regard to its longstanding opposition to having international safeguards at domestically constructed nuclear facilities. At the international level, it represents a challenge to the disarmament and non-proliferation regimes, which are based on the assumption that access to nuclear fuel and technology must be given only in exchange for signing the NPT – accepting all its obligations, and joining the regime.

Strategic-Political Dimensions

The 'Deal', as is being publicly claimed, would result in further

cementing of the strategic ties between the US and India - as its junior regional ally. Hence it would provide an added and strong fillip to the aggressive ambitions of the Bush administration.

The Bush administration, as is well known, has launched a relentless drive for unfettered global dominance nicknamed as the Project for the New American Century (PNAC). Towards this goal the regime has unashamedly foregrounded its awesome military might, including the nuclear firepower, to make up for the deficiencies of its otherwise huge economic muscles and political/diplomatic clout. The 'Global War on Terror' and the war on Iraq, on patently false pretexts, are just two very glaring manifestations.

The strategic significance of the nuclear deal can thus be adequately appreciated only in the context of a changing U.S. geopolitical strategy under the Bush Administration and an evolving US-India relationship. In an article published in Foreign Affairs in 2000, Condoleezza Rice, the then main foreign policy adviser to Bush in his presidential campaign, had indicated that a future Bush administration would take a new approach to India and argued that the United States "should pay closer attention to India's role in the regional balance… India is an element in China's calculation, and it should be in America's, too. India is not a great power yet, but it has the potential to emerge as one."

And from the standpoint of the Indian elite, it'd provide them an opportunity to emerge as a mini-hegemon in the region as a quasi-legitimised nuclear weapons power – clearly dehyphenated from Pakistan and rivalling China, basking in the reflected glory of the global hegemon. They'd nevertheless try to keep their options as regards international alliances as wide as possible even under such trying and restrictive circumstances.

India has in fact already gone some way along with the US in its efforts to squeeze Iran, actively helping the US and the West to shift the Iran issue to the Security Council. Moreover, India has indicated its willingness to be a part of the Ballistic Missile Defence (BMD) systems of the US, and of its Proliferation Security Initiative (PSI). The former ensures a continuing nuclear arms race with Russia and China as well as militarising and nuclearising outer space. The PSI is an illegal arrangement in violation of existing laws on behaviour in the high seas aimed at enabling the US and its allies to arbitrarily interdict 'enemy' ships - even merely suspected of carrying nuclear-related materials of any sort.

This is evidently a highly disturbing development in the arena of global

politics.

And it goes without saying, if the 'Deal' finally goes through it cannot but have a strong adverse impact on India's standing as a founder and leading member of the Non-Aligned Movement (NAM).

Nuclear Energy Dimensions

On the Indian side, a primary motivation for the deal has been the history of failure of its Department of Atomic Energy (DAE) to produce large quantities of nuclear electricity. In 1962, Homi Bhabha, the founder of India's nuclear programme, predicted that by 1987 nuclear energy would constitute 20,000 to 25,000 MW of installed electricity generation capacity. His successor as head of DAE, Vikram Sarabhai, predicted that by 2000 there would be 43,500 MW of nuclear power. Neither of these predictions came true. Despite over 50 years of generous funding, nuclear power currently amounts to only 3,900 MW, just 3.1 per cent of installed electricity capacity of 1,27,056 MW (as of September 2006). Even if the DAE meets its current projections of 20,000 MW by the year 2020, it will only be 8-10% of projected total electrical generation capacity.

In this context, this 'Deal', with its promise of international help and collaboration in terms of fuel, equipments and technology, is being seen as a godsend to get out of the current morass that it is in. But even if the United States does deliver on its promises and international nuclear trade with India resumes, it is by no means clear that the DAE will be able to generate a significant fraction of the country's electricity requirements for decades. Further, such electricity is likely to be more expensive as compared to from other sources.

A second motivation for the deal represents another of DAE's failures: in ensuring sufficient supplies of uranium to fuel its nuclear reactors. This lapse was evident in the statement from an Indian official to the British Broadcasting Corporation soon after the Indo-US deal was announced: "The truth is we were desperate. We have nuclear fuel to last only till the end of 2006. If this agreement had not come through we might have as well closed down our nuclear reactors and by extension our nuclear programme". Nuclear Power Corporation of India data shows that most of its reactors have had lower capacity factors in the last few years. A. Gopalakrishnan, the former head of the Atomic Energy Regulatory Board, has reported that "uranium shortage" has been "a major problem… for some time."

India has been unable to import uranium for its unsafeguarded nuclear reactors because of the rules of the Nuclear Suppliers Group. Apart

from two very old imported U.S. reactors, India relies on natural uranium fuelled nuclear reactors (based on the two Canadian designed and built pressurized heavy water reactors it acquired in the 1960s). The total capacity of these reactors is 3,580 MW of electricity. At 80 per cent capacity, these require over 500 tons of uranium every year. The plutonium production reactors, CIRUS and Dhruva, which are earmarked for nuclear weapons purposes, consume perhaps another 30-35 tons annually. It is estimated that current uranium production within India is less than 300 tons a year. The DAE has been able to continue to operate its reactors by using uranium stockpiled from the days when the nuclear capacity was much smaller. It'd be rather reasonable to conclude that, in the absence of uranium imports or cutbacks in nuclear power generation, this stockpile would be exhausted pretty soon, maybe by 2007. This explains the DAE's desperate efforts to open new uranium mines in the country, which have met with stiff public resistance, primarily because of deleterious health impacts of uranium mining and milling on the communities around existing mines.

Another point of attraction from the Indian elite's viewpoint is that the 'Deal' would bring to a close the 'dual-use' technology/equipments denial/restriction regime practised by the US. Presently technologies and equipments, which are considered usable for nuclear programmes, even if meant for other applications, are not provided to India. Even purely academic transactions in the nuclear field are also thus severely restrained. With the conclusion of the 'deal', this would become past history.

This 'Deal' would, however, obviously distort India's energy options by diverting scarce resources to developments of resource-guzzling, intrinsically hazardous and potentially catastrophic, nuclear power at the cost of ecologically benign renewable sources of energy.

This would obviously provide a strong boost to the nuclear industry worldwide, particularly the potential suppliers from the US. And that's precisely why the business lobby in the US is working overtime to get the 'Deal' clinched.

Summary

The 'Deal' as and when, and if at all, comes through will grievously undermine the current global regime of nuclear non-proliferation and thereby also the prospects of global nuclear disarmament. It is also likely to further aggravate tensions and accelerate arms race in the region. So it's a very serious negative development for global and regional peace and security.

It'd also further cement the growing strategic ties between the US and India and thereby would add momentum to the US project for unfettered global dominance. It'd just not only undermine India's position as a founding and leading member of the NAM, it'd also pose a very serious challenge to the NAM and its objectives in terms of radically raised level of US domination on the global scene.

It'd also act as a booster for nuclear energy industry and a considerable dampener for efforts to develop ecologically benign renewable sources of energy – nationally and also globally.

The objective to assess the impact of the Indo-US Nuclear Deal the impact of the deal would be multiple.

1. It would accelerate the nuclear arms race in South Asia severely undermining our objectives of a peaceful nuke free South Asian region.
2. It would also act as a serious dampener for the pursuit of renewable and environmentally benign energy like wind power, solar energy and such others.
3. It would also weaken our efforts of making India take a lead role in the struggle for a nuclear weapons free South Asia and the world.

The objectives of the seminar are twofold and closely intertwined. The seminar to be held in Mumbai would try to spread awareness about the harmful effects of the 'Deal' amongst the different sections of Indian public including the opinion-makers and peace activists across the country.

It would also serve as a platform for debate and exchange of a number of national, regional and international experts on this issue as well as peace activists from across the region. The conference would also come forward with a strategy for action.