

US-India Nuclear Deal (2005 - 2008)

The U.S. Congress on October 1, 2008, gave final approval to an agreement facilitating nuclear cooperation between the United States and India. The deal is seen as a watershed in U.S.-India relations and introduces a new aspect to international nonproliferation efforts. First introduced in the joint statement released by President Bush and Indian Prime Minister Manmohan Singh on July 18, 2005, the deal lifts a three-decade U.S. moratorium on nuclear trade with India. It provides U.S. assistance to India's civilian nuclear energy program, and expands U.S.-India cooperation in energy and satellite technology. But critics in the United States say the deal fundamentally reverses half a century of U.S. nonproliferation efforts, undermines attempts to prevent states like Iran and North Korea from acquiring nuclear weapons, and potentially contributes to a nuclear arms race in Asia. "It's an unprecedented deal for India," says Charles D. Ferguson, science and technology fellow at the Council on Foreign Relations. "If you look at the three countries outside the Nuclear Non-Proliferation Treaty (NPT)-Israel, India, and Pakistan-this stands to be a unique deal."

What are the terms of the deal?

The details of the deal include the following:

- India agrees to allow inspectors from the International Atomic Energy Association (IAEA), the United Nations' nuclear watchdog group, access to its civilian nuclear program. But India would decide which of its many nuclear facilities to classify as civilian. By March 2006, India promised to place fourteen of its twenty-two power reactors under IAEA safeguards permanently. India also promised that all future civilian thermal and breeder reactors shall be placed under IAEA

safeguards permanently. Teresita Schaffer, director of the South Asia program at the Center for Strategic and International Studies, says these will now include domestically built plants, which India has not been willing to safeguard before now. Military facilities -- and stockpiles of nuclear fuel that India has produced up to now -- will be exempt from inspections or safeguards.

- India commits to signing an Additional Protocol (PDF) -- which allows more intrusive IAEA inspections -- or its civilian facilities.
- India agrees to continue its moratorium on nuclear weapons testing.
- India commits to strengthening the security of its nuclear arsenals.
- India works toward negotiating a Fissile Material Cutoff Treaty (FMCT) with the United States banning the production of fissile material for weapons purposes. India agrees to prevent the spread of enrichment and reprocessing technologies to states that don't possess them and to support international nonproliferation efforts.
- U.S. companies will be allowed to build nuclear reactors in India and provide nuclear fuel for its civilian energy program.

What kind of technology would India receive in return?

India would be eligible to buy U.S. dual-use nuclear technology, including materials and equipment that could be used to enrich uranium or reprocess plutonium, potentially creating the material for nuclear bombs. It would also receive imported fuel for its nuclear reactors.

What are the objections to the agreement?

Critics call the terms of the agreement overly beneficial for India and lacking sufficient safeguards to prevent New Delhi from continuing to produce

nuclear weapons. "We are going to be sending, or allowing others to send, fresh fuel to India -- including yellowcake and lightly enriched uranium -- that will free up Indian domestic sources of fuel to be solely dedicated to making many more bombs than they would otherwise have been able to make," says Henry Sokolski, executive director of the Nonproliferation Policy Education Center, a nonprofit organization dedicated to improving awareness of proliferation issues. While India has pledged that any U.S. assistance to its civilian nuclear energy program will not benefit its nuclear weapons program, experts say India could use the imported nuclear fuel to feed its civilian energy program while diverting its own nuclear fuel to weapons production. New Delhi has done similar things in the past; India claimed it was using nuclear technology for civilian purposes right up until its first nuclear weapons test in 1974. A Congressional Research Service report (PDF) on the agreement states, "There are no measures in this global partnership to restrain India's nuclear weapons program."

- **The safeguards apply only to facilities and material manufactured by India beginning when the agreement was reached.** It doesn't cover the fissile material produced by India over the last several decades of nuclear activity. The CRS report says, "A significant question is how India, in the absence of full-scope safeguards, can provide adequate confidence that U.S. peaceful nuclear technology will not be diverted to nuclear weapons purposes."
- **The deal does not require India to cap or limit its fissile material production.** This comes at a time when nearly all the major nuclear powers -- including the United States, France, Britain, and Russia -- are moving to limit their production.
- **The deal does not require India to restrict the number of nuclear weapons it plans to produce.**

- **There are far more cost-efficient ways to improve India's energy and technology sectors.** These could include making India's existing electricity grid more efficient, restructuring the country's coal industry, and expanding the use of renewable energy sources, Sokolski said in congressional testimony. All these steps would involve much less dangerous transfers of technology that would not be dual-use, and therefore not convertible to nuclear weapons production.
- **The agreement was rushed and takes unnecessary risks without adequate preparation or expert review.** The agreement "appears to have been formulated without a comprehensive high-level review of its potential impact on nonproliferation, the significant engagement of many of the government's most senior nonproliferation experts, or a clear plan for achieving its implementation," writes William C. Potter director of the Center for Nonproliferation Studies at the Monterey Institute of International Studies, in *Nonproliferation Review*. "Indeed, it bears all the signs of a top-down administrative directive specifically designed to circumvent the interagency review process and to minimize input from any remnants of the traditional 'nonproliferation lobby.'"

What effect will the U.S.-India deal have on the NPT?

It could gut the agreement, experts say. Article 1 of the treaty says nations that possess nuclear weapons agree not to help states that do not possess weapons to acquire them. Albright says that without additional measures to ensure a real barrier exists between India's military and civilian nuclear programs, the agreement "could pose serious risks to the security of the United States" by potentially allowing Indian companies to proliferate banned nuclear technology around the world. In addition, it could lead other

suppliers -- including Russia and China -- to bend the international rules so they can sell their own nuclear technology to other countries, some of them hostile to the United States. On the other hand, experts like Gahlaut argue the NPT was already failing in its mission to prevent proliferation. She says many countries -- including North Korea, Libya, Iran, and Iraq -- have cheated while being signatories of the NPT.

What role does China play in the U.S.-Indian nuclear deal?

It is a motivating factor in the deal, some experts say. China's rise in the region is prompting the United States to seek a strategic relationship with India. "The United States is trying to cement its relationship with the world's largest democracy in order to counterbalance China," Ferguson says. The Bush administration is "hoping that latching onto India as the rising star of Asia could help them handle China," Sokolski says.

But other experts say the growing economic relationship between China and India is so critical to New Delhi that its interests in China cannot be threatened or replaced by any agreement with the United States. Indians "have no interest whatsoever in trying to contain China because they believe this could be a self-fulfilling prophecy, and their whole policy is to seek the best possible relationship with China," Robert Blackwill, a former U.S. ambassador to India, said at a Council meeting February 23. Other experts worry U.S. nuclear aid to India could foster a dangerous nuclear rivalry between India and China. Though India has a strong interest in building economic relations with China, New Delhi is still wary of China's military rise in the region.

The Effect of US India Nuclear Deal on Pakistan

The strategic dialogue has a lot of implications for both the countries. For the US, India was the depressing agent to rising China. For India, the US was a means to achieve their lifelong dream of becoming regional leader with better access to global markets. But, it has some Pakistan-specific implications beginning from defence arrangements to international relations.

The US commitment of 'civil nuclear pact' gave a green signal to India's nuclear programme from the status of treating as 'illegal' to legitimising India's status as a nuclear power. Encouraged India to play a bigger role in Asia — stretching towards China and Central Asia. The rise of India as a regional power is meant to be the destabilization of the region. It may compel Pakistan to look for advanced weapon technology, triggering an arms race involving Pakistan, India and China. It provided India with an opportunity to manipulate US influence on Pakistan in its favour regarding multiple outstanding disputes between India and Pakistan. It endorsed support to India for a permanent seat in the UNSC, having intrusive implications for Pakistan's interests on a number of outstanding conflicts with India, like the Kashmir issue and the water dispute. As the India-US strategic partnership has a potential to place Pakistan in a less secure position, Pakistan, therefore, must use diplomatic channels to get a civilian nuclear agreement akin to the US-India civilian nuclear deal of 2005.