

Breaking down old barriers

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The recent visit Down Under by Indian External Affairs Minister S M Krishna has rekindled a difficult debate in Australia's relations with the rising giant of South Asia.

In talks with Australian counterparts on January 19 and 20, Mr Krishna revived New Delhi's call for Canberra to lift its tired ban on uranium exports, pointing out that nuclear energy could be a climate-friendly way of helping to meet the massive electricity needs of a nation seeking to lift hundreds of millions to a decent quality of life.

His comments confirm that the Australian Labor Party policy of forbidding uranium sales to India is a thorn in what should be one of Australia's crucial 21st century bilateral relationships.

Diplomacy, strategy, economics, climate change and notions of fairness - all these imperatives support a change of policy. It is time the government led by Julia Gillard mustered the political courage to agree to sell uranium to India for civilian use. This need only begin as an in-principle decision, subject to such protocols and safeguards Australia applies to others, such as China and Russia. This was the position the conservative government of John Howard reached in 2007. It would then be India's problem whether to accept Australia's reasonable conditions.

The strategic backdrop to this issue is that Australia and India are natural partners, multicultural democracies facing shared hopes and challenges in the Asian century. The new India's rapid economic growth and wealth of human capital complements Australia's combination of resources, development and proximity.

We are neighbours in the Indian Ocean. We face common security concerns, from terrorism to the potentially destabilising impact of China's military rise.

To be fair, the Labor governments led first by Kevin Rudd and now by Ms Gillard have made some real efforts to build the relationship, including with a greatly expanded diplomatic presence, high-level visits, a 2009 defence declaration, security cooperation around the Commonwealth Games, and preparations for a free trade agreement. They took reasonable steps to control and repair damage to relations after the dreadful attacks on Indian students.

The broader trade relationship has boomed: Australian exports of coal, gold, copper and some services continue to grow. India is finally getting beyond its misperceptions of an Australia tilting China's way - thanks in part to wikileaks cables describing Kevin Rudd's realism about Beijing. Despite woes over student welfare and visa rules, the broader human and cultural dimension to the relationship will keep expanding.

Privately, many well-informed Indians understand that today's Australia is nothing like the prejudiced, unsophisticated, unimportant, unreliable nation it has been caricatured as in parts of the powerful Indian media.

But, especially after the student crisis, championing Australia in India is hardly a popular move. So it remains an open question whether Indian Prime Minister Manmohan Singh will make a substantial visit to Australia later this year - beyond attending the Commonwealth summit in Perth - without movement on the uranium front.

Sadly, uranium has become a barometer of trust in the relationship. There is a strong view in the Indian elite that we Australians will not sell uranium because we do not trust India, and that New Delhi cannot afford to politically invest in Australia as a strategic partner until that changes.

This is a pity, because a proper strategic partnership could greatly benefit both sides. It could include, for instance, regular defence exercises, frank exchanges of actionable intelligence, and creative new arrangements for cooperation involving third parties, such as working with Indonesia, the United States or Singapore in policing the sea lanes.

So why not sell uranium to India? The simple answer is that it would supposedly weaken the international legal regime against the spread of nuclear weapons, the 1970 Nuclear Non-Proliferation Treaty (NPT) which India has not signed and effectively cannot sign.

The argument has long been that nuclear trade with India would undermine the NPT bargain. Under that imperfect pact, most nations gave up the right to acquire nuclear arms in exchange for international cooperation in nuclear energy, plus promises by the few legally-recognised nuclear-weapon states to disarm, one day. The worry has been that exempting India from these rules might lead Pakistan, Israel, Iran or North Korea to conclude that they too can have both the bomb and eventual nuclear commerce with the world – as if they did not already have their own reasons for wanting atomic armaments.

Members of the Australian Labor Party – a movement proud of its egalitarian ethos - need to consider the Indian point of view. Indians see the NPT as nuclear apartheid: allowing nuclear arsenals to be possessed legally by only the five countries that managed to test the bomb by 1967, the US, Russia, Britain, France and China. India has a dangerous neighbourhood, disconcerting nuclear neighbours in China and Pakistan, and, unlike Australia, no ally offering a handy nuclear umbrella. For all that, India's nuclear deterrent is small. New Delhi has a doctrine of no first strike, and supports the Obama Administration's push for global nuclear disarmament.

In any case, Australia's policy fastidiousness is fast becoming academic. Ever since the US-India nuclear deal, which Australia voted for at the Nuclear Suppliers Group, America and many other nations have commenced legitimate nuclear business with India. Canada has agreed to sell uranium. Even Tokyo, long Canberra's partner in disarmament diplomacy, is looking at allowing sale of civilian reactor components as it forges strategic links with New Delhi. Australia could soon be the world's only substantial nuclear exporter standing aloof.

There are no ideal outcomes in diplomacy, only decisions, and Canberra's full engagement with a rising India cannot be deferred forever.

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