

Fine to add fuel to India's fire

Rory Medcalf

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Officials from a developing country came to Canberra last week asking if we might sell them fuel to make electricity. The government said "perhaps". The opposition said, in effect, "no" – because the fuel was uranium and the country was India.

Labor reaffirmed what was until recently Australia's bipartisan stance: we consider selling uranium only to states that have, among other things, signed the 1968 nuclear non-proliferation treaty (NPT). If a Rudd Labor government is serious about engaging India while reducing global nuclear dangers, it will need a more contemporary policy.

India's rise is the largest experiment in peaceful, democratic development in history. It is about improving human welfare and self-respect on a scale most Australians cannot imagine. India has deep deprivation. Its economic growth is helping hundreds of millions of its people. This requires electricity – and cleaner air. Australian uranium could help.

Ties between Australia and India have long disappointed. For 60 years, we have shared a lacklustre diplomatic scorecard, resorting to clichés about shared affection for cricket. But matters have improved, with growing trade, including in coal and education services, plus Australia's post-9/11 recognition of common cause against Islamist terrorism. While India builds solid partnerships in many directions, there remains nothing special about its ties with us.

Yet there could be. Australian uranium's fuelling of India's rise in living standards would put us on the path to becoming an indispensable partner to the rising democratic power of the new century. Our relations with India could start approaching the bonds we have with Asia's other giants.

Then there's the NPT. Stopping the spread of nuclear weapons is an important goal Australia has long supported. We should not focus dogmatically on the NPT in pursuing it. The NPT is an imperfect instrument. Arguably, it has often helped curb nuclear proliferation. Sometimes it patently has not.

Other factors matter too. One is safeguards agreements allowing International Atomic Energy Agency (IAEA) inspectors to ensure civilian nuclear supplies are not being diverted for bomb-making: NPT states are bound by these but others can opt to be too. Another issue is that some countries have safer neighbourhoods or better-armed allies than others.

India won't sign the NPT until the world or the treaty changes, in ways that are hardly likely. The treaty embodies a double standard in which the powers of the 1960s excluded India. It recognises as nuclear weapons states only those countries that had already tested the bomb: the US, Russia, the UK, France and China. By the time India tested – in 1974 and 1998 – all it got was nuclear trade bans and indignation. So for India to sign the existing NPT, it would need to unmake its arsenal – which won't happen while Pakistan or China, or anyone, keeps theirs.

India needs to be treated as part of the solution. A recent about-face in US policy – a landmark deal allowing civilian nuclear trade with India – gives the world a chance to bring India into the non-proliferation order without signing the NPT. This would be a new double standard – it won't please Teheran or Islamabad – but one more in keeping with strategic realities and Western interests.

Last week's visit by Indian officials was partly to secure our help to amend multilateral rules to let the US and others begin civilian nuclear trade with an India outside the NPT. Such trade would still require India to accept tailored IAEA safeguards. Any Australian uranium sales to India should certainly be bound by strong safeguards, as are our sales to others, including China. It is not yet clear how strict India's safeguards will be.

But rather than dismiss the idea of selling uranium to India, Australia should keep options and dialogue open. In tandem – as some of our non-proliferation scholars have begun advocating – we could try pursuing a new international consensus on the nuclear arms agenda, on which the government has done little. But next time Australia convenes a Canberra Commission to rid the world of nuclear weapons, it had better include an Indian.

Rory Medcalf is program director for international security at the Lowy Institute for International Policy.