Indo-US Nuclear Deal: Furious lobbying to clear last lap

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New Delhi, Aug 7:

As the Bush administration pushes the outer limits of the political timeline for the passage of the controversial nuclear cooperation deal with India in the United States Congress, two potential stumbling blocks have become apparent in the process of securing exemptions for the agreement from the tough export rules of the Nuclear Suppliers' Group.

One of the stumbling blocks pertains to the United States' insistence on including prescriptive language on non-proliferation concerns in the draft it wants to circulate amongst NSG members, who are due to meet on August 21.

The second potential obstacle lies in the reservations and misgivings that many of the NSG's 45 member-states have about the deal and its implication for the global nuclear regime.

An important step in the deal's completion was achieved last Friday, when the Board of Governors of the International Atomic Energy Agency approved a special safeguards (inspections) agreement earlier signed by India with its secretariat. (India's attempt to get IAEA approval was blocked until a few weeks ago by strong domestic political opposition, which was undercut by the defection of the Samajwadi Party to the ruling coalition's side.)

The two steps remaining in the deal's completion are the NSG's unanimous support for unique exemptions for India from it export rules, and U.S. Congress ratification of a bilateral agreement signed last year with India, enabling nuclear commerce with it, although it has not signed the Nuclear Non-Proliferation Treaty, but has tested nuclear weapons.

Both Washington and New Delhi are furiously lobbying NSG members, key Congressmen and various influential interest-groups, including business associations, to complete the deal before the U.S. Congress adjourns on September 26 prior to fresh elections in November.

However, there is no unanimity amongst experts and observers that the nuclear deal can clear the political deadline for the U.S. Congress even if it wins an NSG exemption.

The draft prepared for the NSG by the U.S., and recently shared with India, has done multiple rounds between the two countries' capitals at different levels. The Indian government says that the text falls "far short of India's expectations" because it contains language which would be tantamount to the NSG asking India to accede to the NPT.

India has repeatedly declared that it cannot and would never sign the NPT, under which it would have to accept comprehensive or "full-scope" safeguards, allowing the International Atomic Energy Agency to inspect all its nuclear installations.

However, Washington argues that it would be difficult to secure a clean exemption for India from the NSG's nuclear commerce rules unless its member-states' non-proliferation concerns are adequately

addressed in keeping with a particular clause of its Guidelines.

India has long insisted on a "clean and unconditional exemption" from NSG rules. But David Mulford, U.S. ambassador to India, told the media yesterday that "unconditional" is a "provocative word" and oversimplifies the many issues and "many moving parts" involved in the process of seeking a "clean exemption".

How the differences might be resolved remains unclear. But it is plain that India has the upper hand in the dispute over the language of the draft.

It is also clear that the Indian government has virtually no room for manœuvre on the issue because of the commitments it has made to the country's Parliament rejecting any constraints whatever on its military nuclear programme and, beyond the agreed IAEA safeguards, on its civilian nuclear programme.

The second potential stumbling block is likely to prove more troublesome. The India-specific safeguards agreement did clear the IAEA Board of Governors on August 1, but many of the 35 Governors, who are also represented in the NSG, approved it with mixed feelings.

During the debate in the IAEA, more than 30 countries spoke on the safeguards agreement for over five hours. Of the 19 countries who are also members of the NSG, several including the U.S., Russia, the UK, France, Brazil, Japan, Australia, Germany and Finland, supported the deal and said it is good for non-proliferation.

However, China, the Netherlands, Ireland, Switzerland, Austria, Norway and New Zealand expressed reservations, in particular arguing that a one-off or unique exception should not be made for India in the global non-proliferation order. Some of them said the deal undermines the NPT and will set a negative example to nuclear wannabes.

Japan, which backed the deal in general terms at the G-8 summit last month, entered specific reservations and demanded that India must sign the NPT and the Comprehensive Test Ban Treaty.

Visiting Japanese Foreign Minister Masahiko Koumura also reiterated that demand when he met his Indian counterpart a day before the 63rd anniversary of the atomic bombing of Hiroshima.

Among the non-NSG members of the Board of Governors who spoke, Iran, Egypt and Malaysia objected to "the double standards" involved in the deal in unduly favouring an NPT not-signatory state. They are all members of the Non-Aligned Movement, of which India was a leader and founding member.

Pakistan originally circulated a sharp critique of the safeguards agreement, but withdrew most of its criticism at the BoG meeting, "evidently under U.S. pressure", says a Western diplomat, who insisted on anonymity.

Instead, in a turnaround, Pakistan welcomed the deal as a "historic precedent", which accommodates "the interests of a non-NPT nuclear weapons state", implying that a similar arrangement be offered to it too to promote "strategic balance" in South Asia.

"It is regrettable that the IAEA allowed itself to be bullied by the U.S. to change its own rules to accommodate America's parochial concerns favouring India," says Achin Vanaik, professor of international relations and global politics at Delhi University. "Earlier, the IAEA rewrote its own rules under American pressure to punish Iran, which had not violated its commitments under the NPT or the IAEA charter."

As the deal moves towards debate in the NSG, member-states which have expressed their reservations about or opposition to it are being keenly watched—and lobbied or offered allurements or disincentives.

If even one or a few of the 10 NSG members object to special and unconditional exemptions for India, the deal will fall through. The NSG works by consensus, and even a single member can veto a decision or resolution.

Not just the U.S., but even India, is now using coercive diplomacy on some of the NSG member-states. "We have never seen India using a 'with us or against us' approach before," says the Western diplomat quoted earlier. "India's traditional style of diplomacy is based on invoking principles and rational arguments of a non-discriminatory and universal kind."

But now, he adds, "India is leveraging its bilateral relations in a crude fashion, warning countries of unpleasant consequences if they don't support India, an emerging economic giant and a major military power that is also an ally of the U.S."

An avid supporter of the deal from the Indian media has described India's diplomatic approach as "pretty brutal".

Pushing the nuclear deal has taken a heavy toll of India's image as a state which professes and largely practices non-coercive diplomacy and commands a degree of moral authority because of the progressive positions it used to take in the past.

"That is a sad comment on the role India is playing to promote its narrow military interests and its strategic alliance with the United States, and to preserve and expand its arsenal of mass-destruction weapons," says Vanaik.

"It would be an even greater disgrace", he adds, "if the NSG grants its approval to the deal, subverting its own rules. That would only show that the world's elites have no compunctions in capitulating to crass coercive diplomacy in violation of the principles and policies they advocate—even if that works against the interests of global security and peace."