

The India Syndrome

U.S. nonproliferation policy melts down.

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LAST WEEK, PRESIDENT BUSH played a card that President Clinton and, before him, President Carter, had only toyed with: guaranteeing India, a nuclear weapons state that has not signed the Nuclear Nonproliferation Treaty (NPT), full access to civilian nuclear energy goods. The president did this in the name of great power politics: Court India, a rising power, to help counterbalance China. But in doing so, he kicked to the side decades of nonproliferation policy and international agreements, while also pledging to ask Congress to overturn existing U.S. law, which prohibits such assistance.

In essence, President Bush promised visiting Indian prime minister Manmohan Singh to treat India as if it were Great Britain or France--giving New Delhi open access to U.S. and international nuclear fuel and reactors, advanced U.S. nuclear technology, and the freedom to make as many nuclear weapons free from international inspection as it wants.

Indian officials, of course, wanted more: They demanded that the United States explicitly recognize India as a nuclear weapons state under the NPT. After wrangling with the Indians, who tried to get this specific language into the U.S.-Indian joint statement (delaying its release for several hours), senior White House officials finally dug their heels in and said no.

But why? The White House had already given in on every other Indian nuclear demand. If the United States was fully prepared to treat India as if it were one of the original five nuclear weapons states that signed the NPT, why not say so?

Part of the answer lies with the treaty itself: No nuclear weapons state other than the original five that signed the NPT in 1968 can formally be granted that same privileged status without every other NPT member agreeing to so admit them. On this, U.S. officials knew they could not deliver.

This might seem like a relatively minor point, except that it reflects the underlying rationale of the NPT that nuclear proliferation would be controlled by states foregoing weapons in exchange for access to controlled and monitored civilian nuclear power technology. Treating India as though the rules of the international nuclear proliferation regime don't apply to it can't help but make stemming proliferation even more difficult today and in the future.

For example, China has said it wanted to sell Pakistan two reactors earlier this year but Washington objected, since this would violate guidelines forbidding such sales to non-NPT states that refuse to open all of their nuclear facilities to inspections. Is the United States now willing to look the other way? And what about Israel? It has long sought advanced computers for its nuclear weapons-related research institutes. But those same guidelines have banned such sales. Is the United States now willing to let such sales proceed? Even if countries like Egypt would take this as an invitation to begin nosing their way out from under the NPT regime (as Egypt indeed recently threatened to do)?

Then there is Iran. How can the United States maintain or increase its leverage over Russia, Germany, France, and Britain to keep them from appeasing Iran's "civilian" nuclear ambitions if we are encouraging international civilian nuclear commerce for India? New Delhi never signed the Nuclear Nonproliferation Treaty, has tested a bomb, and refuses to open all of its civilian nuclear facilities for inspection. As yet, Iran is not guilty of any of these.

And what of Brazil, Libya, Argentina, Ukraine, and South Africa--all states that once had nuclear bombs or weapons programs but chose to give them up and sign the NPT in exchange for international civilian nuclear cooperation. Will they think they made a mistake? If we make good on our nuclear offers to India, how likely is it that they (not to mention other nuclear dabblers like Japan, Taiwan, South Korea, Algeria, and Saudi Arabia) will all remain passive?

Finally, there's the question of how discriminating the United States and its friends are going to be in sharing nuclear power reactors, with all of their attendant proliferation risks (hazards that Secretary of State Condoleezza Rice cited earlier this month when she announced that the 1994 reactor deal with North Korea was officially dead). Backers of reactor aid to India insist nuclear power is a timely fix for India's oil and natural gas consumption, coal pollution, and global warming. But if it is, it is hard to see why anyone should be deprived of nuclear power.

No one seems to be asking the basic question of whether doing all this damage to the nuclear nonproliferation regime is the best way to tackle India's energy woes. The fact is, about half of India's energy now comes from the burning of cow dung and twigs. The best way to fix this--in the name of sanitation and global warming--is to go with what's most economical. Given the location and the consumers involved, that means bypassing the difficult, costly task of hooking them all up to India's incomplete electrical grid and instead deploying small, decentralized energy systems (e.g., windmills, small hydro, and biomass). The next biggest chunk of India's energy consumption, roughly a third, consists of oil used to power cars and trucks--vehicles that are unlikely to tap into electricity-generated fuel for decades.

That brings us to electricity, about 20 percent of the energy India consumes. An overwhelming proportion of this--60 to 80 percent--comes from the burning of coal. Coal's dominance in India is unlikely to change soon. (India sits on the world's third largest reserve.) As the *Wall Street Journal* recently noted, the quickest way for India to get more and cleaner electricity is for it to mine, transport, and burn coal more cleanly.

And what about nuclear power? It provides less than 3 percent of the electricity India consumes. Why is the nuclear contribution so small? It is hobbled by government design. The Indian government walled off its civilian nuclear program from private or local ownership, as well as from foreign investment and management. As a result, India's civilian nuclear program is exceedingly expensive, egregiously mismanaged, and technically overambitious. None of this--no matter how much help the program gets from the outside--is likely to change anytime soon.

The realist rejoinder to these points is that, however slight the economic merits of nuclear aid to New Delhi might be, New Delhi wants the help, so we should give it. If we want to keep India from buying energy from Iran, and have it counterbalance China, nuclear aid, they argue, is simply the price of doing business.

This sounds plausible, except for one thing: The Indians are quite clear that they are not about to cooperate. Good relations with Iran are critical for India to gain access to affordable natural gas and to fend off terrorists from Afghanistan. China is a country India wants to gain investment from, not someone it wants to ruffle, least of all by acting as Washington's geopolitical pawn. There surely is no Indian desire to ramp up nuclear or military production to match Beijing weapon-for-weapon.

This suggests that while it may make sense to help India grow its economy, using New Delhi as a strategic fix for a rising China is hardly in the cards. Indeed, until India sees that it is in its interest to align itself firmly with the United States, all that Washington will get from New Delhi is a list of goodies that it wants as it plays the role of the newest pretty girl on the block.

The irony in all of this is that one of the reasons India sought relief from the current set of nuclear rules is that they are actually working. Specifically, the French, who run most of the uranium mines in Africa, have been blocking sales of fresh uranium to non-NPT states like India. The Russians, in a fit of law-abidingness, recently told New Delhi they could no longer supply it with nuclear fuel for its two light water reactors at Tarapur. The net result has been that India has had to run its reactors less to save fuel. That the U.S. offer to India has undercut the French and Russians' adherence to the rules is more than a bit awkward.

WHAT THEN SHOULD WE DO? First, recognize that with presidential initiatives of this sort, taking it all back isn't really much of a political option. Still, the United States can and must assure the

world that it will in no way weaken existing nuclear restraints in creating the legal nuclear easements it promised India. Congress and the administration, at the very least, must insist that all previous legal nonproliferation understandings regarding U.S. nuclear transfers to India will continue to be upheld. U.S. prior consent, for example, must continue to be required, as it always has, before any U.S.-origin spent fuel can be reprocessed.

Second, if we are to take seriously India's pledge to behave just like the other nuclear weapons state members of the NPT, India's receipt of nuclear benefits should be conditioned on its behaving as if it were one. On this point, India has a ways to go, and we should not tire of pointing this out. Every one of the NPT's nuclear weapons states--Russia, China, France, Britain, the United States--for example, has stopped making fissile materials for bombs and has so declared. All but one--China--have declared at least some portion of their military fissile stockpiles to be in excess of their military requirements. India has been asked to do likewise, but has refused. It claims to support adoption of a formal treaty ending such production, knowing full well that this treaty has been under negotiation for years and is unlikely ever to be adopted. Neither the United States nor other nuclear supplier states should settle for this.

Similarly, every NPT nuclear weapons state has declared that all of its reactors that are connected to an electrical grid are civilian facilities subject to international inspections. India continues to mix its dedicated military facilities and its power reactors but has now pledged to separate them. At a minimum, we and other nuclear supplier states must insist that New Delhi declare that any reactor that's already hooked to India's electrical grid is a civilian facility. Following the lead of all other NPT nuclear states on this point should be made a condition to gaining free access to controlled nuclear goods.

Finally, as a practical matter, a majority of NPT weapons states--the United States, France, and Britain--allow foreign or private investment in, ownership, and management of their civilian nuclear utilities and facilities and have nuclear liability insurance arrangements sufficient to secure such investment. It would be a grave mistake for the United States to demand anything less of India.

In the best of worlds, the Bush administration should never have opened this nuclear door. The geopolitical and economic benefits to be gained are uncertain, while the costs to our nonproliferation policies will be high--and potentially dangerous. But the fateful step having already been taken, it is imperative that the administration and Congress make the best of it by insisting that, if India is to be treated as if it were an NPT nuclear weapons state for the purpose of transferring nuclear goods, it must at least live up to its past nonproliferation commitments and behave as other responsible nuclear weapons states do.

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