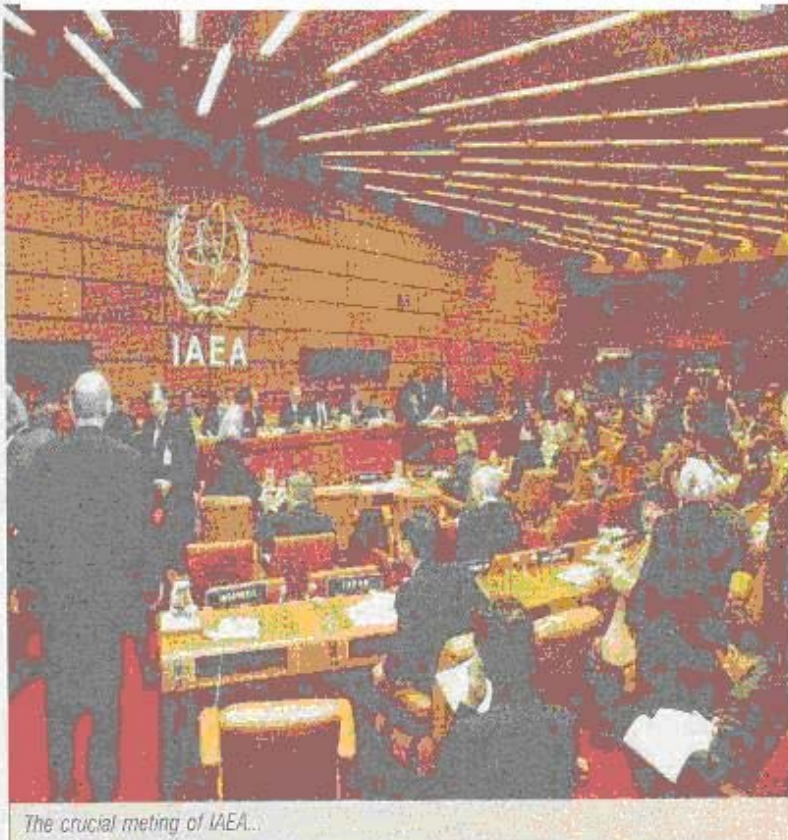


NSG waiver goes critical!

The NSG clearance is a watershed in the International policies pursued by India. It will pave the way for India being accepted as a nuclear technology capable nation with nuclear weapon capability. International equations and compulsions have enabled the country to achieve the opening up of nuclear commerce for India. The diplomatic machinery of the country, well with its persistence has achieved something which would not have been imaginable a few years back



The crucial meeting of IAEA...

The NSG waiver goes critical!

It is the general practice that most of the exercises which go on to make a reactor critical for the first time happen at midnight. And so the “chain reaction” of India’s ushering into the nuclear community became critical after midnight efforts on 6th August in Vienna. This is bound to lead to a chain reaction leading to many developments. After hammering out the India specific IAEA agreement smoothly and successfully in which India, a non signatory to NPT, was conceded weapon status, the NSG clearance which called for consensus did produce some anxious moments. After protracted diplomatic exchanges finally the NSG has given waiver for nuclear commerce with India ending 34 years of nuclear isolation. Some non proliferation hardliner countries had withheld giving concurrence for almost 72 hours but the US persistence yielded the results. Throughout China had maintained a stoic silence and finally absented itself from the meet. But the Chinese foreign minister during his visit to Delhi subsequently assuaged the feelings and asserted that China never opposed the waiver. Whatever that may be, it had the stamp of Chinese mysticism. The national compulsions have guided the 3 or 4 of “nay” countries because of their strong national anti nuclear lobby and are traditionally against nuclear power. They showed a “holier than thou” attitude for non proliferation more than the high priest itself who stitched together the NSG in 1974 primarily targeting India. A lot of persuasive diplomacy on the part of USA finally yielded the result. It is significant to note that India has

superior nuclear technology than most of the NSG countries. Maybe, some of the NSG countries would be importing nuclear technology from India in the near future! Anyway after a lot of labor pains the baby has been delivered.

Domestic criticisms...

At the national level we hear a wide spectrum of reactions from outright criticism of the waiver even terming it as a “sell out” to being applauded as a “historic step” from many as expected. Curiously the small group of countries which opposed India’s entry at the NSG meet and the opposition parties at the national level which shouted hoarse had diametrically opposite reasons for doing so. The former for giving India more and the latter for India getting less and both had mostly extraneous reasons overlooking the merits of the case. Finally in any case it had to be somewhere in between and that is what happened. International bargaining and negotiations invariably involves give and take and one has to weigh the advantages with possible limitations particularly when the latter is under futuristic hypothetical scenarios as in this case. Such negotiations cannot be termed as “sell out”.

Bilateral nuclear co-operation agreements...

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The decision certainly marks a watershed in Indian foreign policy and in the international acceptance of India as an emerging political and economic power. This landmark decision brings us one significant step closer to raising the opening up of the nuclear industry to the international mainstream.



acceptance of India as an emerging political and economic power, grudgingly nevertheless. The flexing of muscle by India in 1974 and in 1998 and its clean non proliferation record did play a part in achieving this acceptance. This landmark decision brings us one significant step closer to realizing the opening up of the nuclear industry to the international mainstream. This supply of oxygen was badly needed by the nuclear industry in India to make its impact both at the national level and internationally. Now it has to go to the final step of the bilateral agreement with USA. But for arriving at bilateral agreements with other countries notably France and Russia which are ready waiting on the wings for a long time this can happen straightaway without any hitch. As has been pointed out the bilateral agreements with France and Russia will not involve any of the tortuous steps since both are geared to jumping into cooperation with India with the necessary machinery ready. In the case of Russia the cooperation agreement to set up two power reactors at Koodankulam is already operational. The two reactors are expected to feed power into the grid anytime now. The agreement to have additional 4 reactors is already on the drawing table and is only waiting for the pre-requisite NSG clearance. Of course the financial details have to be worked out.

The USA has its own interest to get domestic clearance without any further commitment from India for its own bilateral program if it has to jump into the bandwagon of commerce with India. And so the US is sure to pilot it to a successful landing. In spite of the non proliferation lobby in the US Senate, it is hoped that the 123 agreement will materialize without any further concessions from India. It looks that we may have to wait for this before entering into other bilateral agreements. The operational part of these agreements may also pose challenges and a great deal of diligence is required.



The fallout from the NSG waiver...

The fallout from this epoch making developments does not confine to the nuclear power sector alone or to India emerging as a nuclear power keeping its weapons program un-touched. It extends much beyond that. And that is the reason it has taken such a long time and had become a subject of so much debate and discussions. There had been no other single agenda of foreign policy which had attracted so much attention in India and in international forums. On the technological front the space activity

are likely to get a boost and one can expect more co-operation in this area with US and other countries. The launch capability of Department of Space has already made an International commercial impact. On the political front the world equations are being re-drawn. The obsession of USA to equate India with Pakistan from the cold war era is a matter of history now. Now USA is publicly stating that India is of a different class altogether and Pakistan cannot expect the same treatment. The timing of the leaked news of how not only North Korea illegally collaborated with Pakistan but how China also had a hand in the development of nuclear weapons by Pakistan is significant. The admission that US aid to Pakistan is being diverted to terrorist war against India is another important admission. The stoic silence maintained by China at the NSG meet and its finally absenting itself from the meeting may also have something to do with the rewriting of the political equations. India has emerged as a State which commands attention in the US politics and is moving towards the centre stage without having the burden of Pakistan around its neck. The developments on the nuclear front also coincided with the peaceful transition of military dictatorship to democratic process in Pakistan and may lead to a change of attitudes.

International and intra-national proliferation

There is some confusion about non-proliferation objectives of the USA. It could be intra-national and international. The intra national objective is to ensure through IAEA that the imported materials will not go into the weapon making facilities in the country. This incidentally is a new experience for the IAEA. I suspect that the international non proliferation objective would have been also paramount in the minds of strategists in USA. That a country with so much nuclear capability and climbing up the economic ladder cannot be kept outside the global non proliferation regimes if its objectives have to be met. Contrary to what the opponents in USA think, the waiver will only help the global non proliferation objectives and not damage it.

NSG waiver

Now coming to what has happened at the NSG meet. The waiver document is still not released and though we already know of its essential contents but not the details. The *suo motto* statement by the Foreign Minister of India seems to be an annexure. The statement as reported in the press if carefully read has not conceded anything over and above the declared policies. The unilateral moratorium on testing is reiterated, India will work towards a “multilateral” fissile material treaty and will contribute to the international non proliferation regime. All these have been the accepted policies of Government of India since long. India at the time of FMCT discussions stated that it will look at the treaty only if it is

applied “multilaterally” i.e. if it is accepted by all countries including the Weapon States. So we have not contradicted any of our policies nor have we conceded anything except underlining those. It was one of the diplomatic masterstrokes which enabled a favorable decision in Vienna.

Freedom for testing



Let us consider that we don't go in for these agreements. Does anybody think that India is free to test a weapon unilaterally at its sweet will without facing both economic and political repercussions?

The question of freedom for testing and national sovereignty has been raised by some. Let us consider that we don't go in for these agreements. Does anybody think that India is free to test a weapon unilaterally at its sweet will and pleasure without facing both economic and political repercussions? The same situation continues even after the NSG waiver. The fact is that “freedom for testing” making it look like a “sovereign right” is a very good slogan which can move the public emotionally. But hard ground realities are different. Further, testing is required to develop the bomb technology and to have a.

minimum deterrent. According to the Government soon after 1998 tests those objectives have already been realized. It went in for the moratorium on testing due to that assurance. Even USA successfully dropped a bomb after just one testing. Who knows what will be the compulsions at a future date? When compulsions change international equations also are bound to change. As a matter of fact USA has signed the CTBT but has no intention of ratifying it. We have neither signed that nor ratified it. So we are a step better than USA. I think the status of the nuclear deterrent capability at least for the foreseeable future does not depend solely on testing and it is a public misconception. There are various other means of achieving those requirements. And hence India declared a unilateral moratorium on testing in 1998. Internationally it is understood that India does have the deterrent capability and every country understands and respects it. It is a diplomatic success that the term “testing” is not mentioned in any of the documents.

Nuclear fuel supply

The non availability of local uranium supply is now placing India under a constraint for meeting nuclear power targets and also has impact on the defense applications. If anything, this opening up will somewhat ease the situation regarding maintaining the deterrent capacity since the civil fuel



Reprocessing technology:

requirement can be solely met with imported fuel. The large power outlay that is envisaged can be achieved only with the international input of material and technology. In the absence of the agreements both the nuclear power sector as well as the strategic applications would have suffered due to constraints in availability of uranium.

Reprocessing Technology

It is too naïve to believe or expect that the reprocessing capability for the strategic applications will come out of international co-operation. Any country has to develop its strategic capability only from indigenous resources. And so are we. As a matter of fact we have built up our own indigenous reprocessing technology for the last 4 decades which is what is serving us today. What is the harm if an improved industrial level reprocessing technology gets imported under IAEA safeguards control to serve the civil nuclear program? It is going to be good for our fast reactor program as well and making us achieve ultimate fuel self sufficiency eventually through this path. We don't need or expect any technological input for our strategic applications. Even for reprocessing we do not need imported technology, but we need material and hardware import support due to lack of industrial infra structure in the country. This will enable us to leap frog in technology and help us to meet our goals.

Watershed in International policy:

All in all the NSG clearance is a watershed in the international policies of India. And will pave the way for India being accepted as a nuclear technology capable nation with nuclear weapon capability. India has got away without signing NPT and free to have nuclear commerce with any country of its choice for its civil nuclear program. We should not expect the right for testing to be documented in an International document. It is too naive to expect so.

In short, International equations and compulsions have enabled the country to achieve the opening up of nuclear commerce for India. The diplomatic machinery of the country has performed well with its persistence and has achieved something which would not have been imaginable a few years back. Both the international opposition and the national opposition have limited portfolios mainly un-connected with the merits of the basic question of the urgency for removing the embargos. Persistence of our diplomatic efforts ultimately paid off. The USA even stated that if NSG insists any deviation from the agreed draft, India is likely to walk out. The Foreign Minister's quip to the press that “if we get it we get and if we don't get we don't” is typical of the diplomatic nonchalance which India exhibited making it clear that the international community will also be a loser by keeping India out of it.

Looking ahead:

The removal of embargos can free us from the certain possibility of oil crunch, get freed our coal resources for industrial purposes thereby achieving diversification of energy sources and attain mandatory carbon credits. It may provide impetus for our fast reactor program by way of better infra structure development and availability of more plutonium albeit its being under safeguards. It can enable us to keep pace in the race for nuclear power with many Asian countries planning for significant installation of nuclear power. The risk in the measures adopted for opening up of the nuclear industry had to be taken sometime and it is good it is happening now. The status quo would have made the nuclear power inconsequential and lead to its withering. For strategic applications the limiting factor is our own resources and so will not make any difference. But if embargos are removed there is at least a prospect of freeing more of the domestic fuel resources for those applications.

All around impact of the NSG waiver is expected to be felt by not only the civil nuclear industry but also in other areas such as space applications. Further it will have political and economic outfall. The potential for India becoming and important nuclear technology supplier country would open up.



To meet the challenges...

However there is need for intense and careful follow up in formulating the various bilateral program documents. The road ahead is equally tortuous in the implementation of the various agreements. Though the IAEA and NSG agreements are passports for entry into bilateral program with individual countries, it is only a necessary condition and not a sufficient condition. Even with this a few countries can deny any nuclear commerce with India quoting their own policies and imposing un-acceptable conditions. There are likely to be commercial and political considerations in selecting the partners. Maybe there should be an expert cell in MEA to handle this! Further robust planning is required in the areas of legislation, regulatory licensing, and national safeguards set ups to support such a large program in public and private sectors. The Indian set up is new to private participation in this area and has been operating under a protective secrecy cover even in matters where transparency would have been ideal. Migration from this mind set and graduation into a more transparent management process has to take place. We need to organize industrial level infra structure in areas such as fuel fabrication, fuel storage, reprocessing, waste management and

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decommissioning and set up appropriate fuel fabrication, fuel storage, reprocessing, waste management and decommissioning and set up appropriate stable electricity distribution grids and transmission. The challenge of fleeing manpower would also have to be faced. To conclude the challenges of transition into a major nuclear power technology country has to be successfully met.



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