

HD Burying Past with N-deal

WC 1,038 words

PD 11 September 2014

SN New Indian Express

SC NIEXPR

LA English

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Burying Past with N-deal

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Burying past differences, Australia and India opened a new chapter in bilateral ties when during prime minister Tony Abbott's visit last week the two nations signed an agreement on civil nuclear cooperation that entitles India to buy **uranium** from Australia after years of negotiation. Abbott underlined that the decision signalled trust with the "world's emerging democratic superpower". This deal became possible because according to Abbott, "India has an absolutely impeccable non-proliferation record" and "has been a model international citizen" threatening none. It was the Australian prime minister's predecessor, Julia Gillard, who had paved the way in 2012 for a **uranium** safeguards agreement that has finally allowed the country to export **uranium** to India. The safeguards pact is viewed as critical by those who have opposed the changing Australian policy of nuclear trade with a country like India that has not signed the Non-Proliferation Treaty (NPT). By underlying strict requirements on the safe use of nuclear fuel and specifying regulations in consonance with the global nuclear regime, Canberra is keen to signal its continued adherence to international nuclear standards even as it reaches out to New Delhi to give a boost to its **mining** industry.

Though the safeguards pact took almost two years to finalise, the change of policy by Canberra has been a remarkable development and needs to be recognised as such. Australia has the world's largest deposits of **uranium**, and major Australian **mining** companies are looking to expand production as the global demand for nuclear power grows over the next decade. India's civilian nuclear industry is expanding, as the number of operating plants is expected to increase from 20 to more than 60 over the next decade. Gillard was successful in persuading her Labour Party in 2011 to overturn the party policy of opposing **uranium** sales to a nation that was not a signatory to the NPT, despite significant opposition. The Labour government's decision to reverse the Australian policy of allowing the **sale of uranium** to India as enunciated by its predecessor had been a big blow to Australia-India ties. It was Kevin Rudd, the former Australian prime minister, who had imposed the ban, on the grounds that India was not a signatory to the NPT. Washington had to pull out all the stops in convincing the Gillard government that, given the strategic importance of India, Canberra needed to change its policy on **uranium** sales.

And Gillard could point to the US-India civil nuclear pact that has brought India into the global nuclear mainstream. Australia has the world's largest deposits of **uranium**, so it always made economic sense for it to sell more to an **energy**-hungry India. Moreover, it is difficult for Canberra to justify a ban on **uranium** exports to India, a fellow democracy and a country with impeccable non-proliferation credentials, while continuing to send **uranium** to **China**, which has been the most important factor in the weakening of the non-proliferation regime in view of its relationship with Pakistan. Australia has 22 bilateral nuclear cooperation pacts with countries, including the US, **China**, Taiwan and South Korea. Even as other nuclear-supplier nations have been lining up to sign civil nuclear pacts with India, Australia found itself marginalised. After the Nuclear Suppliers Group, of which Australia is a member, decided to carve out an exception for nuclear material exports to India in 2008 by granting it a special waiver, there was no logical reason for Australia to continue with its policy of a ban on **uranium** sales to India. Moreover, the geostrategic environment in the Indo-Pacific has undergone a rapid transformation in recent years, with the rapid rise of **China**.

Washington has been working to transform the US-Australian partnership from "an Asia-Pacific alliance to an Indo-Pacific alliance". Australia's ties with **China** have also been difficult in recent years and

building bridges with India underlines the evolving strategic reality in the region. The two states have a shared interest in managing the Indo-Pacific commons, including the very important sea lanes of communication. Closer maritime cooperation between New Delhi and Canberra is crucial in managing the growing turbulence in the Indian Ocean region. In a sign of growing defence ties between the two sides, A K Antony became the first Indian defence minister to visit Australia in 2013. Bilateral trade between Australia and India is growing and is projected to reach \$40 billion by 2016 as negotiations on the Comprehensive Economic Cooperation Agreement continue. India is now the fifth largest market for Australian exports. As the Indian economy grows, Australia will continue to be a major supplier of minerals and fuel. Bilateral trade with India is worth only \$15billion—about a tenth of that conducted with China, Australia's top trading partner.

Despite recent tensions regarding attacks on students of Indian origin, Australia has continued to grow in importance as a destination for higher studies. Indians are Australia's fastest growing immigrant community. It was in 2009 that the two sides decided to elevate their ties to a "strategic partnership." But as is true of all such "strategic" partnerships, nothing substantive has come out of it. The Indian bureaucracy has mastered the art of scuttling momentum in any relationship, and India-Australia is no exception. With Abbott's visit, Australia has underscored its commitment to its ties with India and signalled its seriousness about a robust partnership. As a gesture of goodwill, a \$5.6m Shiva Nataraja which was bought by the National Gallery of Australia, and a \$300,000 stone Shiva with Nandi were handed back to the Indian government, after the latter requested their return in March. Abbott wants a "partnership commensurate with our countries' history and heritage, and our people's easy rapport with each other— mines and minds, if you like". It is time now for New Delhi to reciprocate. The last trip to Australia by an Indian prime minister was in 1986. There is more to the India-Australia relationship than "cricket, Commonwealth and a common language". And New Delhi should not be shy of taking advantage of this growing convergence.

IN i211 : Metal Ore Mining | ibasicm : Basic Materials/Resources | imet : Mining/Quarrying

NS e512 : Physical Trade | gdip : International Relations | e51 : Trade/External Payments | ecat : Economic News | gcat : Political/General News | gpir : Politics/International Relations

RE austr : Australia | india : India | ndelh : New Delhi | delhi : Delhi | apacz : Asia Pacific | asiaz : Asia | ausnz : Australia/Oceania | bric : BRIC Countries | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | indsubz : Indian Subcontinent | sasiaz : Southern Asia

PUB Express Publications (Madurai) Limited

AN Document NIEXP0020140911ea9b0005r